

Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

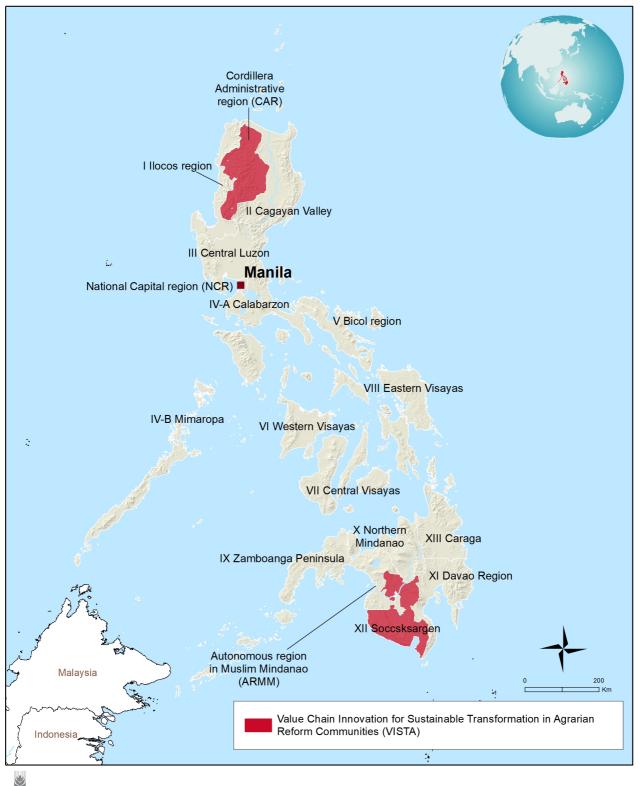
Main report and annexes

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

IFAD Map compiled by IFAD | 08-08-2023

J

Abbreviations and Acronyms

ACDoD	Appuel Country Programme Deview
ACPoR	Annual Country Programme Review
ADB	Asian Development Bank
AFMA	Agriculture and Fisheries Modernization Act
ARBO	Agrarian Reform Beneficiaries Organization
ARC	Agrarian Reform Community
ARCC	Agrarian Reform Community Cluster
ARDKPP	Agriculture and Rural Development Knowledge and Policy Platform
ATI	Agriculture training Institute
BFAR	Bureau of Fisheries and Agricultural Resources
BSWM	Bureau of Soils and Water Management
BTr	Bureau of Treasury
CCR	COSOP Completion Review
CDA	Cooperative Development Authority
CDP	Comprehensive Development Plan
CLPE	Country-Level Policy Engagement
COSOP	Country Strategic Opportunities Programme
CSOs	Civil Society Organizations
DA	Department of Agriculture
DAR	Department of Agrarian Reform
DENR	Department of Environment and Natural Resources
DIFS	Diversified and Intensified Farming Systems
DoF	Department of Finance
DTI	Department of Trade and Industry
EARCC	Expanded Agrarian Reform Community Cluster
F2C2	Farm and Fisheries Consolidation and Clustering
FCA	Farmers Cooperatives and Associations
GDP	Gross Domestic Product
GNI	Gross National Income
GoP	Government of the Philippines
ICT4D	Information and Communication Technology for Development
ICP	IFAD Client Portal
IFAD	International Fund for Agricultural Development
IPs	Indigenous Peoples
IPGN	IFAD Philippines Gender Network
IPO	Indigenous People's Organization
IPRA	Indigenous People's Rights Act
IRCs	International Research Centers
JMO	Joint Memorandum Order
LGU	Local Government Unit
KLMPE	Knowledge Learning Market and Policy Engagement
M&E	Monitoring and Evaluation
MIADP	Mindanao Inclusive Agriculture Development Project
MLGU	Municipal LGU
MOA	
	Memorandum of Agreement
	National Agriculture and Fisheries Modernization and Industrialization Plan
NCI-SRD	National Convergence Initiative for Sustainable Rural Development
NCIP	National Commission on Indigenous Peoples

NDC	Nationally Determined Contribution
NEDA	National Economic and Development Agency
NRM	Natural Resource Management
PDP	Philippines Development Plan.
PIM	Project Implementation Manual
РМО	Project Management Office
PFSD	Partnership Framework for Sustainable Development
РРМ	Participatory Planning and Monitoring
PSA	Philippine Statistics Authority
RDC	Regional Development Council
RIU	Regional Implementing Unit
SDGs	Sustainable Development Goals
SIAD	Sustainable Integrated Area Development
SO	Strategic Objective
ТоС	Theory of Change
VC	Value Chain
VCD	Value Chain Development
VPO	Value Chain Participating Organization
VISTA Glossary	Value Chain Innovation for Sustainable Transformation of Agrarian Reform Communities
Terminology	Definition for this report
Inclusive VCD	Interventions promote inclusiveness and empowerment of poor people in a value chain.
Strategic Investment Plan	A comprehensive plan for value chain development that has been based on a value chain analysis. It identifies market potential, constraints and priorities for investment to improve profitability and generate benefits for all value chain stakeholders, particularly the target group.
Value Chain	The full range of activities for a product to move to market - including resource development, inputs, production, processing, marketing, distribution and final market destination.
Value Chain Development (VCD) Approach	Comprehensive support of the entire commodity chain, from producers to end-market consumers. Inherent is acknowledging inter-relationship between all stakeholders in the chain (in addition to the target group). Intervention at more than one stage can have a greater impact on poverty reduction
Value Chain Analysis	Detailed analysis of the entire value chain to identify an approach to optimize impact, with a focus on optimizing benefits for the project target groups.

Value chain financing instruments across a value chain that work in synergy to enable all parts of the value chain to function effectively. The types of finance can include investment loans for land improvement, cashflow loans for input and production, capital loans for equipment or facilities, insurance products, financing to local government to improve local services and infrastructure, marketing support loans amongst others. The package of financing may need to be coordinated across different sources and types of financial service providers.

In line with IFAD mainstreaming commitments, the project has been validated as:

 \square Be gender transformative \square Be youth sensitive \square Be nutrition sensitive \square Prioritize persons with disabilities \square Prioritize indigenous peoples \square Include climate finance \square Build adaptive capacity

Executive Summary

The Philippines has made progress in poverty reduction, but rural areas lag behind. Poverty in rural areas is three times higher than in urban areas due to poor agricultural practices, weak producer organizations, lack of infrastructure, and poor access to markets and finance. Upland areas are even more impoverished due to remoteness and environmental vulnerability. Population growth and urbanization are causing deforestation and resource depletion.

The **Project Goal** for VISTA is to "<u>Reduce rural poverty and increase food security while protecting and enhancing the natural</u> <u>ecosystems in vulnerable upland areas.</u>"**Project Development Objective (PDO)** is to "<u>Increase income and employment of target</u> groups in fragile upland areas, including women, youth and IPs, through the strengthening of inclusive value chains with conservation and sustainable use of the natural resources and climate resilient practices."

Project Area: The proposed project area covers the upland areas of two regions, Region XII on the island of Mindanao and the Cordillera Administrative Region (CAR) in Luzon.

Target groups. VISTA interventions will directly benefit 70,000 smallholder households (approximately 350,000 people) engaging with the production of selected crops. Of the total beneficiaries, at least 50% of the project beneficiaries will be women. The total number of beneficiaries should also include at least 30% IPs and 20% should be young people (18-35 years). As a gender transformative project, strategies to encourage participation of **women** will be implemented in all aspects of the project including a focus on supporting women leadership, identifying specific needs of local women's groups, IP women and young women.

The areas where the Agrarian Reform Communities (ARCs) are located will be the primary entry point for project activities (about 100 ARCS covering approximately 434 Barangays in fragile upland areas. For reasons of scale and implementation efficiency, the project will initially target ARCs in the target regions and expand to similar adjacent poor communities that also have potential to engage in the targeted anchor crops.

The VISTA project will focus on the two "anchor crops," namely coffee and cacao, but incorporate the need to work within the broader integrated cropping systems for both strengthening food security and nutritional benefits for poor households as well as minimizing environmental degradation. These crops have potential for integration in sustainable farming systems (e.g. root crops, vegetables, chayote, and nut trees) which can contribute to food security, improved nutrition and livelihood resilience.

VISTA is designed to address the main causes of rural poverty and create economic opportunities for the poor smallholders including women, youth, and IP. The project will protect and enhance natural resource base while contributing to climate change adaptation, thus increasing the resilience of its target group. Interventions to enhance upland farm ecosystems will be prioritized for sustainable development of selected value chain anchor crops. This will be achieved through the interventions provided in three interlinked components of the Project.

Component 1 (Ecosystem Planning, Protection and Enhancement) sets the foundation for sustainable agricultural practices, focusing on enhancing the resilience of local communities to the effects of climate change. This component's core strength lies in its holistic approach to establishing a sustainable groundwork for value chain development. **Component 2 (Sustainable Value Chain Development)** will provide support to beneficiaries for new or improved agriculture inputs, technologies or practices for value adding activities and strengthening of the rural producer organizations and their smallholder members' capacities in the selected value chains with improved access to business development services, financial services, markets, and productive facilities. **Component 3 - Project management** aims to ensure strong links among components, efficient, integrated planning, monitoring and evaluation processes; coordination mechanisms, and partnership with key stakeholders including the private sector necessary to adequately support convergence approaches.

The **Department of Agrarian Reform (DAR)** will have overall responsibility for implementing the project. The **Department of Agriculture (DA)** will be the collaborating agency for this project. The **Project Steering Committee (PSC)**, chaired by the DAR and consisting of members from the DA, DENR, DILG, DTI, NEDA, DOF, DBM, PCW, PS, VPO Rep, and other relevant institutions, will serve as the governing body and provide policy direction and overall coordination mechanism. **Central Project Management Office (CPMO)** will be established at the national level to manage and coordinate overall implementation. **Regional Project Management Offices (RPMO)** will be created in the Cordillera Administrative Region (CAR) and Region XII. **Provincial Project Management Office (PPMO)** will be established at the Provincial Support Services Division (SSD). **Coordination Committees** will be organized at the Regional and Expanded ARC Cluster levels.

The total project cost inclusive of taxes and duties, and contingencies amounts to USD 112.82 million over a six-year implementation period. The IFAD loan will finance US\$ 85 million of the total project cost (75.3%); Central Government will provide US\$ 15.43 million (13.7%); Local Government, US\$ 8.74 million (7.8%); and beneficiaries including the value chain producer organizations, USD 3.1 million (2.7%) in cash and USD 598,137 (0.5%) in-kind.

1. Context

A. National context and rationale for IFAD involvement

a. National Context

- 1. The Republic of the Philippines is a middle income, medium human development index (HDI) (0.669 in 2021) country. The Philippine economy had been experiencing steady growth prior to the COVID-19 pandemic with an average real GDP growth of 5.9% between 2009 and 2019.^{[1],[2]} The economy contracted by -9.5% in 2020 and rebounded to record 5.7% and 7.6% growth in 2021 and 2022 respectively.¹ In 2015 the Philippines recorded a poverty incidence of 23.3% which then declined to 16.7% in 2018. The poverty incidence rose back to 18.1% in 2021 equaling approximately 19.9 million Filipinos living below the poverty line.^{[3],[4]} The prevalence of severe food insecurity in the adult population stands at 54.9% for women and 56% for men.^[5]
- 2. The Philippines' **population** was 109.04 million in 2020 with 52% living in rural areas. ^{[6]&1} The overall Philippines population has a median age of 25.3 years.⁷ There is an aging population within agricultural operators, males with a median age of 46 and females with a median age of 52. Paddy farmers tend to be older than the average farmer, 54 years old.⁶ Completion rates are similar nationally and rurally for primary and lower secondary schooling but lower in rural areas for upper secondary education.¹ Literacy rates for women and men aged 15+ stands equal at 98.2%.^[7]
- 3. Long-term, overarching policy directions in the Philippines are guided by **Ambisyon 2040**, "By 2040, the Philippines shall be a prosperous, predominantly middle-class society where no one is poor; our people shall live long and healthy lives, be smart and innovative, and shall live in a high-trust society". This vision is anchored on three pillars, i) improving the quality of governance, ii) reducing inequality and iii) increasing potential growth.
- 4. Medium-term priorities are outlined in the Government of the Philippines (GoP) Philippine Development Plan (PDP). The most recent PDP plan 2023-2028 was released in early 2023.^[8] The PDP places emphasis on job creation and agriculture modernization under part II, chapter 4: Increase income-earning ability and part III chapters 5, modernize agriculture and agribusiness, 8, advance research and development technology, and innovation and 10 promote competition and improve regulatory efficiency.^[9]
- 5. The share of GDP in the **agriculture sector** has been slowly declining over the past 10 years from 14.1% in 2011 to 10% in 2021.^[10] In 2021, the agriculture sector registered negative growth given high costs of inputs and the incidence of African Swine Fever (ASF).^[11]This is despite agriculture accounting for 32% of land-use^[12] and 24.8% of employment including 7,481 males and 2,272 females.^[13] Major crops produced in the Philippines are rice, corn, coconut, sugarcane, banana, cassava, pineapple and vegetables.^[14] Palay, corn and coconut are the most common crop coverage, each accounting for more than 3 million hectares in 2021.^[15]
- 6. In 2021, agricultural exports totaled PhP334.24 billion, an increase of 8.7% from 2020. Fresh bananas are the country's largest agricultural export, equaling 16.8% of all agricultural exports with a value of PhP56.08 billion and 2.43 million tons. Other major agricultural exports included pineapple accounting for 4.3% of agricultural exports, and tobacco and rubber, both 2.4%. [16] In 2021, total agricultural imports were valued at 773.61, a 24% increase from 2020 and accounting for 13.3% of all imports. Rice is the largest agricultural import accounting for 7.3% of all agricultural imports. There was an increase in rice imports of 33.7% of volume with a value of PhP56.17 billion. Imports of corn were reduced by 40% due to increased local production. Coconut, cacao and rubber had the biggest percentage increase in import value between 2020 and 2021.
- 7. Ecosystems in the Philippines are **fragile and uniquely impacted by climate-related hazards**. The tropical climate and fertile soil provide favorable conditions for agricultural production in the Philippines. Philippine climate is tropical and maritime, characterized by high temperatures and highly variable precipitation and two seasons: dry and wet/rainy. The rainy season usually lasts from June to November although changes in rainfall vary spatially and is highly seasonal. The Philippines, located at the western edge of the Pacific Ocean, is exposed to extreme weather events such as typhoons and monsoon rains. Natural disasters have caused an estimated US\$23 billion in losses and damages in the Philippines since 1990. The country is ranked 5th in the world in terms of extreme weather events, floods, heat waves, etc.^[17] Most of the poor are living in the most fragile

environments and are most vulnerable, with little capacity to adapt or respond to natural disasters, and losing benefits from development efforts.

8. The Philippines Nationally Determined Contribution (NDC) identified on the importance of adaptation and resilience capacity. Other climate priorities are outlined in the Climate Change Act of 2009, The National Framework Strategy on Climate Change (2010-2022) and the National Climate Change Action Plan (2011-2028). The Action Plan prioritizes food security, water sufficiency, ecosystem and environmental stability, human security, climate-smart industries and services, sustainable energy and capacity development as key interventions to address climate change. The plan contains targets to increase hydropower, solar, wind, geothermal capacity as well as 10% energy savings.

- 9. The VISTA project is guided by the national priorities for climate change adaptation and environmental management, and the identification and prioritization of adaptation options assessment will be further explored during the planning and early implementation of Component 1. The **natural resource management** (NRM) situation for agriculture in the Philippines is complex and challenging. There is tension between the economic importance of the agricultural sector, and a heavy dependence on natural resources such as land, water, and forests. Rapid population growth, climate change, and unsustainable farming practices have led to increased deforestation, land degradation, and water scarcity. As of 2019, around 47% of the Philippines' total land area was classified as agricultural land and this is declining due to urbanization and environmental degradation.
- 10. The Philippines faces many agricultural challenges such as rising input costs, low productivity and vulnerability to weather shocks and calamities^[19]. Other challenges include inadequate irrigation, low farm mechanization, inadequate post-harvest facilities, limited support for agricultural research, obstacles to accessing credit and insurance, limited connection to market and weak institutions and extension services.^[20] Gender disparities arise through societal and cultural norms. Customary practices and traditional patriarchal relations in families and communities can discriminate against women, causing gender inequalities in such as land rights, agricultural labor markets, access to agricultural extension services, climate change and disaster management.^[21] Agricultural extension services are not easily available or of variable quality. The Philippine Statistics Authority reports a low 0.027 trainings per household annually.^[22] Extension services are further hindered by limited time and resources for training extension staff. The limited investment in agricultural research and development further erodes extension service quality.^[23]
- 11. There are significant gaps in **rural infrastructure** which undermine productivity and quality of agricultural outputs. Approximately 9.3% of all agricultural land was irrigated in 2011, with most farmers experiencing shortage of water. This is a particular gap for upland farmers that also have issues with water and soil retention in fields with steep gradients. Gaps in transport and post-harvest storage infrastructure mean that output is of a lower quality when it arrives at market.^[24] Specific types of infrastructure noted in development plans include roads, ports, railways, irrigation, energy and telecommunication networks, market centers, warehouses and other productive infrastructure. Particular emphasis is placed on core transport infrastructure. Potable water supply is particularly needed in upland areas where drinking water is sourced from creeks that are open to contamination. The lack of potable water creates a heavy labor burden for families and causes water-borne diseases that impact on farm productivity and household well-being.
- 12. Access to land is an increasing issue in the agriculture sector. With the growing Philippine population, farmlands are being broken down into smaller holdings lowering production thus agricultural households mostly rely on income outside their farms.^[25] Low agricultural productivity reduces the incomes of smallholder farmers, hampering their ability to meet their basic needs. While both Filipino women and men agricultural producers remain poor because of the underperformance of the agricultural sector, women farmers are at an even greater disadvantage.^[26]
- 13. Convergence approach for sustainable rural development and poverty reduction. The institutional arrangements in the Philippines are fragmented and complex with overlapping mandates and responsibilities. However, since 1999, the GoP has pursued a **National Convergence Initiative (NCI)** as a mechanism for institutional coordination across government key agencies to achieve sustainable rural development and as a key strategy for addressing rural poverty. The NCI provides an important framework for each government agency to pursue its own programs but also secure a mandate to coordinate with other agencies in relation to rural poverty, particularly regarding sector policy and strategy, resource and resource mobilization, macro management, world prices, trade/tariff policy, market infra (roads, ports, telecoms), marketing boards agribusiness

development, land, forest, fisheries and rainfall resources and regulations for conservation.^[27] The National Convergence Initiative for Sustainable Rural Development (NCI-SRD) is a strategy to improve, conserve, protect, and rehabilitate natural resources through the development and implementation of environment-friendly enterprises and livelihood opportunities.^[28] This strategy is designed to guide inter-agency planning and coordinated implementation for the PDP.

- 14. In 2022, a Joint Memorandum Order (JMO) No. 2, 2022, between key government agencies was issued to emphasize the need for convergence of the different agencies was reaffirmed given the increasing environmental threats and the need to institutionalize agro-biodiversity management. It emphasizes strengthening the role of LGUs as the integrating force for sustainable rural development at the local level, adoption of participatory approaches in all development phases, complementation of resources and expertise and encouraging private sector investments. It also recommends focusing on smallholder farmers, small fishermen, upland dwellers, and IPs in response to the government's poverty reduction goal.
- 15. The Department of Agrarian Reform (DAR) is the lead agency in agrarian reform programs to cover all agricultural land, both in private and public lands with a focus on smallholders. Access to land for small farmershas been a persistent and ongoing challenge in the Philippines. Inequality and challenges with tenure date back to the Spanish colonial period (1565-1898). As a result, by 1980, approximately 60% of the agricultural population was landless. In 1988, the GoP launched the Comprehensive Agrarian Reform Program (CARP) to offer land tenure security, agrarian support services and other support mechanisms to small farmers with a focus on equity.
- 16. The Department of Agriculture (DA) is the agency responsible for the promotion of agricultural and fisheries development. DA is a centralized agency with offices at the national and regional level but DA national programs support the decentralized services through provincial and municipal Local Government Units (LGUs). DA has a strong priority for supporting national food security, focusing on consolidation of production, agricultural modernization, industrialization and professionalization of the agriculture sector. Other support includes climate information for agriculture, agriculture-based infrastructure and soil and water improvements.
- 17. Key government agencies, in addition to DAR and DA, other agencies with a key role in rural development include: the

Department of Environment and Natural Resources (DENR), the primary agency for environment and natural resources, that is responsible for all policies, tenure arrangements and guidelines of community-based forestry projects; the Department of Interior and Local Government (DILG) that coordinates the LGUs nationwide; and, the National Commission on Indigenous Peoples, with a mandate to protect and promote the interest and well-being of the Indigenous Cultural Communities/Indigenous Peoples. Other important agencies include the Department of Trade and Industry (DTI), the Department of Science and Technology (DST) and various agencies and State Universities and Colleges (SUCs) that support the work of rural development.

- 18. The Philippines has a Decentralization Law with most operations at the local level being the responsibility of LGUs. The Local Government Code of 1991 (RA 7160) and the recent Supreme Court Mandanas-Garcia ruling(Executive Order 138, 2022), strengthen the role and economic base of LGUs in coordinating with relevant agencies and convening local stakeholders to plan and participate in development activities, including those in the ARCs. The majority of government agencies operating through centralized systems. DAR is an exception with local level staffing and strong connections with LGUs. Following the Mandanas-Garcia ruling, there has been a general shift towards greater decentralization, as LGUs are granted expanded authority. Further details about institutions involved in rural development can be found in the Project Implementation Manual (PIM).
- 19. The agriculture sector is currently governed by the National Agricultural and Fisheries Modernization and Industrialization Plan (NAFMIP) 2021-2030^[30] with a focus on transforming the Philippine food system. The Plan has four focus areas: i) growth trajectory, focused on smallholders and input and output prices, ii) limited diversification focused on income safeguarding, iii) food culture, mass production and the link between food and health and iv) environment including external costs and waste management.
- 20. In 2022, the DA released 20 commodity industry roadmaps^[31]. These roadmaps aimed to integrate understanding and detail specific approaches to commodity development based on research and consultation.^[32] The roadmaps cover the period 2021-2025 and were developed as part of the High Value Crops Development Program.
- 21. Digitalization and modernization of agriculture is a big focus for the Government of the Philippines and is one of the priorities under the DA's Thrusts and Strategic Agenda 2023-2028.^[33]Current initiatives include DTI-DA Deliver-e platform that aims to increase production and stabilize supply through an e-commerce platform^[4] and DA's eKadiwa online marketing platform to link producers and consumers.^[35] There are also extensive efforts being undertaken by several government agencies, including the National Commission for Indigenous Peoples (NCIP) to modernize data collection and use of technology. Several barriers to increased use of technology exist in the rural areas including remoteness and associated connection difficulties and the capital required to secure technology against a backdrop of difficult-to-access rural finance.
- 22. **Certification and standards** are a priority area for the Government of the Philippines. Current certification practices are scarce and inconsistent across geographic areas. There is demand for improved consistency. Challenges with connection to markets and understanding of market demand means that standards are often not met, and much produce is not considered competitive.^[36]
- 23. Support to small farmers through the CARP has led to the redistribution of 70% of the land classified as alienable and disposable through either individual titles (Certificates of Land Ownership Award (CLOA)) or collective titles. This totals 4.8 million hectares of agricultural land and 2.8 million ARBs benefitting 54% of agricultural households with average land sizes of 1.7 hectares for DAR CARP lands and 1.1 hectares above 18 degree slopes, termed DENR CARP lands to denote the combined mandate of the two agencies for transferred land.^[37] In 2022, DAR targeted almost 130,000 hectares of land to be formally documented/recorded with clear and secure tenure. DAR delivered approximately 89,365 hectares against this target with a total of 26,138 farmers installed on awarded lands.^[38] While progress has been made, land tenure and access to support services for ARBs continues to be a challenge for rural poverty in the Philippines.
- 24. Agrarian Reform Beneficiaries (ARBs) are smallholder farmers who have received approval of land ownership under CARP. ARBs cultivate land that is less than 3 hectares^[39]. Agrarian Reform Communities (ARCs) are geographic clusters of villages (barangays) with a high proportion of ARBs, usually in locations with high poverty levels. ARBs are organized into ARB Organizations (ARBOs) and ARC Clusters (ARCCs) that may also include other non-ARB poor farmers and workers, and Indigenous Peoples (IPs) to generate economies of scale for ARC economic activities. In ARCs, there has been little investment in agricultural production or value addition with most ARBs operating on subsistence farming basis. For lands transferred to smallholders, the focus of DAR is on improving productivity of the land and commercialization of agriculture. The ARCs and ARCCs form development hubs in their municipalities and development activities can also benefit surrounding areas.
- 25. A key strategy of CARP has been to organize ARBs to **empower and achieve economies of scale** for small farmers. DAR supports ARBs to form ARBOs, many of which have been formally registered as cooperatives.^[40] Agriculture cooperatives (ARBOs and non-ARBOs) are considered under the broader term farmers and fisherfolk organizations and associations. In 2021, there were an estimated 5,758 agriculture cooperatives in the Philippines. Only 164 or 2.85% of these are considered large with micro^[41] (3,895) and small (1,023) cooperatives accounting for approximately 85% of all cooperatives.^[42] Yet, the ARBOs are seen as an important national strategy for engaging with value chains, generating local business capacity, links to markets for producers and for contributing longer term solutions for rural poverty.^[43] DAR works closely with DA and other agencies to coordinate services where there are complementary mandates in supporting this work.
- 26. Numerous enabling policies, guidelines and mechanisms to close the country's **gender gap** have been enacted and institutionalized, including the Magna Carta of Women, the Philippine Plan for Gender-Responsive Development 1995–2025, and the Women in Development and the Nation Building Act. In 2019, the GoP released the Gender Equality and Womens'

Empowerment Plan 2019-2025. This plan aims to consolidate the Philippines' international and national commitments related to gender equality and provide guidance for national and local planning. The plan has an overarching goal of "promotion of gender equality in all spheres of life such that women and men equally contribute to and enjoy the benefits of ... development." [44]

27. The COVID-19 pandemichas negatively affected the agricultural sector. The Philippines was one of the most COVID-affected countries in East Asia with more than four million cases and 66,000 deaths.^{[45]&[46]} The GoP introduced measures to mitigate the impacts of the pandemic including closure of non-essential businesses, home quarantine and regulation of the provision of food.^[47] Geopolitical tensions as well as China's zero-covid policy are the main drivers of the current global economy deceleration. The latter factors are weighing down on the country's export shares to major economies of the US, EU and China. In addition, the pandemic coincided with several environmental disasters. Simultaneously, there have been indirect economic spillover effects from the Russia-Ukraine conflict.

b. Special aspects relating to IFAD's corporate mainstreaming priorities

- 28. The project aligns with IFAD's cross-cutting commitments and will adopt a climate-focused and gender-transformative approach, also with attention to IPs and engagement of youth. The project is expected to generate benefits in nutrition, particularly resilience of food supply and food diversity, with the benefits arising as secondary benefits of the main investments, rather than from specific investments. (See Annex 5 SECAP Review Note).
- 29. The project will invest in agricultural production in poor communities living in fragile ecosystems. The project will focus on several key commodity value chains as a main thrust of agriculture development appropriate to the target areas and communities. At the same time, the commodities are produced in **integrated farming systems** that will include **staple food production**, particularly upland rice, roots and tubers and vegetables. This support will increase both the quantity and nutritional quality of food supply at the same time as investing in sustainable farming systems and increasing household income through a commercial crop.
- 30. IFAD prioritizes promoting climate adaptation and mitigation in its rural development projects by focusing on building climate-resilient and low-emission agriculture and rural livelihoods. Its aim is to encourage climate adapted and environmentally sustainable practices in agriculture, including agroforestry, conservation agriculture, and sustainable land management. IFAD also emphasizes the importance of partnership and collaboration with governments, civil society organizations, and the private sector to effectively promote climate change mainstreaming in rural development.
- 31. Research has established the Philippines as one of the most vulnerable countries in the world to the impact of storm surges with increased wave heights due to climate change. Spatial variability in temperature is strongly controlled by altitude, which varies drastically with the complex topography reaching up to 3 km. The El Niño-Southern Oscillation (ENSO) drives these cycles in extreme weather that impact the Philippines. Studies find that the Philippines experiences prolonged dry periods during El Niño events^[48] while heavy rainfall and flooding are often observed during La Niña^[49]. Two types of monsoons impact the Philippines annually: the southwest monsoon (SWM) from May to October bringing heavy rainfall to the western coast and the northeast monsoon (NEM) from October to March bringing rainfall to the eastern side of the country.^[50]
- 32. Climate projections in the Philippines highlight extreme spatial and temporal variability, but generally indicate increasing temperatures and changing seasonality of rainfall. Under both high and low emission scenarios, rainfall is projected to increase in the northwestern regions but decrease in the southern areas of the country. The changes are projected to become more extreme by 2079. Projections of precipitation show a decline in annual average precipitation between 15-30% in the southern regions of the country. The most severe declines are in southwestern Mindanao and southern-most regions in the Visayas. In terms of extreme events impacting the project areas, projections exhibit a substantial reduction in global tropical cyclone frequency (-16%), but an increase in the frequency of intense storms (+24% for cat 4–5 and +59% for tropical cyclones with maximum winds exceeding 65 m s⁻¹).
- 33. Simulated tropical cyclone tracks and storm intensities from the Geophysical Fluid Dynamics Laboratory (GFDL) hurricane model show an increase in the occurrence of tropical cyclones in the northwest Pacific and Indian Ocean. The climate change model results indicate that by 2050, the Philippines may rely more on imports of cocoa, coffee, maize, pork, rice, and vegetables. Consequently, climate change is expected to lead to significant impacts on agricultural productivity across the Philippines.
- 34. In 2022, the Philippines ranked 19th in the Global Gender Gap Index, lower than in 2021 (17th), owing to a decline in gender parity in primary education^[52]. Nevertheless, the Philippines remains the top country in East Asia, with the highest gender parity (78.3%)^[53]. The country has advanced in terms of landmark policies and strategies for mainstreaming gender and women empowerment, especially in the agriculture sector. For instance, in recognition of women's vital role in food production, the Magna Carta of Women Section 20 ensures their right to food and resources for food production. The updated Philippine Gender Equality and Women Empowerment (GEWE) Plan 2019-2025 adopted an expanded scope of women in the Agriculture,

Forestry, and Fisheries (AFF) value chain to include "women farmers, fishers, and agri-preneurs working in urban areas."^[54] This plan contributes to other national plans such as the long-term Philippine Plan for Gender Responsive Development 1995-2025.

35. **Gender disparities** in the Philippine's agricultural and rural sector still exist, and these are impeding the sector's performance and preventing the country from achieving sustainable growth. Furthermore, gaps in the knowledge and capacities of designated Gender Focal Points, especially among providers of agricultural research, training and extension services, remain a barrier to

the effective enforcement and implementation of the policies and guidelines mentioned above.^[55] Thus, it is imperative that key national stakeholders and development partners in the agricultural and rural sector coordinate more closely with the Philippine Commission on Women (PCW) for enhanced mainstreaming of gender equality and rural women's empowerment in policy, strategic and planning processes in the sector, as well as to strengthen gender sensitivity among government officials and policy makers.

- 36. While there has been progress in gender and women empowerment in agriculture, there is still a gap in recognizing and valuing women's role and workload in agriculture and food production. The gender wage gap in agriculture persists, with women agricultural workers receiving an average daily wage of Php285.51 compared to men's average daily wage of Php310.16.^[56] Workers in agriculture are predominantly male (7.89 million male, 2.77 million female).^[57] In terms of access to productive resources such as land, the number of women (96,017) with Emancipation Patents (EP) and (630, 639) Certificate of Land Ownerships (CLOA) are lower than men (420,826 EP holders and 1,398,422 CLOA holders).^[58] The number of women farmers listed in the Registry System for Basic Sectors in Agriculture (RSBSA) is only 41.7%. Typically, the male head of the household is registered as "farmer" and the other household members are considered "farm workers."^[59] As such, male farmers are usually recognized and targeted by agri-support services.
- 37. The number of Indigenous Peoples (IP) in the Philippines is unknown, but it is estimated that between 10% and 20% of the country's population. The Philippines has adopted the United Nations Declaration on the Rights of Indigenous Peoples but has not yet ratified the ILO Convention 169. The IPRA Law that was enacted in 1997 has been praised for its support for the cultural integrity of IPs, the right to their lands and to self-directed development of these lands. A more substantial implementation of the law is still sought, as IPs in the Philippines continue to live in geographically isolated areas with lack of access to basic social services and few opportunities for widespread economic activities, education or political participation.
 [60] Indigenous Peoples Organizations (IPOs) provide leadership within the IP communities and enable the retention of cultural approaches in coordination with Philippines governance structures.
- 38. Indigenous women in the Philippines are very much part of the traditional subsistence agriculture in their communities and play a major and critical role in traditional agricultural production. However, their role in agricultural production is inadequately recognized and appreciated though. Further, the non-recognition of IP women weavers as workers in the informal economy denies them those rights to fair wages and benefits for their labour.
- 39. The **Indigenous People's** Rights Act (IPRA) of 1997 is the key policy document outlining and protecting the rights of IPs. These rights include the rights to territorial domain, to self-determination, and the right to practice customary laws, cultural integrity and property and to free and prior informed consent (FPIC). The NCIP serves as the primary government agency through which the interests and well-being of the ICCs/IPs are promoted including the issuance of certificates of ancestral land/domain title.
- 40. The Philippines is a country with a relatively **young age** The 15-24 age group accounts for 28 percent of the total population[62]. According to ABS Labor Force Survey 2020, the youth unemployment in the country is almost twice the overall unemployment rate. Of the youth cohort (15-24 years), 24.1 percent were not in education, employment or training (NEET) in 2020, up from 18.8 percent in 2019. More women (28.1 percent) were in the NEET group than men (20.3 percent).
- 41. Youth in rural areas often choose to leave their parents' farms to seek jobs in urban areas. Today the average age of Filipino farmers, is fifty-seven (57) years, posing a serious threat to national food security by 2030. Young farmers are burdened by their lack of access to knowledge, information and education; the lack of available land to till or affordable credit; a lack of "green jobs"; and hardly any consultation or participation venues for the youth in agricultural policy debate and formulation^[63].
- 42. There is a large window of opportunity for the country to capitalize on youth potential with appropriate policies and investment. It is important to create an enabling environment in the agriculture sector focusing on an innovation ecosystem for supporting youth entrepreneurship particularly in digital approaches to agriculture. The private sector also needs to be involved increasingly to co-create skills programmes that are relevant to the industry needs. By challenging the youth sector to participate in agriculture, Philippines will be in a better position to address poverty, inequality, and the lack of social mobility.

43. Table 1. Mainstreaming theme eligibility criteria

	x Gender transformational	☐ Nutrition sensitive	□ Youth sensitive	X Climate Finance
Situation analysis	x National gender policies, strategies and actors x Gender roles and exclusion/discrimination x Key livelihood problems and opportunities, by gender	 National nutrition policies, strategies and actors Key nutrition problems and underlying causes, by group Nutritionally vulnerable beneficiaries, by group 	 National youth policies, strategies and actors Main youth groups Challenges and opportunities by youth group 	

	x Gender transformational	□ Nutrition sensitive	□ Youth sensitive	X Climate Finance
Theory of change	x Gender policy objectives (empowerment, voice, workload) x Gender transformative pathways x Policy engagement on GEWE	 Nutrition pathways Causal linkage between problems, outcomes and impacts 	 Pathways to youth socioeconomic empowerment Youth employment included in project objectives/activities 	
Logframe indication	x Outreach disaggregated by sex x Women are >40% of outreach beneficiaries • IFAD empowerment index (IE2.1)	 Outreach disaggregated by sex, youth, indigenous peoples (if appropriate) Output level Cis Cl 1.1.8 Mandatory Outcome level Cis (at least one of below) Cl 1.2.8 Cl 1.2.9 	☐ Outreach disaggregated by sex and youth	
Human and financial resources	 Staff with gender TORs x Funds for gender activities x Funds for IFAD empowerment index in M&E budget 	 Staff or partner with nutrition TORs Funds for nutrition activities 	 Staff with youth TORs Funds for youth activities 	

c. Rationale for IFAD involvement

- 44. **Development Problem:** The Philippines has made major strides in poverty reduction but there are vulnerable areas where rural development lags behind and **rates of poverty, food insecurity, and vulnerability remain high**. Poverty in rural areas is approximately three times higher than in urban areas mainly because of the poor and outdated agricultural practices, low capacity of producer organizations and smallholders, lack of infrastructure, and poor access to market and financial products and services. Furthermore, poverty is higher in upland areas where the remote and vulnerable nature of the environment creates barriers to socio-economic engagement. Population growth is causing encroachment of agriculture into fragile forest lands and urbanization in fragile ecosystems is contributing to erosion and resource depletion. The high environmental value of critical watersheds for base water flows from mountain springs and run-off down to large fertile production areas need to be protected to ensure food security and well-being for downstream rural and urban communities.
- 45. IFAD's comparative advantage is its commitment to working with the poorest and most vulnerable people in rural Philippines. This focus is reflected in IFAD's projects, which are designed to improve the lives of smallholder farmers, women, youth, and indigenous peoples, who are often the most marginalized and excluded. Also, the global experience has given IFAD a deep understanding of the challenges and opportunities facing the most vulnerable groups, and the knowledge and expertise to develop and implement effective interventions. IFAD has built strong relationships in the Philippines with government agencies, NGOs and increasingly with the private sector to work together for long term benefits for vulnerable communities. In addition, IFAD has a proven policy practice cycle for disseminating learning and replicating effective activities through national policy forums that have been initiated by IFAD and have been successfully operating through the previous COSOP cycles such as the IFAD Annual Country Programme Reviews (ACPoR), the annual Knowledge Learning Market and Policy Engagement (KLMPE), the IFAD-Philippines Gender Network (IPGN) and the Indigenous Peoples' Forum that are now seen as effective policy dialogue

vehicles for innovation and policy input on rural development.

- 46. IFAD-funded projects have helped to reduce poverty and increase food security in the Philippines by supporting smallholder farmers to improve their agricultural productivity, adopt sustainable farming practices, and gain better access to markets. IFAD has also significantly contributed to the improvement of natural resource management by promoting sustainable land use, water conservation, and climate-resilient agriculture. In addition, IFAD has empowered vulnerable groups such as women, youth, and indigenous peoples (IPs) by promoting their participation in agricultural decision-making and improving their access to land and other resources. Consequently, IFAD is well-placed to support the GoP in reaching areas that are high in poverty and supporting upland rural communities that provide environmental services by being custodians of resources that underpin the economic potential of agriculture in the plains.
- 47. The rationale for IFAD's involvement in supporting value chain development in upland areas where poverty levels are high is further driven by three main factors: (i) to capitalize on IFAD's demonstrated success related to VCD as a means of rural poverty reduction in the portfolio between 2017-2022, (ii) further lessons arising from the portfolio which show that investments in fragile ecosystems can produce multiple benefits, including economic value, securing local livelihoods, and protecting natural resources, and (iii) the urgent need to prevent negative conversion of degraded lands, and increasing resilience to climate and natural hazards in line with national commitments on climate and environment e.g. NDCs, Biodiversity Strategy and Action Plan and all other relevant planning and development priorities that have environmental considerations.
- 48. Building on IFAD's comparative advantage and previous experience in the country, the VISTA project is designed to provide a holistic approach to addressing the challenges faced by smallholder producers in upland fragile areas.
 - <u>Ecosystem-Focused Approach:</u>VISTA places significant emphasis on the ecosystem, not just on agricultural practices. This includes restoring agroforestry and degraded lands, improving water sources, conserving soil and biodiversity, and emphasizing sustainable management of natural resources while mitigating climate and disaster-related risks.
 - Integration of Natural Resource Management (NRM) into Value Chain Investments: The project strategically combines environmental conservation efforts with economic incentives. NRM plans are embedded into value chain investment plans, which is a comprehensive strategy.
 - Innovation Grants: The provision of innovation grants to incentivize the transition towards sustainable farming is a unique strategy. These grants aim to promote green farming practices and enhance the eco-functionality of value chain operations.
 - <u>Tailored Trainings for Specific Demographics</u>: VISTA recognizes the unique challenges and opportunities presented by different demographics such as women, youth, and Indigenous Peoples (IPs). The project is designed to cater to these groups specifically, emphasizing their roles as community leaders and key agents of change.
 - <u>Emphasis on Green Jobs</u>: The project aims to generate new job opportunities in modern sectors like digitalization, renewable energy, and finance. This not only provides employment but also integrates rural communities into the modern economic landscape.
 - <u>Value Chain Development with Environmental Sustainability:</u> The emphasis on integrating new farming practices and technologies into the value chains ensures that increased productivity doesn't come at the expense of the environment.
 - <u>Enhanced Institutional Capacities</u>: VISTA's intention to improve institutional capacities at both the national and local levels indicates a push for systemic change. By aligning with initiatives like the National Converge Initiative, the project is ensuring long-term, sustainable impact.
 - <u>Policy Creation and Knowledge Products</u>: Instead of merely implementing on-the-ground changes, VISTA is also focused on creating policy and knowledge products to influence broader systemic shifts. The focus on addressing institutional fragmentation and overlaps showcases the project's comprehensive approach.
 - <u>Emphasis on Digital Solutions and Financial Access</u>: The project aims to integrate digital solutions and improve financial access, which can be transformative for rural communities, ensuring they are not left behind in the digital age.
 - <u>Addressing Malnutrition</u>: Beyond the typical focus on income and productivity, VISTA will tackle malnutrition by enhancing resilience in food production systems, promoting diverse food sources, and leveraging increased household income for better nutrition.
- 49. In essence, the VISTA project adopts a more holistic, comprehensive, and forward-looking approach compared to other projects that may only focus on singular issues such as productivity, financial access, or environmental conservation separately. The integration of these elements makes VISTA distinct.
- 50. VISTA will contribute to a number of policies and strategies in place to promote natural resource management (NRM) supported value chains. These include:
 - Philippines Development Plan (2023-2028): The Philippines Development Plan (PDP) is the government's blueprint for achieving inclusive and sustainable development. The PDP identifies NRM as a key priority area, and has set out a number of goals and targets for the sustainable management of natural resources. The PDP supports the development of sustainable value chains for agricultural products, such as cacao and coffee. This includes supporting the development of policies and regulations that promote sustainable production, and the promotion of public-private partnerships for sustainable agriculture.
 - Department of Agriculture (DA) Strategic Plan: The DA Strategic Plan is the DA's roadmap for achieving its vision and
 mission. The DA Strategic Plan identifies NRM as one of the DA's key focus areas, and has set out a number of goals and
 targets for the agricultural sector. The DA Strategic Plan supports the development of sustainable value chains for agricultural
 products including supporting the provision of technical assistance to farmers, the development of infrastructure, and the
 promotion of market access for sustainable products.
 - National Convergence Initiative (NCI): The NCI is a government-led initiative that aims to improve the coordination and alignment of development interventions across different sectors and levels of government. The NCI recognizes the importance of NRM to sustainable development, and has identified a number of priority areas for action, including agriculture, forestry, and fisheries. This includes supporting the adoption of sustainable agricultural practices, such as good agricultural practices (GAPs), and the development of certification schemes for sustainable production.

- The Philippine Cacao and Coffee Industry Roadmaps: The Philippine Cacao and Coffee Industry Roadmaps are governmentled initiatives that aim to support the development of the Philippine cacao and coffee industry. The roadmaps include a number of strategies to promote sustainable cacao and coffee production, such as the promotion of good agricultural practices and the development of certification schemes.
- Community-based forest management (CBFM): CBFM is a national scheme to promote sustainable forest governance, in recognition of the negative impacts occurring as a result of widespread forest loss across the country. The scheme stresses the importance of involving communities in sustaining the forest through projects such as timber harvesting, **agro-forestry** and livestock raising.
- The National Greening Program (NGP): NGP through EO No. 26 is a reforestation program launched by the Philippine government in 2011. The NGP is designed to achieve more than just reforestation. It also aims to reduce poverty, ensure food security, promote environmental stability, conserve biodiversity, and mitigate and adapt to climate change. Though EO No. 193, program is extended to 2028. NGP included coffee and cacao to boost the livelihood of farmers in the upland areas.
- National Biodiversity Strategy and Action Plan (NBSAP) 2015-2028: The NBSAP is a government plan that aims to conserve
 and sustainably use biodiversity in the Philippines. The NBSAP includes a number of provisions that support NRM, such as
 the promotion of organic farming practices and the development of community-based biodiversity management plans. The
 NBSAP supports the development of sustainable value chains for non-timber forest products, such as fruits, vegetables, and
 medicinal plants. This includes supporting the development of community-based enterprises that collect and process these
 products.
- Climate Change Act of 2009: The Climate Change Act is a government law that aims to address the challenges posed by climate change. The Climate Change Act includes a number of provisions that support NRM, such as the promotion of climate-resilient agricultural practices and the development of adaptation plans. The Climate Change Act supports the development of sustainable value chains for agricultural products, such as cacao and coffee. This includes supporting the development of drought-tolerant crops and the promotion of water-efficient irrigation techniques.
- The Philippine Action Plan for Family Farming (PAP4FF): The 10-year PAP4FF serves as the country's commitment and contribution to realizing the UNDFF Global Action Plan alongside SDGs. The overarching goals of the PAP4FF is "Resilient family farmers: zero hunger and poverty, sustainable agriculture-fishery-forestry by 2028, characterized by improved productivity and competitiveness, secured land and resource tenure, increased productivity of soil and water resources, food self-sufficiency, and well-being for all at all ages." It was the output of a series of multi-stakeholder consultations, studies, and dialogue. IFAD is one of the signatories to this national plan.
- Sagip Saka Act of 2019: The law mandates broadening the government's support to agricultural and fishing communities to reach their full potential via sustainable modern agriculture and value chain approach thereby achieving the country's food security. The law provides for the establishment of a holistic Farmers and Fisherfolk Enterprise Development Program of the Department of Agriculture.
- The Agri-Agra Reform Credit Act of 2009 and the Agriculture, Fisheries and Rural Development Financing Enhancement Act of 2022: These policies provide for agriculture, fisheries and agrarian reform credit, insurance and financing system that will support the improved productivity of the agriculture and fisheries sectors. These agri-agra loans are also intended to support "green projects" that promote climate change mitigation and adaptation strategies.
- 51. These are just some of the policies and strategies in place for NRM supported value chains in the Philippines. Through VISTA, IFAD and Government will continue to work together to achieve the implementation of these policies and strategies. In addition to these policies and strategies, the Philippine government also supports NRM through a number of financial and technical assistance programs. These programs provide farmers and other stakeholders with the resources they need to adopt sustainable practices and improve the management of natural resources. The government is also working to raise awareness of the importance of NRM and to promote sustainable consumption and production practices. These efforts are essential to ensuring that the Philippines can achieve its sustainable development goals and protect its natural resources for future generations

B. Lessons learned

- 52. The proposed project will build strongly on the experience from the previous portfolio. The two most recent projects, RAPID and ConVERGE, provide important lessons for VCD for rural agricultural commodities. RAPID, implemented by the DTI using a full value chain development approach, highlighted the importance of developing Strategic Investment Plans (SIPs) that analyzed market demand, including volume, quality, and frequency of production, as well as the capacity to supply demand, including reliable input supply, higher production volumes and consolidation to link directly to larger buyers. The SIPs were developed in partnership with the private sector, the LGUs, DTI and included commitment of resources from the private sector as well as other project implementers. RAPID's MTR also indicated the need for more significant investment in access to rural finance activities, as it lacked the tools, resources and partnership strategy to effectively leverage any sizeable financial resources for lending to the farmer organizations. VISTA focuses on investments in upland fragile areas, ensuring that these investments are informed by climate risks, sustainable resource management, and improving eco-friendly businesses. This essentially embodies the spirit of SIPs as it looks into aligning resources and actions strategically. VISTA is also looking at value chain improvements, much like the strategic market demand and supply considerations mentioned under SIPs.
- 53. ConVERGE, implemented through DAR demonstrated the need to build the capacity of ARBOs to supply appropriate quantity and quality outputs for specific value chains. ConVERGE worked in partnership with DTI to enhance marketing skills of the ARBOs and also tested various modalities to financing ARBO managed revolving loan fund. In ConVERGE the fund began as input subsidies but generated a hand-out mentality so a Production Capitalization Fund (PCF) was established that converted grants into a revolving fund with cost recovery from input users (borrowers). The revolving fund aimed to promote sustainable financial management, capital building for expansion and outreach, and access to formal markets for future initiatives. However, challenges were experienced with credit repayments, highlighting the need for clear orientation on credit terms and conditions, capacity building in credit management, stronger investment from formal financial institutions and the need for holistic financing, rather than just input financing.[64] For an effective and efficient strategy for PCF in building the capacity of ARBOs is the

administration of the facilities either with DAR's own loan programmes or facilitate their linkages with financial institutions in each area.[65] VISTA will invest in establishing similar PCF mechanism for revolving funds involving support from financial intermediaries to ensure VPOs receive adequate capacity building support and professional services during the operations.

- 54. In the RAPID and ConVERGE projects, extension services were provided mainly through collaboration with government agencies (DA, LGUs), non-government organizations, private extension providers (Nestle, Kennemer), and aid agency-funded programs (USDA-funded Philcafe). Although these approaches leveraged project investments, outreach and sustainability remain limited by partners' capacities and may not be maintained, particularly for aid-funded projects.^[66] Therefore, it is important to support an extension approach that builds sustainable capacity for extension at the field level, as well as linking with agency and private sector extension services. RAPID delivered capacity building support through a Business Development Service Provider and highlighted the need for quality assurance mechanisms to facilitate high-quality service provision.[67] VISTA's approach to extension services are explicitly mentioned and sufficient resources are allocated to improve field level capacity, ensuring that smallholders receive knowledge and build capacity to implement the practices effectively.
- 55. CONVERGE capitalised on the presence of ARBOs to mobilize the Agrarian Reform communities and energised them to capitalise on enhancing the productivity and incomes from their lands, whereas RAPID demonstrated an effective strategy of linking with Anchor firms. A hybrid approach which uses elements from these two projects can help focus on both the production and marketing aspects that farmers face. DAR has a key comparative advantage in the organizational framework of ARBOs that it has mobilized and the trust it has built through its land titling mandate. The DA can play a key role in helping to increase the productivity of key crops. The DA and DAR can work effectively to promote the production and marketing through linkages with the range of partners.[68] VISTA's emphasis on value chain development (with a clear aim to integrate smallholder farmers into these value chains) aligns with the lesson of merging production and marketing aspects. Integrating the SIPs approach into VISTA will ensure that the private sector including anchor firms are included in the planning stage hence their priorities and commitments are integrated.
- 56. The previous FishCORAL project, implemented by DA (BFAR) demonstrated the potential of ecosystem-wide planning and implementation to bring together multiple stakeholders for positive achievements in fisheries value chains. The integrated approach to environmental management facilitated the joint action of LGUs, GoP agencies and other partners, resulting in improvements in coastal resource management. The INREMP project, implemented by DENR, focused on forestry protection. A strong partnership with DTI strengthened knowledge and capacity in enterprise development for agroforestry and forest products but this occurred late in the project. The experience showed that projects need to build capacity early in implementation to expedite project processes. The entire VISTA approach, especially the "Ecosystem Planning, Protection and Enhancement" component, demonstrates a holistic, ecosystem-wide planning approach. The project focuses on enhancing and restoring agroforestry, managing water sources, conserving biodiversity, and more, thus incorporating this lesson effectively.
- 57. The Research and Impact report prepared by RIA[69] on CHARMP2 project highlighted that the development of community infrastructure promoted broad-based market access leading to income diversification and made it more lucrative to engage in other activities. In addition, it suggested that tailoring the program components for women that address both community- as well as individual-level needs will be important, to empower women. Finally, the report indicated the need to improve the impact of the project on resilience, in particular household's ability to recover from shocks. Drawing from lessons learned, VISTA integrates community-level infrastructure enhancements such as improved market access roads aimed at fostering income diversification and broadening opportunities across various activities for both anchor crop and diverse crop producers. To address the gender disparity identified in CHARMP2, VISTA adopts a gender-transformative approach with a robust theory of change, incorporating tailored activities catering to the specific needs of women beneficiaries at both community and individual levels. Moreover, VISTA's design includes a <u>Response to Emergency and Disaster (RED)</u> sub-component intended to bolster households' resilience, enhancing their capacity to recover effectively from various shocks. These proactive measures align with the recommendations outlined in the RIA, aiming to fortify the project's impact on community empowerment, gender equality, and resilience building.
- 58. The CHARM project, implemented by DA in the Cordilleras region, worked in fragile upland environments with IPs. The project continued for two phases and with an extension. This project built effective processes for engaging IPs, including indigenous women, to ensure sustainability and conservation of natural resources, regardless of political boundaries in the community. The Integrated Watershed Management Planning (IWMP) in CHARM provides important lessons in working with and respecting cultural processes and addressing government planning cycles to achieve economically productive as well as environmentally and culturally responsive investments. The CHARM and CHARMP II projects piloted Payment for Ecosystem Services (PES) programmes which encouraged payment from downstream users of the watershed, including farmers, for the use of the watershed based on the protection of the watershed by upland, largely indigenous communities. VISTA specifically targets IPs and will proactively engage with NCIP and emphasizes creating economic opportunities for them, aligning with the lesson on effective engagement.
- 59. The farmer field school (FFS) approach adopted in both CHARM and FishCoral has generated positive results for uptake of new and sustainable technologies, using a season-long blended farm-based and mentoring approach. These schools have shown positive results for building farmer capacity and knowledge to implement new techniques for specific crops and have potential for replication and scaling up in future investments. VISTA's design entails training and extension services for smallholders, with an emphasis on innovative practices, knowledge, and green innovations. FBS will continue in VISTA acknowledging the positive results from previous experiences and further enhancing the approach by supporting the development of FBS programme with professional support from qualified third parties.
- 60. Both CHARM and ConVERGE identified that attempting to address land tenure conflicts is resource intensive and likely to delay other project activities. DAR is currently working with the World Bank's "Support to Parcelization of Lands for Individual Titling (SPLIT) Project that is actively addressing these issues. This means that IFAD can focus on areas that have high levels of

poverty but with land titles that are already clear. IFAD can proceed with support in value chain development with the potential of land ownership as a basis for asset development.

- 61. The COSOP completion review (CCR) in 2022 consulted with 168 stakeholders including government agencies, development partners and NGOs to capture broader learnings from the portfolio and other development programs. This review reinforced the appropriateness of IFAD's focus on an inclusive and resilient value chain approach as a main strategic thrust for future programming. The review emphasized the necessity for community engagement in planning and prioritization to improve inclusion and achieve more opportunities for engagement of IPs, women and youth. The CCR also highlighted the effectiveness of the policy, partnerships, practice cycle in the Philippines and this has contributed to national-level learning and knowledge management throughout the IFAD-support policy dialogue mechanisms. The focus on participation, partnerships and knowledge management was seen as critical for the design and implementation of future investments.
- 62. In addition to the IFAD portfolio, both DAR and DA have implemented a range of projects which provide valuable lessons for the proposed project. For instance, DAR's Agroenterprise and Microfinance Complementation Project Linking Smallholder Farmers to Markets with Microfinance (LINKsFARMM Project) which convened a range of agro-enterprise development stakeholders to progress commercialization. The DA Mindanao Inclusive Agriculture Development Project (MIADP) is providing capacity and technical support for VCs and social preparation activities. The Philippine Rural Development Project (PRDP) that has a national scope is focused on VC commercialization and value adding. PRDP uses three-year rolling Provincial Commodity Investment Plans (PCIPs) for planning and leveraging of investments from other government programs and attracting private sector investments. Based on the PCIPs and Value Chain Analyses (VCAs), specific investments are identified. In CAR and Region 12, the PRDP PCIPs have already identified coffee and cacao as priority projects, providing initial baseline information from which VISTA can build. In Region 12, DA has a partnership with GIZ that provide lessons on technical improvements in priority commodities through the Sustainable Development and Good Agricultural Practices in the Philippine Coconut Supply Chain (SDGCoco Project); Improving Smallholder Livelihoods through Business Models (Cacao+); and Improving Smallholder Coffee Farming Systems in Southeast Asia (PhilCoffee+).
- 63. From recent IFAD funded projects in the Philippines, it can be learnt that the use of Public Financial Management (PFM) provides extensive support to project on financial management with available staff, policy, procedures and control on low cost and effective result and promote the sustainability after the project cycle. However, there are rooms for improvement on enhancing the reporting function of computerized financial software and the readiness of start-up activities there for the following conditions precedent to first disbursement will be included in the financing agreement: a) Recruitment of key staff at CPMO. b) e-NGAs will be configured or additional software that meet the IFAD reporting requirements. In addition, start-up training on IFAD procedures, reporting and ICP will be conducted for project staff as soon as possible, continuous support will be provided during the supervision and support missions.
- 64. From IFAD's VC stock take findings and recommendations, market demand leads VC interventions addressing the priority issues around supply (quantity and quality) first, with timely investments in FBS, extension services and on farm investments. In VISTA, Private sector partnerships are strengthened through the support of VPOs and their business models and the further integration of the private sector into all links of the value chain. VISTA is designed with a strong component on extension services to address the supply issues. The rural finance strategy and implementation will refine the use of matching grants as instruments to link to, and generate additional finance including from private sector, address the gaps in both sides of the financial market, and contemplate embedding internal value chain finance, with an approach that is not dogmatic, but market driven.

2. Project Description

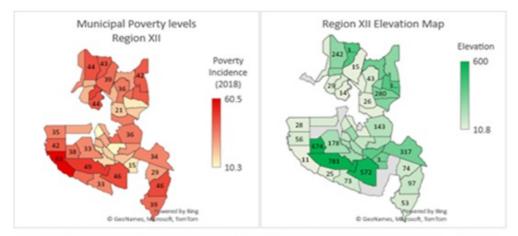
C. Project objectives, geographic area of intervention and target groups

- 65. The **Project Goal** for VISTA is to "<u>Reduce rural poverty and increase food security while protecting and enhancing the natural ecosystems in vulnerable upland areas."</u>
- 66. **Project Development Objective (PDO)** is to "Increase income and employment of target groups in fragile upland areas, including women, youth and IPs, through the strengthening of inclusive value chains with conservation and sustainable use of the natural resources and climate resilient practices."
- 67. <u>Project Area:</u> The proposed project area covers the upland areas of two regions, Region XII on the island of Mindanao and the Cordillera Administrative Region (CAR) in Luzon. The rural population of the total project area covering 78,000 km² is 419,500 people.
- 68. Region XII is surrounded by mountain ranges and acts as a watershed catchment basin for the region's agricultural lands. The region has suffered major logging and clearing of forest lands for cultivation resulting in erosion and siltation of waterways, including Lake Sebu, a major environmental feature of the region. It is adjacent to the Mindanao Growth Triangle, bounded by three economic hubs in the cities of Cagayan De Oro, Davao and General Santos. This demonstrates opportunities for economic development.
- 69. Its vast fertile agricultural lands and rich fishery and aquatic resources could push the region to higher growth levels in agriculture and fishery production, high-value crops, and other resource- based industries. The region is among the country's leading producers of palay and corn. It is the top producer of high value crops like coffee, banana, pineapple, and, oil palm. It leads in livestock inventory and it is the tuna capital of the Philippines as it hosts 80 percent of the tuna industry in the

country.[70] Region XII has a high rate of agricultural workers (40.5% of the workforce), the third highest figure nationally. This equates to 800,000 agricultural workers in region 12.

- 70. **Region CAR** serves as the major watershed for the agricultural production of North Luzon as the source of 12 major river basins with an estimated drainage area of 18,293 square kilometers and as a major contributor to the Luzon Power Grid. The majority of CAR is considered upland (elevation above 600 metres) and is situated on a fault line. Due to its mountainous terrain it is subject to earthquakes and landslides.
- 71. CAR is blessed with healthy soil suitable for agriculture which allows the region to have comparative advantage in high value commercial products such as coffee, citrus, tomato, sub-tropical vegetables, passion fruit, and strawberry, among others.[71] The agricultural sector is extremely important in CAR, accounting for almost 40% of employment, the 4th highest of all regions, with 308,000 farmers identified in CAR.
- 72. **Poverty:** Region 12 has one of the highest poverty incidence (living with per capita income less than the per capita poverty threshold) among the individuals residing in rural areas (32.7%). [72] Region CAR has a lower overall regional poverty incidence than Region XII; however, roughly 85% of the land area in Region CAR is in uplands[73] where the inhabitants are primarily farming families in dire poverty and insecurity. The poverty disparity is quite high between upland and lowland communities. The relationship between mountainous areas and poverty incidence by region can be seen in Figure 1&2.

73. Figure 1. Region XII Poverty and Elevation Maps



Source: Philippines Statistics Authority, 2018, Municipal and City Level Small Area Poverty Estimates (adapted), PhilAtlas (adapted)

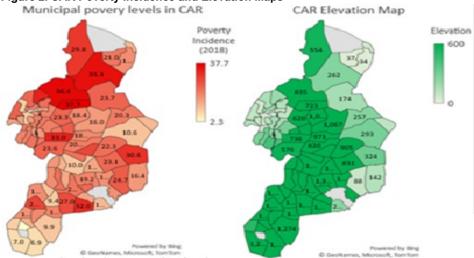


Figure 2. CAR Poverty Incidence and Elevation Maps

Source: Philippines Statistics Authority, 2018, Municipal and City Level Small Area Poverty Estimates (adapted), PhilAtlas (adapted)

74. Region XII has almost 250,000 IPs and CAR has approximately 288,000 **Indigenous Peoples** placing them as the regions with the third and second highest IP populations nationally, respectively. Beyond the formally recognized IP land holders, there are

many more IP households and individuals throughout both regions. The total population of IPs in CAR is very high, estimated to be approximately 1.2 million out of a total population of 1.7 million in CAR or at least equivalent to 70% of the regional population. The total population of IPs in Region XII is unknown, hence the use of registered landowners as a proxy.

- 75. In upland areas, soil erosion and the timing and availability of water resources are major concerns making land improvement challenging and impacting agricultural productivity and profitability. NRM practices such as contour farming, terracing, and agroforestry help reduce soil erosion and enhance water retention. Upland farming is generally rainfed rice (traditional "heirloom" or other hardy upland varieties) or tubers with secondary intercrops including coffee and cacao. Increasingly there has been clearing of forestry lands for vegetable or fruit production, often driven by larger scale commercial schemes on an outgrower or lease arrangement. This approach is unsustainable as the soil condition is depleted and erosion is exacerbated.
- 76. Target groups. VISTA interventions will directly benefit 70,000 smallholder households (approximately 350,000 people) engaging with the production of selected crops, of which at least 30% will be from indigenous communities. Of the total beneficiaries, at least 50% of the project beneficiaries will be women. The total number of beneficiaries should also include at least 30% IPs and 20% should be young people (18-35 years). The direct beneficiaries will fall into four major groups (i) smallholder farmers in selected uplands that fall below or near to the income poverty line, ii) rural women; iii) rural youth; and iv) Indigenous Peoples. A direct beneficiary may fall into multiple target groups e.g. a young, Indigenous woman farmer. A mix of direct and self-targeting methods will be applied to ensure greater participation and social inclusion of priority groups.
- 77. Selected Crops: Value chain investments will focus on coffee and cacao as anchor crops that have high national and global market demand and are suitable for upland agriculture in small land holdings. Cacao and coffee output has been growing but not as fast as market demand (Annex 14: Coffee and Cacao Industry Data) and currently local production falls well short of domestic demand. Cacao is recognized for its increased "recognition in the domestic and export markets" leading to a gradual and sustained annual increase in production of approximately 2,743ha annually since 2013. Similarly, the potential of coffee has also been recognized with increasing domestic consumption and an increasing reliance on imported coffee as local production decreases. Consequently, both crops demonstrate strong evidence of unmet demand both in national and global markets.
- 78. Both commodities are identified by DA and DTI as priority crops and have national Commodity Road Maps. There are several factors contributing to low coffee and cacao productivity in the Philippines which the Project can address such as low-density planting, climate vulnerability, and unsustainable farming methods. The principal challenges to profitability and growth in the cacao and coffee value chains are the volume and quality of production, and post-harvest handling. The roadmap for cacao was developed in preparation for the proposed Philippine Cacao Industry Development Act and updated the previous roadmap covering the period 2017-2022. The Cacao roadmap focuses on building strong Philippine branding and increasing utilization of clustering, localization, inclusivity and market demands. The Coffee roadmap emphasizes encouraging private sector processors for quality product development for international markets, creation of an online database, increased promotion of local coffee products, increasing local coffee partnerships and establishing authenticity through research and analysis. Both roadmaps identified priority investment areas as follows; research and development, nurseries, farm productivity improvements, post-harvest support, transport from farms, pre-processing value addition, trade and marketing standards, and access to finance.
- 79. Coffee and cacao have potential to significantly contribute to poverty alleviation and inclusive growth through livelihood and job generation in the upland areas. There are opportunities for women's participation in coffee and cacao producer organizations. The selected value chains also have potential for enhanced climate-resilience and climate mitigation when cultivated effectively. Production only requires a small monetary investment or start-up capital. Smallholder farmers are identified in the Coffee Roadmap as an important stakeholder for coffee growth and quality and an important focus for cacao growth. 90% of the growers are of small farm holdings in the Philippines. According to the roadmap, coffee and cacao can be (and are) intercropped with other crops such as coconut and banana, giving farmers more income streams while keeping the soil healthy. Both anchor crops have potential for engagement of IPs, women and young people in various stages of the value chain. Addressing low productivity in these crops offers a pathway to competitive, sustainable production, and land and income diversification.
- 80. The VISTA project will focus on the two "anchor crops," but incorporate the need to work within the broader integrated cropping systems for both strengthening food security and nutritional benefits for poor households as well as minimizing environmental degradation. These crops have potential for integration in sustainable farming systems (root crops, vegetables, chayote (known locally as sayote) fruit and nut trees) which can contribute to food security, improved nutrition and livelihood resilience. Across the two target areas, many of the households already are involved in coffee or cacao production, within a diversified farm but usually at a small-scale level with limited commercialization of surplus.
- 81. **Geographic Site Targeting:** The areas where the ARCs are located will be the primary entry point for project activities (*about 100 ARCS covering approximately 434 Barangays in fragile upland areas with an average of 1,200 households (120,000 households total*)). ARCs have a high population of smallholder farmers and marginalized groups as a fundamental requirement for their designation as ARC in line with the CARP. ARCs tend to have common features in being relatively recent small landholders, or cultivators of transferred lands so agricultural capacity is low and their livelihoods depend on low-productivity family farming. Most of the households rely on traditional farming practices. ARCs may comprise of around 3-5 barangays but can be linked to form an ARC cluster as a productive hub for support. Within the ARC clusters, DAR supports both ARBs and non-ARBs in the locality. DAR already works closely with DA and other agencies in ARCs. Care will be taken to ensure that project sites do not duplicate areas that are being directly supported by other projects such as PRDP or MIADP. In some cases, there may be synergy between investments of other projects in adjacent areas but these must be identified during the targeting process.
- 82. For reasons of scale and implementation efficiency, the project will initially target ARCs in the target regions and expand to similar adjacent poor communities that also have potential to engage in the targeted anchor crops. For ease of reference, the ARC areas and adjacent areas around the ARCs are collectively named as expanded ARC Clusters (EARCCs) throughout the rest of the document. The EARCCs will be selected in predominantly upland areas (over 100 metres above sea level). These

upland areas in regions are major watersheds with high levels of fragility, experiencing environmental protection and degradation issues. Upland small farmers in these areas are among the most vulnerable groups to climate change impacts and economic shocks. Other considerations for the selection of specific sites can be the results of the DA Expanded Vulnerability and Suitability Analysis (E-VSA) and the Provincial Commodity Investment Plans, where available.

- 83. Most EARCCs will already have potential for the selected commodity crop production, although the varieties will vary depending on elevation and soil type. Assessment of specific sites will also refer to the existing agri-sector documentation of the potential for the locality. The targeted ARCs would have an elevation higher than 100 m above sea level to allow for cultivation of cacao and/or coffee. In Region XII, there are ARCs that are lowland with main production of rice, rubber and sugar cane. These are less suitable for the identified anchor crops and would not be targeted.
- 84. **Direct Targeting:** The target groups within the ARCs and adjacent areas are **poor households and small farmers**. The **outreach strategy** will rely on, firstly the DAR existing mechanisms that identify and engage with ARCs, ARBs and the LGUs and other agencies in the municipalities where the ARCs are situated. The LGUs, particularly through the Municipal Agriculture Office (MAO) will work with DAR and regional DA staff to identify the scope of the adjoining localities to be included as <u>Value</u> <u>Chain Participating Organizations (VPOs)</u>. In CADT/CADC areas, the IPOs and any community-based forestry groups engaged in agroforestry and registered with the LGUs/DENR will be engaged in the identification of potential project participants.
- 85. The targeting strategy will be to implement the project in close partnership between the municipal LGU (MLGU) and already established farmers groups and cooperatives within the project areas. At the municipal level, the MAO is responsible for supporting local farmers and have knowledge of the local farming systems and agricultural markets. They are also responsible for implementation of the DA national programs and work with a range of farmers organizations in both ARCs and non-ARC areas. The farmers organizations, identified in partnership between DAR and DA (also NCIP and DENR if relevant) will be the main avenue for engagement of community members but other mechanisms such as *barangay* meetings, irrigator associations, women's and IP groups would also be used to reach the target groups, especially vulnerable households within ARCs and in surrounding areas. The *barangay Co*uncils are also important avenues for engagement of Social Welfare Development.
- 86. <u>Farmers organizations and cooperatives will be the entry point for VISTA targeting</u>. In almost all ARCs, there are existing community-based organizations often established with DAR support and with a large proportion of ARBs (ARBOs). In other ARCs, there are larger cooperatives or farmers groups that were pre-existing prior to land distribution or have a wider reach than the ARCs so the proportion of non-ARBs is higher than ARBs. Often, these are still supported by DAR and DA due to their wide range of services, including for ARBs. In the non-ARB areas, there are also DA-supported organizations, known as Farmer Cooperatives and Associations (FCAs). The cooperatives are similar to ARBOs and may be larger. The associations are more likely to be commodity producer groups. Indigenous Peoples Organizations (IPOs) are also likely to be present in most EARCCs. Collectively these organizations will form the basis of the VC development activities. Community-level organizations that participate in the VISTA project are collectively termed Value Chain Participating Organizations (VPOs).
- 87. ARBOs will form the initial step in identification of the target groups. DAR has established a network of ARBOs that consolidate, and process produce and provide post-harvest, marketing and financial services to individual farmers. However, not all ARBOs perform equally, and many struggle to access private sector capital due to poor management and financial performance. DAR's own rating system, IT-EASY, shows that less than half of ARBOs have operational policies, with many reporting negative net incomes. This performance varies by region, with some areas reporting better results than others. Furthermore, ARBOs often have linkages with other farmer cooperatives and associations (FCAs) outside of the ARC scope or in adjacent non-ARC areas, which help to build economies of scale and efficiency of service provision to members. At the production level, many ARBOs comprise membership of both ARBs and non-ARBs. Expansion of membership and associate membership for the purpose of VCD shall be supported to improve the viability of VC operations and achieve a wider spread of benefits for small farmers in the target areas.
- 88. The current level of business activity of organizations in the EARCCs (starts with the assessment of maturity levels using DAR's existing tool for ARBO assessment) and ease of market access are important considerations for targeting. <u>This targeting approach will dictate a phased approach to Project implementation. The selection will initially prioritize a first batch of ARBOs with easier access to major market centres and demonstrated productive and business capacity for coffee and cacao. This will enable the project to strengthen the existing value chain links within the target regions and assist in improving productivity quantity and quality and commence access infrastructure subprojects before reaching to a second batch of VPOs that have little or no current engagement in the anchor value chains, but that do have potential to become effective value chain producers. Larger, or lead VPOs are likely to have registered as cooperatives and engage in economic activities. Smaller VPOs may be linked to larger VPOs in the same vicinity to form a value chain network with the cooperatives being up market focused and smaller VPOs acting as production and consolidation hubs. Strengthening these networks will help overcome the disadvantages of dispersed smallholder producers through cost effective input and production aggregation and the provision of common post-harvest services.</u>
- 89. VPOs will be supported to engage with private sector organizations and service providers to strengthen value chain activities. Individual producers may be a member of multiple organizations. DAR's and IFAD's experience from CONVERGE show that working with Lead ARBOs provides a focal point for value chain growth across VPOs. The project will also support other value chain actors (such as private sector input suppliers, market actors, financing institutions, lead farmers, training institutes, tech firms) as required for sustainable VCD results.
- 90. Gender Equity and Women Empowerment: As a gender transformative project, strategies to encourage participation of women will be implemented in all aspects of the project including a focus on supporting women leadership, identifying specific needs of local women's groups, IP women and young women. VISTA will tackle the gender-based constraints using Household

Methodologies (HHM), as an entry point, to achieve gender transformation.

- 91. Three principles will be followed to promote gender transformative change in the context of NRM, climate adaptation and VCD: (i) using participatory approaches to facilitate dialogue, trust, ownership, visioning and behaviour change at various levels (individual/household/VPO/community/society levels); (ii) promoting critical reflection on deep-rooted social and gender norms and attitudes in order to change unequal power dynamics and bring about a paradigm shift at all levels; and (iii) explicitly engaging with men through HHM including young men to transform personal perspectives, norms, and systemic patterns towards gender equality and inclusion. This will entail working with husbands and sons to encourage support for wives' economic activities/leadership roles etc and avoid husbands limiting wives' mobility thereby limiting her participation in women's economic groups/associations.
- 92. Women's empowerment will be achieved via the following pathways: a) for economic empowerment: creating new income opportunities for women through tailored support to women through the women's associations for coffee and cacao; access to finance through VISTA rural financing strategy; preferential access to project grants; promoting women's employment in the coffee and cacao VCs and promoting better contractual working conditions. b) for decision making and representation: promoting women's influence in decision making by promoting women in leadership positions in the VPOs supported by the project; ensuring women participate and influence project planning; adoption of household methodologies and awareness raising activities against gender-based violence. c) for equitable workload balance: Introducing gender sensitive and climate smart productivity enhancing technologies to reduce women's time poverty and enable their enhanced participation in productive activities.
- 93. VISTA will pay particular attention to the empowerment of indigenous women by: (i) expanding their access to and control over resources such as land, capital, traditional knowledge and technologies; (ii) strengthening their agency, decision-making role in community affairs, and representation in local institutions; and (iii) building on their untapped potential for sustainable development, by recognizing their role as stewards of natural resources and biodiversity, and as bearers of rich traditional knowledge systems.
- 94. For social norms change, VISTA will invest in the conduct of region-specific social norms including gender norms assessment in the early stages of the project to ensure that the project does not exacerbate the barriers faced by women and will integrate mechanisms to transform unequal gender relations for the socio-economic empowerment of women including indigenous women and young women. A local service provider will be engaged for this.
- 95. Roll-out of the Household Methodology. Household methodologies (HHMs) are methodologies that enable family members to work together to improve relationships and decision making, and achieve more equitable workloads. Their purpose is to strengthen the overall well-being of households and all their members. For VISTA, a household-based approach will be implemented, building on successful experiences in other IFAD projects in the region to support behaviour changes equitably involving the whole family, in relation to nutrition, family planning and budgeting, production and financial and business literacy. Existing training modules will be adapted to the project needs, with support from a service provider. The VISTA household-based approach will also ensure that there are follow-up mechanisms (such as champion couples) to initial training to ensure continuity.
- 96. VISTA will also engage in-country policy frameworks related to gender equality in the agricultural sector and beyond through engagement with the national machineries such as the PCW.
- 97. VISTA will ensure gender and inclusion is integrated within the project M&E through the collection of data disaggregated by sex/age/IPs; investing in the data collection, analysis, use and reporting on the empowerment indicators; and integrating gender specific indicators in its log frame:
 - Gender-disaggregated indicators (including for youth)
 - 2.1 Individuals demonstrating an improvement in empowerment budget included for baseline/midline/endline surveys
 - Number of women with new jobs
 - % of supported groups with women in leadership positions
 - Women's groups and women's businesses supported with equipment and marketing services
 - · Survey results on beneficiary feedback disaggregated by gender; Qualitative data through women focus groups
- 98. Rural Youth: Opportunities for engagement of young farmers will be identified in consultation with both community leaders and young groups within the target areas. Youth empowerment will be achieved via the following pathways: a) creating employment opportunities along the selected value-chains, for example through the extension service provision; b) tailored support to young men and women agri-preneurs with access to business packages, including agri-preneurship and enterprise related production training, preferential access to grants and mentorship. This may be pursued in partnership with TESDA (Technical Education and Skills Development Authority) and Department of Labour and Employment and other youth service providers, as well as DAR's proposed initiatives to support young farmers.
- 99. Indigenous People: VISTA will incorporate specific measures to ensure culturally appropriate inclusion of IPs within the target communities such as engaging sufficiently with IP leaders and ensuring compliance with IP mechanisms for approval of project interventions. The selection criteria for participation will be the same as in other areas of the project but will ensure that IPOs are strongly engaged in identifying the participants. As part of its commitment to enhancing the impact of the project on gender equality and women's empowerment, in addition to securing FPICs in project areas. VISTA will support the empowerment of Indigenous Peoples, particularly indigenous women and youth through initiatives that take into account inter-generational relations, to ensure that their knowledge, identity and traditions are passed on to the next generation.

100. Lastly, the VISTA targeting strategy will include mechanisms for monitoring of targeting effectiveness. This will be carried out

through the DAR/DA field staff and participating organizations to record levels and diversity of inclusion. Participation by different target groups will be recorded at project events and activities. Based on the lessons from CHARM, the project will engage ARC key stakeholders in the annual monitoring of intervention outcomes, and the direct supervision of activities to build local M&E capacity and also facilitate local solutions to issues identified and to strengthen advocacy for participation of specific target groups in future. In addition, the project will work with DAR, DA, and the LGUs to embed the monitoring processes within the existing monitoring processes to build capacity and knowledge of good practices in inclusion.

D. Components/outcomes and activities

- 101. VISTA will operate through two complementary technical components for ecosystem planning, protection and enhancement and sustainable value chain development and a supporting component for project management.
- 102. Component 1 sets the foundation for sustainable agricultural practices, focusing on enhancing the resilience of local communities to the effects of climate change. This component's core strength lies in its holistic approach to establishing a sustainable groundwork for value chain development. For instance, it supports identifying on-ground investments that enhance access to natural resources and encourages the adoption of sustainable technologies, including renewable energy.
- 103. Considering the value chains of coffee and cocoa, both are highly sensitive to environmental conditions and are vulnerable to the challenges posed by climate change. Erratic weather patterns and the degradation of soil quality can drastically affect the yields and quality of these crops. Component 1 addresses these concerns by restoring agroforestry and degraded lands, conserving soil and biodiversity, and improving water sources, the component ensures that the ecological base essential for the growth of coffee and cocoa is preserved and enriched. These efforts directly resonate with the needs of value chain actors, who require consistent and high-quality yields for their businesses to thrive.
- 104. Component 2, on the other hand, emphasizes "Sustainable Value Chain Development." Under this component smallholders associated with coffee and cocoa will be provided with improved agricultural inputs, technologies, and practices. The convergence of the two components ensures that coffee and cocoa smallholders not only have access to improved natural resources but also have the knowledge and tools to optimize their yields, maintain quality standards, and navigate the market efficiently.
- 105. Component 1 and 2, when interwoven, offer a comprehensive strategy to elevate the coffee and cocoa value chains. The investments under each component will be identified and prioritized under Strategic Investment Plans (similar to Detailed Investment Plans of RAPID Project) prepared in a consultative manner with the key actors in the value chain, such as producers, processors, distributors, and retailers to address the specific needs of the value chain models particular to the local market context and conditions. These plans will identify opportunities to improve the efficiency of value chain businesses, such as reducing costs, improving productivity and product or service quality to increase market share, and making them more sustainable using resilient practices. Planning VC interventions with local VC actors will ensure that project investments are prioritized to meet the needs of different groups and allocated to VC nodes where improvements are required, such as rural market roads and post-harvest infrastructure. NRM investments, such as water conservation and soil erosion control, will also be identified during this process in tandem with value chain investments. This will ensure that resources are not scattered or disconnected, but instead are aligned with the needs of the value chain and the benefits are maximized to support that particular value chain model.
- 106. Under the SIPs, the results of the review and assessment of existing NRM plans will be aligned with the VC analyses being conducted through Component 2. This alignment will help to identify the most feasible and sustainable options for investment. The planning will also consolidate both natural resource and VC investment requirements under Component 2. NRM investments will be prioritized according to the needs of the VCs. This means that the focus will be on aligning natural resource enhancement with the needs and requirements of the value chains. Incentives for innovation in sub-component 1.3 will support the modernization and upgrading of value chains by integrating environmental and climate considerations. The activities that are piloted will be embedded in SIPs to support green investment that can benefit value chains. The governance structure will ensure that there's transparency, consistency, and community involvement. Since the project will have a direct impact on local communities, their involvement in overseeing the plans and investments will be crucial. The project will engage local stakeholders to ensure that the actions taken resonate with ground realities and have local buy-in.

Component 1: Ecosystem Planning, Protection and Enhancement

- 107. **The objective of this component** is to support ecosystem planning, protection and enhancement to promote (i) development of natural resource planning, including accessing available research, reviews of existing land use and area-based plans and consolidation of available environmental information to achieve a robust dataset that will inform activities under Components 1 and 2; (ii) strengthening communities' capacity to adapt to climate change and conservation and management of natural resources (i.e. conserve water resources, enhance soil health, reduce slope erosion, increase biodiversity) towards greater productivity; and (ii) inclusive approaches and innovations to achieve sustainable and green benefits across the value chains.
- 108. Expected Outcomes: Project beneficiaries, including women, youth and IPs, have improved access to protected and enhanced natural resource base from restored agroforests, enhanced soil management, improved water resources, and the conservation of biodiversity. Smallholder farmers adopt sustainable and climate resilient technologies and practices, thereby having improved capacity to effectively manage natural resources for sustainable production systems and cope with the negative impacts of climate change.
- 109. This main component focuses on the holistic planning, protection, and enhancement of ecosystems to achieve sustainable and green benefits in the value chain. It emphasizes the importance of natural resource management, climate change adaptation,

and the sustainable use of resources.

110. Sub-Component 1.1: Identify and prioritize sustainable investments.

- *Purpose:* This sub-component is centered around a comprehensive assessment and review of existing plans, datasets, and investments at various levels. The main objective is to consolidate relevant data and inform decisions in advance.
- *Importance:* To make informed decisions, there's a need to understand the current landscape. By identifying these investments early on, the project can ensure that they are aligned with the needs of the value chain and are used in a way that is sustainable.

111. Sub-Component 1.2: Enhance Natural resources management for value chains and resilience.

- *Purpose:* In this sub-component, the focus shifts to the practical on-the-ground investments aimed at improving natural resources. This involves the physical implementation of NRM investments from soil and water management to climate information services and disaster response funding.
- *Importance:* Enhancing natural resources directly contributes to strenghtened value chains by increasing volume and quality of production and ensuring sustainability of agriculture resource base. For instance, better water management not only supports the coffee and cacao value chains but also aids in the conservation of essential upland ecosystems. This subcomponent also emphasizes the role of proactive measures, such as early warning systems, in ensuring that value chains remain resilient in the face of climate change.

112. Sub-Component 1.3: Greening the Value Chain.

- Purpose: This sub-component revolves around integrating environment and climate considerations into the value chain. Incentives will be provided to promote innovative technologies and practices, from energy-efficient processes to the use of blockchain for carbon credit management.
- *Importance:* To achieve truly sustainable ecosystems, there's a need to re-evaluate and innovate within the value chains. By greening the value chain, the initiative ensures that economic growth is achieved in an environmentally friendly manner. Additionally, it offers an opportunity to incentivize sustainable practices through avenues like carbon credits.

113. This component will improve value chain development in a number of ways, including:

- Identifying and managing risks. NRM plans will help to identify and manage the risks that can affect the value chain, such as climate change, pests and diseases, and market volatility. This can help to ensure that the value chain is more resilient and sustainable.
- Promoting good practices. NRM component will promote good practices throughout the value chain, such as sustainable production methods and fair trade. It will inform the extension and production enhancement activities under subcomponent 1.2 to train producers on sustainable production methods and support the development of environmentally sound standards for products and processes as well as to ensure a reliable supply of production and operate in a way that is environmentally friendly
- Improving access to markets. NRM component will interact with the VC component to improve access to markets for
 producers, for example, by developing climate proof market roads or providing information on market opportunities. The NRM
 plans will support to identify potential risks and opportunities that could affect the post-harvest facility, such as climate
 change, pests and diseases, and changes in market demand. This information can be used to make informed decisions
 about where to locate the facility, what type of infrastructure to build, and what kind of equipment to purchase. The first
 component will also provide guidance on sustainable practices that can be used in the post-harvest facilities, such as water
 conservation, waste management, and energy efficiency. This information can help to reduce the environmental impact of the
 facility and to improve its long-term sustainability.
- Building capacity. NRM component will help to build the capacity of producers, processors, and traders to participate in the value chain in the face of climate change and natural resource constraints. These plans is also intended to empower stakeholders by giving them a voice in decision-making and by promoting participation in decision-making processes. This can help to ensure that the needs of all stakeholders are taken into account and that sustainable practices are implemented in a way that is acceptable to all stakeholders. NRM plans will support research and development mainly linked to sub-component 1.3 into new sustainable production practices and technologies. This can help to ensure that producers have access to the latest knowledge and tools to help them adapt to climate change and natural resource constraints
- 114. <u>Subcomponent 1.4 Response to Emergency and Disaster (RED)</u>. In addition, the Project will include a sub-component on disaster response contingency to prevent the disruption of the value chains in Project areas affected by the disasters in line with the Project's targeting strategy. This will be used to help with Rapid Disaster Assessments of damages and preparation of costing for relief and rehabilitation needs.
- 115. In Summary: These four sub-components, though distinct in their focus, collectively contribute to the broader goal of Component 1: ensuring the planning, protection, and enhancement of ecosystems. They are sequentially logical: one begins with the assessment (Sub-component 1.1), moves to direct interventions and enhancements (Sub-component 1.2), and then integrates these advancements into the value chain (Sub-component 1.3). This integrated approach ensures that efforts are informed, targeted, and contribute to both economic and environmental sustainability. The fourth sub-component will maintain a balance of zero. Upon activation, the AWPB/PP will be updated and the funds can be used for immediate support, contingent upon the set of triggers being activated.

116. Sub-Component 1.1 Identify and prioritize sustainable investments.

117. This subcomponent aims to conduct a **comprehensive review and assessment of existing plans**, available datasets and investments that already exist at various levels and that affect the selected target areas. These will include national agency plans

(e.g., DENR, DA, DAR), regional, provincial and LGU plans, industry road maps including Cordillera Cacao Industry Roadmap 2023-2025 as well as the Cordillera Declaration of Principles on Environmental Governance, ARC Development Plans (ARCDP), Ancestral Domain Sustainable Development and Protection Plans (ADSDPP), the SIKAME Integrated Watershed Management Plan in CAR developed through CHARM and other relevant studies. Aside from existing plans, existing government programs that complement the VISTA project will also be considered including PRDP and MIADP.

- 118. The objective of the review will be to gather information regarding the environmental assets, economic potential and priority climate and environment-related risks to the local sub-catchments. To carry out this review process, onsite stakeholder engagement will be required to (i) re-visit ARC cluster and existing plans within the sub-catchment; (ii) gather local data on key features and practices; and (iii) validate the review results. The review and assessments proposed under this sub-component will be carried out by a qualified Technical Partner (TP) contracted by DAR and work in close coordination with DA. The TP will be hired for six months to facilitate the initial activities under this sub-component and on an annual basis to support implementation.
- 119. The TP will be responsible for **preparing thematic geospatial maps** illustrating the key information from the aforementioned review, such as land use mapping, crop-site suitability assessment, hydrological assessments, protected area mapping, climate vulnerability mapping, and any other relevant assessments. The results of these assessments will be digitized into geospatial products that will be incorporated into a user-friendly database developed for VISTA stakeholders and beneficiaries. Data/information within agency datasets produced in the consolidation of plans will be digitized and aligned with key Natural Resource Management (NRM) assessments in consultation with Coordinating Committee as established under Component 3 and applying the principles of National Convergence Initiative (see context). If the EU financed Copernicus initiative is operational during the project's effectiveness, it shall be linked to the project to apply high-resolution satellite imagery of the project areas. This would assist in identifying ecosystem features that will impact on value chain operations and improving resource protection and enhancement initiatives.
- 120. The TP will ensure **collaboration and communication with local communities** to validate maps and datasets of VISTA ARCs and surrounding ecosystem. The participatory assessment will center on citizen science, which involves generating and sharing data and validating technical and local knowledge management practices, particularly in relation to the anchor crops and local farming systems. The project will pay particular attention to engagement of IPs, women and youth given their high involvement in the anchor crops and family-based farming systems in the local area. The results of planning and prioritization will be communicated with the community through awareness and sensitization campaigns.
- 121. Given topographical, demographic and cultural differences between the target areas it will be important that planned investments are place-based and context specific. For example, the upland areas in the two target regions are distinctly different where CAR has mountainous terrain while Region 12 is more rolling and undulating terrain. The steep slopes in the uplands of CAR where the farmers in ARCs are located are more vulnerable to erosion and access is more difficult compared to the relatively moderate upland terrain of Region 12. Addressing the problems of erosion along the slopes where the farmers are planting VISTA priority commodities is important but will require site-specific approaches. Another consideration is which investments can be used as incentives (usually the ones delivering quick benefits) to get full commitment for the NRM activities which take longer at delivering benefits, such as the forest and biodiversity ones, and create packages to be negotiated with stakeholders as part of formal ecosystem agreements.
- 122. This sub-component will ensure the basis for inclusive community engagement, training, and awareness to promote environmental sustainability and enhance the management of natural resources to increase production for selected commodities. VISTA activities need to address gender norms and adopt a more responsive approach to address gender barriers to access, decision-making, and meaningful participation that exist due to gender-based social norms. In Component 1, HHM for gender transformative change will be adopted to ensure that both women and men farmers, including from indigenous communities, will participate in the community level engagements guided by region-specific gender and social inclusion strategies by addressing barriers related to gender-based social norms. Region-specific social norms assessment will inform the development of targeted messages during community awareness campaigns for different target groups in the promotion of sustainable practices in other sub-components.
- 123. The results of the **review and assessments will be aligned with simultaneous VC analyses being conducted through Component 2** to identify the most feasible and sustainable options for investment to support production from enhanced natural resources. The TP will then facilitate detailed planning for on-ground investments for resource protection and enhancement, in conjunction with the investment priorities for VC initiatives. The TP will also prepare community training and capacity development requirements to inform the planning of extension services to be implemented through Subcomponent 2.1 activities.
- 124. This planning will result in specific sub-project proposals (SPs) and VISTA annual work plans and budgets (AWPB) that consolidate both natural resource and VC investment requirements under Component 2. DAR will be responsible for expediting the preparation of necessary documents for obtaining permits and certifications including FPIC for the investments identified in accordance with IFAD and national regulations.

125. Sub-Component 1.2 Enhance Natural resources management for value chains and resilience.

- 126. This subcomponent will invest to protect and enhance the natural resources for climate resilience and improve productive resources for agriculture production such as soil testing, slope improvements and irrigation works that will help farmers to achieve higher crop yields and quality.
- 127. Based on field observations from the design mission and a preliminary review of existing plans, multiple potential intervention areas will be identified for investment. A top priority is strengthening communities' capacity to adapt to climate change, conserve water resources, enhance soil health, reduce slope erosion, and increase biodiversity. The Project will work closely with the LGU's Provincial Environment and Natural Resources Office (PENRO) and the Municipal Environment and Natural Resources

Office (MENRO) in implementing this subcomponent. If there was a need for interventions within DENR-mandated areas, associated with project agro-forestry activities, these would be addressed with the DENR at the Project Steering Committee. A MoA will be executed for the partnership with the LGU's PENRO/MENRO, with DoA for technical assistance, and with DENR when necessary.

- 128. Improved water-use and management in upland farm ecosystems for sustainable coffee and cacao value chain development has been prioritized in the targeted areas as changes in the availability and timing of water resources were noted during stakeholder engagement as a key limitation to farm-level productivity. It was noted across all VISTA target areas that climate change is exacerbating the pressure on water resources, which in turn leads to increased drudgery especially for women. Efficient water management and conservation are critical for the sustainability of upland ecosystems and particularly for the coffee and cacao value chains. Furthermore, upland ecosystems are often home to watersheds and other important water sources that supply drinking water to downstream communities. Proper water management practices will also help protect water quality and prevent pollution, ensuring that the water supply remains safe and healthy for people and ecosystems.
- 129. Investments in community watershed conservation, forest management and agroforestry will be made within the identified subwatersheds of the target areas. The potential investments will include those outlined in Table 2. Detailed feasibility studies/subproject proposals and detailed design will be required. The approval process for each sub-project will follow the process identified in the Project Implementation Manual (PIM). The NRM-related infrastructures in this component will be implemented under a cost-sharing arrangement. IFAD Loan Proceeds (LP) will share 60% of the total sub-project costs while for ARC areas, DAR will contribute 20% GoP counterpart from the agency's Agrarian Reform Fund (ARF) for the implementation of the infrastructure facilities. For non-ARC areas, the MLGU or other available resources can be tapped for the 20% GoP counterpart. The remaining 20% will be funded as below for each activity.
- 130. Maintenance and protection measures will cover a total target area of 10,586 ha with an outreach of around 30,000 beneficiaries. Maintenance and protection require high manual labor and other inputs to maintain the integrity and improve the quality of the natural resources and ecosystems to provide the necessary services (e.g. water production, soil conservation, climate resilience, etc). This will include ring weeding, spot cultivation, replanting, organic fertilizer acquisition and application, provision and use of tools, and constant patrol work of plantations, communal forests, agroforestry areas in both target regions.
- 131. Maintenance and protection works are phased into 3-yr intervals (in the 6-year project duration in tandem with plantation establishment and water source protection) where the works commence in the following quarter after planting and conduct such activities continuously every quarter or bi-annually thereafter. This is to ensure the survival of newly planted seedlings (coffee, cacao, agroforestry/ reforestation species) until they can survive on their own by the third year after plantation. The next phase will be a repeat of the first phase but implemented in the remaining EARCCs. For maintenance arrangements, assessment of soil conditions may be required on an intermittent basis to confirm the required soil management arrangements, especially in the context of climate change effects or calamities.
- 132. The IPs in the CAR have a mechanism for agreement in conserving their natural resources. From the experience of CHARM Project, the Cordillerans have the "Green Covenant" which is a sacred agreement that transcends generations to protect and conserve their natural resources. By transcending generations, once a green covenant is signed or agreed upon (a ritual is performed in the presence of the Council of Elders and the community/tribe), this Covenant is observed and implemented from the present generation down to the descendants and succeeding generations. This inter-generational pact assures the sustainability of the protection & conservation of their natural resources. For Region 12, the set-up is different wherein the tribes are led by one tribal leader who takes the lead in protection and conserving their natural resources.
- 133. Social assessments conducted in the INREM and CHARM Projects revealed that the IPs are incentivized by the application of agroforestry technologies to increase their income, at the same time conserving and protecting their natural resources. In addition, VISTA will organize study tours and cross-farm visits to showcase other successful examples in terms of farm productivity and natural resources conservation and protection. Communities will be further incentivized by tying up value chain activities in Component 2 with the performance of their reforestation, assisted natural regeneration, enrichment planting and agroforestry activities. A set of conditions will be set as such that by the third year of plantation establishment, a target level of survival of planted seedlings will have to be reached. For instance, the achieved survivability rate of reforestation in the INREM and CHARM Projects ranged from 70% to 80%. Once this target is met, the individuals or groups can benefit from other VC investments.
- 134. This subcomponent will also support climate information services (CIS) to promote the use of the diverse range of climate and weather advisories/forecasts produced by PAGASA with investments focused on producing tailored CIS and actionable advisories for the target value chains of VISTA and ensuring access for farmers and target communities. The DA, through its Climate Change Office, has an institutional arrangement with PAGASA and experience implementing the AMIA (Adaptation and Mitigation Initiative in Agriculture) program since 2015 to enhance climate resilience in regions such as CAR and Region 12. By linking PAGASA information with relevant agricultural data and extension services the DA will provide technical assistance for producing bulletins and digital services that are relevant to VISTA target groups.
- 135. Investments will include improvement of linked databases with PAGASA, expert consultants to interpret and prepare actionable advisories services, IT support to ensure information is translated into communication channels most relevant to target user groups, and support to extension services and training on the use of CIS. The resulting services will be aligning with anticipatory action protocols, establishing early warning systems, and engaging farmers through workshops and feedback mechanisms. The project will promote a systematic anticipatory approach, bridge the gap between weather data production and beneficiaries, and ensure sustainable agricultural practices for climate adaptation and mitigation. Investments will include workshops and outreach materials to ensure advisory services are linked to anticipatory action and planning processes in the regions. IFAD will also leverage its recent partnership agreement with SOFF to extract and disseminate international best practices on CIS, working together with DAR,DA and PAGASA.

136. Table 2. Potential Sub-component 1.2 investments

Sub-component activity	Example investments	Implementation Arrangements	Cost Sharing Arrangements
Water source Protection to safeguard water and protect fragile upland slopes tilled by farmers against erosion and landslides Soil and Water Conservation to harness natural sources of water supply such as natural springs, rainfall, and rainfall surface run-off for agricultural use and irrigation	 Fencing and protective barriers around spring Slope protection works grouted riprap/gabion bio-engineering solutions (coconets planted with Vetiver grass, Sloping Agricultural Land Technology) o agroforestry interventions (e.g terracing, contouring, alley cropping), Construction of interceptor drainage canals serving as energy dissipators and collecting these into retention ponds or Small Farm Reservoir (SFR) for distribution to agricultural areas 	Implemented through community based labor contracting. - Organized by the MLGU and barangay LGU - Technical support from DA BSWM, DA RFO and from DENR where relevant - Farmers directly benefiting from proposed sub-project.	 Farmers group contributes maximum of 5% of costs (in-kind, including donated labour time to be agreed with MLGU) 15% contribution from MLGU (or remainder if farmer group contribution is less than 5%) Construction materials procured by MLGU
Streambank Stabilization to protect erosion-prone streambanks Small-Scale Irrigation Schemes to provide irrigation water supply for heirloom and upland rice as	Providing grouted riprap, gabion works, including bio-engineering measures using coconets planted to vetiver grass where applicable Rehabilitation and construction of existing and new communal irrigation systems/projects (CIS/CIP)	Implemented through private contractors for labor and material engaging the community as skilled or unskilled labor in compliance with R.A. 6685. Implemented by MLGUs with private contractors for labor and materials. - Full involvement of the Irrigators' Association (IA) or proponent VPOs	MLGU responsible for 20% counterpart funding given public infrastructure benefiting all in the vicinity IAs or proponent VPOs provide 5% counterpart in agreement with the contractor and the MLGU.
to ensure at least 2 cropping per year (CIS/CIP) - pipe irrigation systems or solar powered pumps as supplemental water supply to cacao and coffee area during dry season		- Technical assistance of the DA through the BSWM and/or	15% contribution from MLGU (or remainder if IA contribution is less than 5%)

Sub-component activity	Example investments	Implementation Arrangements	Cost Sharing Arrangements
Rainwater Capture Tank to provide the poorest households in upland communities with drinking water	Heavy duty polyvinyl chloride (PVC) water harvesting tanks during rainfall or from any available natural springs and use this as well for backyard home gardening	Implemented by MLGUs and BLGUs with the full involvement of the beneficiary HH	Beneficiary HHs to provide 5% counterpart in kind (donated labor) for installation of tanks and pipelines within homes and properties. 15% contribution from MLGU (or remainder if HH contribution is less than 5%)
Forest Ecosystem Protection and Biodiversity Conservation to maintain healthy soils, ensuring water availability, supporting biodiversity, and building climate resilience for long-term sustainability of target VCs and increase biodiversity and ecosystem services such as carbon sequestration and soil conservation.	 Reforestation <u>Assisted natural regeneration</u> (aiding the growth of (young trees) in sparsely covered forest areas) <u>Enrichment planting</u>: planting trees in open spaces within a forest ecosystem Maintenance and protection Constructing nursery facilities (e.g., nettings, potting sheds), graded trails, footpaths, fireline construction and maintenance, and building bunkhouses/shelters and makeshift lookout towers. 	Implemented by the PPMO and LGU's PENRO/MENRO with technical assistance from DA BSWM, in collaboration with DENR, GUs and respective community groups.	Beneficiary HHs to provide 5% counterpart in kind (donated labor) for planting and maintenance and soil conservation works.

137. Subcomponent 1.3Greening the Value Chain

- 138. This sub-component will focus on the modernization and upgrading of value chains through integrating environment and climate considerations through the generation of knowledge and piloting of innovative practices and technologies in greening the value chain. The development of green value will be achieved by promoting improved economic and social outcomes within the value chain in an environmentally sustainable manner. Subcomponent 1.1 and 1.2 lean more towards public good, ensuring resources are managed for the benefit of all. Whereas subcomponent 1.3, being about the value chain, have elements of private good, emphasizing on greening business operations, which have more direct economic implications for businesses.
- 139. Sub-component 1.3 builds from the understanding that achieving green and sustainable ecosystems require transformative shifts in approaches. The project will support the applied research, piloting and support of **innovations towards a sustainable use of natural resources to reduce negative environmental impacts in the value chains and to climate proof value chains through targeted resilience measures.** The activities will align with the priorities for digitalization and modernization of agriculture under the DA's Thrusts and Strategic Agenda 2023-2028, amongst other current programs and initiatives of the national and regional governments.
- 140. In the early years of the project, the focus will be on improving inclusive and sustainable on-farm practices but as the project develops, additional innovations will be tested and replicated. Increased adoption of site-specific, data-driven and precision techniques can optimize the use of resources like water, fertilizers, and pesticides to increase crop yields and prevent the overuse or degradation of essential natural resources.

141. Table 3a. Overview of Sub-component 1.3 investments

Financing Instrument Name	Administered by	Recipient	Financing Instrument Detail	Eligible investments
(Component 1.3) Innovation grants	DAR, supported through DA programs for innovation and other partnerships	VPOs with a focus on women, youth and IPs. Private sector in partnership/or agreement with VPOs.	 Sub-project proposal mechanism (manual & guideline to be developed by Project and approved by IFAD) 	Innovative, inclusive and sustainable approaches to the development of green value chains

- 142. The Project will engage with partners in seeking new solutions to achieve inclusive and sustainable approaches that contribute to green value chains. The project will explore nature-based solutions for climate change adaptation investments to be appropriate to micro-climates within the project area. Integrated pest management, environmentally friendly pest and disease management, bio-char fertilizer and other solutions specific to the project areas may be included in the innovative approaches identified. Energy efficiency for VC processes will be explored such as wind power and biomass solutions. The climate information and other technical services of DA and the technical support available would be tapped to support innovations. Targeted activities piloted with DOST, state universities and colleges, private sector research and development initiatives or with other partners would be embedded in the agricultural extension services to be supported in Component 2 to provide demonstrative trainings on contemporary and sustainable farming and value chain development practices.
- 143. Priority will be given to investments that would more effectively engage women, youth and IPs. This may include initiatives in social innovation to achieve gender empowerment or by promoting Indigenous Knowledge Systems and Practices that have relevance for the development of green value chains. These initiatives may also include ideas for supporting the creation of an enabling environment for green investment, skills training in green technologies, green entrepreneurship and business development.
- 144. Additionally, the initiatives will be prioritized that has economic benefits by creating green jobs, green market opportunities, and income from resource base enterprises. Grant funds may support innovations such as potential for blockchain technology for carbon credit management to further promote sustainable agricultural practices. The project may finance initiatives towards introduction of carbon credits, which are attracting private sector investment and promoting eco-friendly farming practices. By monetizing the reduction of greenhouse gas emissions, these credits can help incentivize farmers to adopt sustainable methods. Blockchain technology can provide a transparent and secure platform for tracking and verifying carbon emissions reductions and sequestration efforts. By incorporating this technology, VPOs engaging in climate-resilient and carbon-efficient practices could earn carbon credits that can be traded in the carbon market. This would incentivize the adoption of sustainable practices and create an additional revenue stream for VPOs, while also ensuring the integrity of the carbon credit system. Furthermore, the blockchain platform could help improve traceability and transparency in the supply chain, allowing consumers to make more informed decisions about the products they purchase and support environmentally responsible farming practices. In prioritizing support for VPOs under component 2, their capacity and interest to invest or promote investment by farmers and other private sector partners in greening will be scored."
- 145. Piloting of modern equipment and technologies will be supported as long as these contribute to improving efficiency and renewable capacity of natural resources (water, energy, soil etc.) and reducing the wastage and pollution or ensuring cleaner production, eco-efficiency, and industrial ecology. This may include, for instance, compostable packaging, solar-powered coffee dryers, improved distribution channels through clustered marketing to reduce transportation emissions and cost. Advanced and unique processing techniques for use of waste may also be trialed e.g. coffee berry pulp tea or by adding natural flavours such as honey and local herbs to create unique flavour profiles and add value through diversification. Supporting direct farm to buyer trade and supporting introduction of blockchain systems can enhance traceability and transparency in the coffee supply chain. For these activities, there may be a blend of innovation grants through Component 1 for piloting and financing for scale-up through Component 2 support.
- 146. It is important that this sub-component remains flexible to allow for the emergence of innovation during the project. However, a key criterion in all the initiatives must be that the investments provide positive economic and social outcomes to improve the overall natural sustainability of the value chain.

147. Subcomponent 1.4Response to Emergency and Disaster (RED)

- 148. Natural disasters have caused an estimated US\$23 billion in losses and damages in the Philippines since 1990. The country is ranked 5th in the world in terms of extreme weather events, floods, heat waves, etc.^[74] The project areas are inherently impacted by extreme climatic events such as flooding, tropical storms/typhoons and drought. Earthquake is the prevailing natural hazard, particularly in region 12.[75] There is 83.7% of the share of natural hazard on ground shaking and liquefaction caused by earthquakes.
- 149. This sub-component will include a disaster response contingency to prevent the disruption of the value chains in Project areas affected by the disasters in line with the Project's targeting strategy. In addition, this will be used to help with Rapid Disaster Assessments of damages and preparation of costing for relief and rehabilitation needs. The project would assist in preparing required information so project VPOs are able to leverage additional funds from available government and other disaster risk funds.

150. The project financing will prioritize investments aimed at safeguarding assets or restoring agricultural land, water/irrigation systems, and enhancing the capabilities of rural community organizations to better handle the consequences of the crisis. It's important to note that the RED sub-component will not fund humanitarian activities covered by other stakeholders' responsibilities, such as WFP's food distribution efforts.

151. Table 3b. Potential Sub-component 1.4 investments

Sub-component activity	Example investments	Implementation Arrangements	Cost Sharing Arrangements
Disaster Risk Reduction Measures to enhance resilience of VC actors, build resilience in high- risk, disaster-prone areas, and contribute to disaster response efforts	Key actions in collaboration with LGU disaster management plans and response protocols. • highlight high risk areas and improve risk management plans with LGUs, • support disaster response packages for the most vulnerable households particularly through an emergency fund (e.g. cover cash for work rehabilitation work, climate-proofing of small community infrastructure and farm-level assets.)	The project will work with the LGUs and communities to identify the specific infrastructure and asset needs in the affected areas and define the standards and guidelines for disaster and climate-proofing (such as the use of resilient materials, slope stabilization measures, and drainage systems), which will be submitted to IFAD for no- objection.	As determined, through DRR assessments, supported by the project Disaster Response fund to facilitate required funding from other sources.

- 152. The key triggers to activate the disaster risk fund include early warnings from meteorological data, severity assessments based on real-time information and damage evaluations, official government declarations of a state of emergency or disaster, reports from affected communities and local leaders indicating urgent needs, rapid assessments of infrastructure damage hindering relief efforts, needs assessments highlighting critical requirements, existing predefined protocols outlining specific conditions for fund access for international assistance. These triggers will ensure a swift and targeted allocation of funds, enabling rapid and effective disaster response and relief efforts in vulnerable project regions prone to natural disasters.
- 153. Until initiated, this sub-component will maintain a balance of zero. Upon activation, the AWPB/PP will be updated and the funds can be approved by the Country Director for immediate support, contingent upon the set of triggers being activated. The funding for these activities will be sourced from the Works category, with an allocation of up to 10% of the total amount designated under this expenditure category.
- 154. The project will incorporate a carefully planned exit strategy into the VISTA's overall exit strategy plan, considering that the demand for disaster mitigation may diminish once the project has effectively bolstered resilience and response measures within the target group. During the project's mid-term review, a comprehensive assessment will be conducted to determine whether to continue the RED component for additional year(s) or reallocate the funds to other investment categories. The mid-term strategic evaluation will ensure a flexible approach, allowing resources to be redirected where they are most needed, aligning with the evolving requirements of the community and maximizing the project's overall impact.

Component 2: Sustainable Value Chain Development

- 155. This component has three main objectives: (i) improved smallholder farm productivity through interventions in farming systems, agricultural practices, and access to post-harvest facilities and infrastructure as well as extension mechanisms; (ii) build the capacity of VPOs in the project area to strengthen and expand the commercialization of the selected value chains and adopt greening investments; (iii) address climate resilient VC related infrastructure development needs to support value chain development.
- 156. Expected Outcomes: Smallholders adapting new farm practices and technologies are integrated to the value chains by gaining share of market and profits and adding value through increased volume and quality production, and increased nutrition, with sustainable use of natural resources. Producer organizations and their smallholders' capacities are strengthened for improved market and financial access and commercial partnerships in value chains in environmentally sustainable manner.

157 Subcomponent 2.1: SustainableAgriculture Production Improvements and Enhanced Extension Services

- 158. Component 2.1 seeks to improve agriculture production by enhancing farming models, technologies and systems through productive investments, adopting good agricultural practices, and providing better access to post-harvest facilities and infrastructure. It will also support sustainable extension services specifically designed for coffee and cacao. Given the DA's extensive experiencefor agricultural production, agricultural extension services and leadership in the coffee and cacao roadmaps, the DA-ATI and RFOs will provide technical support to this sub-component, through the MOU with DAR and following a convergence approach as per the National Convergence Initiative (NCI). DA will support the LGU agricultural offices and private sector actors to build the potential for a financially self-sustaining extension mechanism that can continue support beyond the project period.
- 159. This sub-component will aim to achieve **growth in production** volumes and quality that would meet local and global market standards through promoting sustainable improved farm-level technologies and practices, such as planting density, intercropping models, nutrient and water management, varietal improvement (e.g., developing hybrids, and on-farm post-harvest technologies). Use of compatible perennial tree crops with beneficiary crops, such as vegetables, fruit trees, and coconuts, promotes land and income diversification while bolstering long-term crop viability. By systematically investing in natural resource preservation to enhance farm capacity and productivity (as identified in Component 1), an ecosystem protection is supported, resulting in a profitable, resilient, and sustainable farming systems that prepares smallholders for future challenges and opportunities.
- 160.VISTA will implement a Farm Business School (FBS), building on the experience of CHARM and FishCoral to test, adopt and replicate environmentally sustainable and climate resilient agriculture practices and technologies in the target areas, including for women, youth, and IPs. An FBS is a model of production level support that includes extension, training and demonstration farms. Producers will be supported to upgrade their knowledge and technical capacities, accompanied with the demonstration of new tools, processes and ways of organizing and managing their cacao and coffee farms and agriculture businesses. FBSs will be set up around a geographic cluster of farms and participants will receive the necessary equipment, tools and agricultural inputs in accordance with a farm plan developed during the FBS. Demonstration farms (integrating practices for natural resource/climate resilient based farm models) will be established for the lead farmers selected by the FBS facilitators. These farm demonstrations coupled with the extension activities will showcase the good practices needed for increased productivity and quality resulting in lower unit costs, higher volumes and prices and deliver a more reliable supply to aggregators/consolidators. It will include trainings for farmers to access markets and produce quality products that meet both local and global standards involves a multifaceted approach. The extension program will work hand in hand with subcomponent 1.3 to systematically integrate innovative technologies and practices into the evolving curricula. Initially the project will set up a separate coffee and cacao FBS in each Lead VPO of the first batch and gradually scale up in year 2, 3, and 4. The project will also conduct specific FBS for women and youth to address the specific pedagogical and content needs of each including trainings in financial education and business and digital literacy.

161. An agricultural **extension** service provider will be recruited to design and implement the FBS system with the following tasks:

- Develop curricula, training and extension materials, inputs, plans and deployment strategy for farmers and FBS facilitators;
- Identify, and train local agronomists specialized in coffee and cacao production as FBS facilitators for the day-to-day
 implementation of FBSs at the provincial level;
- Prepare a comprehensive on-farm demonstration plan, to disseminate new agricultural practices and technologies focused on coffee and cacao farming systems that are context specific considering ecological and climatic factors;
- Design the structure, staffing, compensation and incentive scheme and performance management system for the network of FBS facilitators;
- Define the mechanisms for leveraging, complementing and supplementing DA's the Province-led Agriculture and Fisheries Extension System (PAFES);
- Develop a plan for VPOs to start, manage and sustain their FBS facilitator networks;
- Design training modules that align with certification requirements including GAP. These modules can cover various aspects of farming such as sustainable practices, organic farming, integrated pest management, or specific crop cultivation methods. Collaborate with relevant certification bodies or organizations to ensure that the training provided meets their standards and requirements. In coordination with DAR and VPOs, and technical assistance from DA, provide guidance and support to facilitate the certification process.
- Oversee the implementation of the FBS system.
- 162. The FBS facilitators, with the LGU municipal agriculturalists, will help to assess the local farming system status, crops planted, numbers and types of crops, density, age, estimated yield (with a focus on coffee/cacao), and adequacy and appropriateness of current practices, tools and facilities, and equipment in farm production, harvest, and post-harvest. This assessment will determine the necessary investments and financing sources to be incorporated into simple farm plans, correlating with the type of farm model envisaged. Aggregated and consolidated farm level investments would form part of the Strategic Investment Plans (SIPs). The intensity of the extension services (and related investments) will be phased and will vary according to the identified extension needs in each Expanded ARC Cluster (EARCC) through the FBS process.
- 163.Larger or more advanced VPOs may hire and employ additional FBS facilitators. Smaller VPOs may also operate with lead farmers, building upon the concept of "coffee mentors" and "cacao doctors" currently established in a few areas by Nestle and ACDI/VOCA's PhilCafe project (in Mindanao) and NGOs (in CAR), and under the supervision of the FBS facilitators. The project will identify suitably skilled community leaders, unemployed graduates, existing VPO extension staff, and lead farmers who are willing to be trained and then support their respective local farming communities as mentors/doctors. This would be underpinned by an incentive system that would initially be supported by the project but would gradually be shifted to a fee-for-service model for on-going extension and employment for local skilled farmers and FBS facilitators.

164. All activities assigned to the agricultural extension service provider will be developed and implemented in collaboration with the private sector (e.g. VC Anchor firms), the ATI, Agricultural State Universities in CAR and Region 12 (providing technical support), project agriculture specialists, lead farmers and LGU extension specialists and in close cooperation with the existing programs of DAR, DA, and DENR. In addition, synergies will be explored with DTI as part of the convergence approach leveraging DTI's working experience with SMEs to provide training and extension services to agribusiness practitioners, particularly on value chain development. This arrangement will create effective delivery mechanisms for agri-extension, including a ladderized training approach. This will help to develop local capacities including VPOs' capability to cascade these extension services to their members, and foster a local market for extension services that can continue to thrive after the project ends. Investing in on-field extension services for good agricultural practices and new technology application can yield long term high returns due to their significant impact on ecosystem management, increased productivity, and volumes for aggregation.

165. Subcomponent 2.2: VC Commercialization and Rural Finance

- 166. The focus of component 2.2 will be to commercialize and increase the competitiveness of the target VCs through investments in farmers and Value Chain Participating Organizations (VPOs) to expand their VC businesses, including in other critical valuechain participants (MSMEs, logistics providers, etc). The entry point for this subcomponent will be the Agrarian Reform Beneficiary Organizations (ARBOs); however Farmer Cooperatives and Associations (FCAs) that are in direct business relationship or partnership with the ARBOs will also be supported to achieve economies of scale. These organizations are collectively named as Value Chain Participating Organizations (VPOs). This subcomponent will be led by DAR given that it has a key comparative advantage in working with the ARBOs that it has mobilized and the trust it has built through its land titling mandate.
- 167. These targeted investments will be articulated in a Strategic Investment Plan (SIP) based on VC analyses undertaken and may include VPO capacity building, farm-level interventions, post-production investments, and facilitation of access to rural finance. VC analysis include area specific value-chain maps, opportunities and constraints to VC growth and competitiveness and improved smallholder participation, and critical interventions and investments to address key bottlenecks.
- 168. SIPs will be prepared and implemented leveraging the capacities and experience gained in RAPID project. To expand outreach and ensure adequate investment, VISTA will build on lessons learned and approaches from experience with RAPID and Converge, as well as other approaches used in similar projects outside the Philippines. To improve access to rural finance products and services, organizational capacity building interventions for VPOs to improve service delivery, manage assets, and partner effectively with upstream farmers and groups and downstream agribusinesses, VISTA will draw on the experience across previous IFAD value chain projects. The project will provide the budget for developing and implementing the BDS support needed to prepare the SIPs. The SIPs will acknowledge and identify the needs and investment proposals across each specific value chain segment (e.g. input provision, production, post-harvest processing, consolidation/assembly, processing, marketing, and end market) to validate the expected returns on investment for each segment to determine the investments likely to achieve the best results for value chain growth and the targeted beneficiaries.
- 169. VC investments require organizational and business capacity to plan, develop and implement successfully; hence require support from Business Development Service (BDS) experts. BDS experts will be recruited initially by the Project to work at the provincial level and financed on a sliding scale to encourage clusters of VPOs to gradually self-finance with their own resources. The BDS experts in coordination with DAR's Bureau of Agrarian Reform Beneficiaries Development Division (BARBDD) will enhance and adapt DAR's lessons learned in VISTA areas from the Agroenterprise and Microfinance Complementation Project (in its third phase of implementation) and the Linking Smallholder Farmers to Markets with Microfinance (LINKsFARMM Project which is a value-chain based capacity building project.
- 170. The sub-component will ensure complementarities with the existing VC analyses such as those developed under DA's PRDP. This will inform preparation of a preliminary SIP based on i) the assessment of existing business models (e.g. the type of engagement of ARBOs with anchor firms), ii) productive resources required, iii) stakeholder and capacity mapping along the value chain, considering inclusion (gender youth and IP), iv) NRM investment plans and climate risk (of component 1), v) infrastructure requirements, and vi) the availability of financial and other supporting institutions, among other criteria.
- 171. The BDS will support the development of a VC-wide SIP and also specific business plans for each VPO. Alignment with the overall VISTA objectives and economic feasibility are two main eligibility criteria of the proposed list of SIPs which will be further prioritized based on (i) inclusion potential of vulnerable groups and gender sensitive VCs; (ii) sustainable green investments; (iii) innovation factor; (iv) share of private sector contribution in the total cost. Priorities for investment will be submitted for approval to Regional Coordination Committee (RCC) and IFAD for No Objection through the VISTA Grants approval process and be recorded and tracked in the VISTA AWPB.
- 172. The Project will **build the capacities of VPOs** for improved service delivery to their members and to achieve the scale and capacity to serve as viable upstream agribusinesses and build stronger organizational ability to access private sector capital for growth. Capacity building priorities will include the development and management of value added activities, such as consolidating, processing, transportation and marketing of members' produce, provision of financial services and setting up/improving their financial management recording, reporting and decision-making systems. The project will provide a technical support and consultancy services budget to develop a VPO capacity building program to address the specific capacity needs of each VPO, providing tailored business solutions, by leveraging the database of accredited BDS providers generated in CONVERGE and RAPID
- 173. This sub-component will offer **several financing instruments** to commercialize the target value chains with a focus on competitiveness and expansion of VC businesses. These instruments are explained and summarized below.
- 174. The project will provide **grants** to farmers flowed through VPOs for **farm-level investments (seedlings, initial organic fertilizers)**. These will complement the technical support under subcomponent 2.1 for seeds, tree planting, etc. Performance

based grants will be used to finance investments in demonstration farms, shade trees, seedlings, small farming implements, farm soil testing costs, and on farm post-harvest equipment such as on-farm dryers in the early stages. These grants are designed to provide critical, time dependent investments in the short term, otherwise unavailable to the target farmers at this juncture, yet also contribute to increasing access by the smallholders (and their organizations) to commercial loan financing in the long term by building cash flows, "farming as businesses" behaviors and branding, when on farm cash flows, margins and management have improved.

- 175. **Postproduction investments** for VPOs will be delivered complementary to other government programs and may include noninfrastructure postproduction investments such as equipment and machinery to support improvement of value chain stages or nodes such as processing, marketing, transportation, and other investments particularly needed for access to the high quality and specialty markets. Support will be provided to the delivery of emerging niche coffee and cacao products such as deforestation free VC models (Cacao for Export), promotion of single source origin product, and orientation around niche markets such as women owned and operated VC segments. The need and type of productive assets will be identified with particular attention paid to the long-term viability of such investments. The BDS will be aware of such available opportunities and work with the VPOs to prepare proposals to benefit from the available sources of funds.
- 176. VISTA will support eligible investments through matching grants of up to 50% of the total investment cost (ceilings to be set for different types of investment and different priority groups). The remaining 50%+ will be financed by private equity of the VPO or participating VC actors and debt financing. The matching grant financing will be executed according to the draft grant manual provided in the PIM. The purpose of these matching grants is to buy down risk of the investments (higher grant percentage for green and/or innovative investments) and/or crowd in commercial finance; there will be a strong link between these grants and VISTA's rural finance element.
- 177. For the purposes of expanding outreach (depth and breadth of investments) and ensuring sustainability of these investments in a diverse financial sector environment, VISTA will develop a comprehensive rural finance strategy which will address the fact that despite the numerous (mostly government) lending and insurance programs (through public sector financial institutions, rural banks and others), there remains significant agribusiness and agriculture investments that are not able to access credit. This gap between the supply and the demand is for both investment credit and to a lesser degree input credit. This fact is confirmed in the specific experiences of farmer members and their organizations in the Converge and RAPID projects. The strategy and its implementation will be developed by an external service provider, guided by DAR's Rural Credit and Microfinance Division (RCMD), the PIM and IFAD's Inclusive Rural Finance Policy and be structured to be opportunistic rather than dogmatic in its approach. It will also build on the VC stocktake findings, which recommend a systems approach, including the use of VC finance. The use of an external service provider mirrors the recent redesign of RAPID's Access to Rural Finance activities, after MTR illustrated its access to finance weaknesses.
- 178. The strategy will have four closely related elements to address the identified demand and supply constraints for rural finance: DEMAND 1. Facilitate linkages of VPOs, MSMEs and producers to financial institutions providing credit and insurance products 2. Business and financial literacy and capacity building for farmer members, VPOs and MSMEs in the VC. SUPPLY 3. Development of wholesale and retail accessible financial products (not limited to credit) with financial institutions, utilizing complementary and alternative collateral and risk sharing instruments and partnerships, including private sector through VC cofinance and customized to the VISTA market demand, including green investments, investments by IPs and women led investments. 4. Improve outreach and footprint of partner financial institutions, utilizing VC actor/VPO marketing, screening and delivery mechanisms including supporting ICT4D designed to improve outreach, reduce costs and minimize risks. Underpinning this strategy will be the assumption that the project is building good businesses and therefore attractive investment/lending opportunities.
- 179. The strategy will include the possibility (in conjunction with financial institutions) to jointly capitalize and strengthen the ability for qualified VPOs to onlend to farmer members, drawing from some success with CONVERGEs pilot. Project funds will be extended to VPOs that have or are willing to establish a revolving credit fund. VPOs would then augment the revolving fund to enhance their capacity to on-lend to farmer members under agreed VPO lending criteria to ensure reflows for future lending. Based on the CONVERGE experience with PCF, the revolving fund will only be established at VPOs through a qualified partner financial institution (PFIs i.e. banks, MFIs) and after VPOs complete necessary assessment and financial trainings conducted by the financial intermediaries. Any remaining balance of the grant portion of the related portfolio will be transferred to the VPOs' retained earnings ledger upon project completion.
- 180. The rural finance strategy will also include the development and Piloting of Financial Instruments for more effective and catalytic use of matching grants, addressing both the need for capitalization and the ability to leverage additional finance: With the objective of leveraging external capital from PFIs, Performance-based grants for investment will be piloted (up to \$1 million dollar envelope to start) to attract financing packages from financial institutions for approved VPO investments including financing of their credit portfolios. The grant element will be implemented through a 'compensating balance' mechanism in which the grant will be deposited in a unique escrow account by the participating financial institution and released to the VPO or other borrower once the accompanying loan is fully repaid. (See Aspire AT Project). In this arrangement the "blocked grant" acts as a partial guarantee, reduces collateral requirements and offers an additional incentive for client repayment. It leverages additional non-project financing and encourages the accumulation of financial resources by the borrower that, in turn, helps facilitate future investment and loans. If the blocked grant is utilized by the qualified VPO to secure financing for on-lending to members, the benefits may cascade to individual farmers.
- 181. This arrangement reduces the risks often seen in state sponsored matching grant and guarantee systems and is simple, direct, and cost-effective to administer. It may act as a bridge to nonsubsidized financing and does not require a separate grant appraisal. If the borrower defaults on its accompanying loan, this deposit will be retained by the Partner Financial Institutions (PFIs). This type of performance-based grant may have an additional window which will be used to stimulate direct lending by PFIs to producer members, thereby offering a highly valued form of collateral (cash deposit) which may be further leveraged.

The potential for financing arrangements with the anchor firms utilizing this blocked deposit approach for extending VC finance will also be explored as well as alternative modalities to stimulate loans (e.g. credit enhancements such as first loss guarantee funds).

182. As part of the rural finance strategy development, a market intelligence study for demand and supply for these financial products will test VPOs, producers and financial institutions for interest, structure and leveraged value for loan and collateral requirements,

Financing Instrument Name	Administered by	Recipient	Sources of Financing	Eligible investments
Start up Grants	VPOs	VPOs to receive grants for seedlings and initial fertilizer on behalf of farmers and procure and distribute these;	Project	Inputs Farm-level investments: seedlings, initial fertilizers needed for planting
Grant financed revolving Funds	VPOs	VPOs to onlend to farmer members under credit conditions	Project and PFIs	Production VPO managed credit portfolio for Farm-level investments not covered by initial startup grants
Matching grants	Project		Grant may equal up to 50% of the total investment cost.	Post-harvestand marketing investments (non- infrastructure)
Performance-based grants through blocked deposit instrument	PFIs, with eligibility screening provided by Project	Smallholders, VPOs,	 Up to \$1 million initial envelope Blocked grant acts as partial guarantee for individual loans 	 Onlending portfolios in VPOs, Leveraging direct loans for fixed asset investments at farm level or VPO

183. Table 4. VISTA VC Commercialization Financing Instruments

184. Subcomponent 2.3: VC-related Infrastructure Support

- 185. In support to component 2, VISTA will also provide support to fill critical infrastructure gaps that have the potential to undermine Project benefits. The VC Related Infrastructure sub-component will cover the following:
- 186. Access infrastructure constraints, particularly dilapidated and non-climate resilient farm-to-market roads (FMRs) results in high transport costs between production areas and market center acting as a barrier to higher incomes for farmers. Rehabilitation and improvement of existing FMRs are priorities for VISTA to facilitate improved access to markets. Concreting standard FMRs as a climate-proofing measure is expensive but an alternative is providing only tire tracks in some VISTA target sites where production areas are relatively small of 50 hectares and less is recommended. Alternatives as observed in CAR are to provide well-defined foot/working animal/animal-drawn sledge trails, or even motorcycle or tricycle roads of narrower width and connecting hanging foot bridges across ravines and waterways along the route. Tramlines if appropriately needed are also included with budget embedded under trails and foot bridges. All of these are under the access infrastructure category. FMRs including other types of access infrastructures will be operated and maintained by the LGU at the municipal and barangay level.
- 187. Post-Harvest Facilities. High post-harvest losses incurred by farmers due to poor quality or absent post-harvest facilities further reduce the profitability of agricultural activities. In support to the VC development of VISTA priority commodities, post-harvest facilities like solar drying pavements, solar tunnel dryers, storage warehouses, processing center buildings, etc. will be needed to fill demand in both regions. Solar drying pavements or flatbed type dryers are both applicable to CAR for heirloom rice and Region 12 for upland rice. These infrastructure investments will directly support the value chain development and enhance the quality of products as value added measures. Warehouses, processing center buildings to house processing equipment, and dryers (pavement and tunnel dryers) in support to the VC will be operated and maintained by the respective VPOs. The selection of sub-projects will include criteria on size of production area, volume of production, number of farmers served, and expected impact, among others. The primary criterion however will be that sub-project proposals are identified in the SIP. Selected sub-

projects will be further prioritized during the conduct of SIP aligned with the corresponding local development/investment plans.

- 188. **Greenhouse with Drip Irrigation.** Site visits to potential VISTA areas indicated the need for assistance where vegetable production has led to severe land degradation. In support to land conservation and food security, the project will support a few number of greenhouses for vegetable production adopting solar powered fertigation system for organized VPOs. This would be designed to bring innovation into vegetable production to be more sustainable within a farming system that conserves fragile environments. These would be demonstration sites for other vegetable production. This could be in VPO-owned land if they have available land to establish such facilities
- 189. Municipal LGUs will be responsible for feasibility studies/sub-project proposals to determine technical feasibility, economic viability and engineering design preparation of the proposed rural infrastructure sub-projects for both NRM and VC-related ensuring climate-proofing that addresses emerging climate concerns in the target area. Technical assistance from NIA or BSWM on irrigation schemes and DA BSWM on soil and water conservation measures may be required. The DAR Regional PMO will need to engage a senior economist consultant and a senior rural infrastructure engineering consultant (RIE) to review and recommend Feasibility Study (FS) reports, sub-project proposals, Detailed Engineering Design (DED) and Programs of Work (POW) prepared by the LGUs. The DA RIU BSWM focal person and DA RFO RAED will assist the SRIE in reviewing the technical documents of NRM-related infrastructures. The SRIE in coordination with the DA RIU will also be responsible in undertaking periodic supervision during the implementation of all types of rural infrastructure sub-projects to ensure work progress according to approved timeline and maintain quality of works.
- 190. Implementation of the NRM and VC related infrastructure sub-component will be through the MLGUs in line with the requirements of the Local Government Code of 1991. DAR will execute a Sub-Project Agreement (SPA) with each participating MLGU to implement an approved VC-related infrastructure subproject stipulating their respective responsibilities and standards in the implementation, financing, and operation and maintenance and DAR will execute similar SPA for approved NRM-related sub-projects. VC-related infrastructure and some NRM-related infrastructure as discussed earlier will be implemented through private contractors procured by the MLGU according to the Philippine Procurement law under R.A. 9184 and consistent with the IFAD Procurement Guidelines. Operation and Maintenance (O&M) processes and procedures will be developed prior to completion of each type of rural infrastructure.
- 191. Similar to the NRM-related infrastructure, the VC-related infrastructures will also be implemented under a cost-sharing arrangement. IFAD Loan Proceeds (LP) will share 60% of the total sub-project costs while DAR will contribute 20% GoP counterpart from the agency's Agrarian Reform Fund (ARF). The remaining 20% will be funded as below for each activity.

		Implementation Arrangements	Cost Sharing Arrangements
Access Infrastructure to establish connectivity of production areas to processing and market sites eliminating the missing link	 Rehabilitation of standard FMR where appropriate Construction of tire tracks, motorcycle/tricycle roads, and well- defined foot trails, animal trails, and animal or small tractor-drawn sledge access for areas where standard FMRs are not appropriate Hanging foot bridges 	Implemented by MLGUs through private contractors for labor and materials engaging the community as skilled or unskilled labor in compliance with R.A. 6685	MLGU responsible for 20% counterpart funding given public infrastructure benefiting all in the vicinity
Post-Harvest Facilities (PHF) to add value to farm products	Construction of warehouses, solar drying pavements, solar tunnel dryers, and processing buildings to house VC equipment	Implemented by MLGUs through private contractors for labor and materials engaging the community as skilled or unskilled labor in compliance with R.A. 6685	VPOs to provide 10% counterpart in agreement with the contractor and the MLGU and 10% contribution from MLGU (or remainder if VPO contribution is less than 10%)
to provide solar-powered irrigation water supply for		Implemented by MLGUs through private greenhouse suppliers for materials and installation	VPOs to provide 5% counterpart in agreement with supplier and the MLGU and 15% contribution from MLGU (or remainder if VPO contribution is less than 5%)

192. Table 5. Potential Sub-component 2.3 investments

Component 3: Project Management

- 193. **Component 3 Project management** aims to ensure strong links among components, efficient, integrated planning, monitoring and evaluation processes; coordination mechanisms, and partnership with key stakeholders including the private sector necessary to adequately support convergence approaches. This component will also focus on identifying successful and replicable activities, documenting lessons learned and generating knowledge products. The project will support policy dialogue initiatives involving thematic studies promoting collaborative policy-oriented research such as sustainable upland agriculture, as well as leveraging project-specific knowledge and lessons in the broader IFAD portfolio to bring impacts to scale. Overall, this component will have DAR, DA, LGUs, and other key implementing partners deliver integrated project services including knowledge generation and policy initiatives as planned and to the satisfaction of the targeted populations particularly women, youth and IPs. The sub-components are: (i) Project Operations Management, (ii) Project Monitoring, Evaluation, and Knowledge Management.
- 194. Sub-Component 3.1. Project Operations Management will focus on enhanced implementation and coordination capability and capacity of DAR and DA, and other implementing agencies and partners for effective and efficient provision of project services. Key activities under this sub-component include: (i) establish management offices and coordination bodies at the central, regional, provincial and expanded ARC cluster (EARCC) levels, (ii) prepare and orient project's detailed implementation guidelines, (ii) conduct regular harmonized annual work planning and budgeting, and procurement planning, (iii) align financial and procurement management bodies at all project levels with government and IFAD's standardized systems and procedures, (iv) conduct project's regular performance assessments and reviews (v) facilitate IFAD/GOP's supervision and review missions, (vi) conduct capacity assessment and capability building activities for DAR, LGUs and implementing partners, and procurement of office facilities.
- 195. **Sub-Component 3.2**, **Project Monitoring, Evaluation, and Knowledge Management**, aims to capture and analyze robust data and information in a timely manner, and report to project management and stakeholders for evidence-based decision-making. This sub-component also aims to increase the knowledge base, and document project approaches and methodologies for learning, policy, and action utilized within the Project, DAR's, and other stakeholders' similar programs and projects. To achieve these objectives, Sub-Component 2 will undertake the following activities: (i) establish and operationalize the Project's M&E system and MIS/database, which includes geo-spatial maps; (ii) profile household beneficiaries, ARBO, farmer cooperatives and associations (FCA), indigenous peoples organizations (IPO), ARCs, and VC enterprises; (iii) conduct timely baseline, mid-line, , and end-line surveys/studies; (iv) document the project's good practices and innovations; (v) conduct cross-learning visits among project stakeholders; (vi) establish and administer a project website for visibility and learning; (vii) organize and participate in national and international forums (e.g., KLMPE, MKLF) to share good practices and innovations; (viii) organize a community of practice (CoP) for thematic areas among project implementers; (ix) prepare policy briefs; (x) organize and participate in local sessions (e.g., SB sessions, RDC sessions) and national forums (e.g., KLMPE) for policy dialogues; (xi) monitor and report policy changes/modifications at the local, regional, and national levels.

E. Theory of Change

- 196. **IF** smallholder producers in upland fragile areas including women, youth, and IPs are provided increased investments and awareness regarding climate risks, sustainable natural resource management, and are assisted with improved inputs, environmentally conscious practices and technologies, business capacity, infrastructure, and finance for their eco-friendly businesses **THEN** rural poverty would be reduced and food security increased while protecting and enhancing the natural ecosystems in vulnerable upland areas **BECAUSE** of improved resilience to climate risks, sustainable utilization and preservation of natural resources, and increased income from the production and marketing of key value chains.
- 197. The rural poverty among the upland farming communities is strongly associated with the declining natural resource base and the negative impacts of climate change. Deforestation and soil erosion are major environmental threats against productive agricultural lands for sustainable farming. Overuse of lands and lack of sustainable farming practices lead to further degradation of natural resources. Poor farming practices such as slash and burn or intensive cultivation, stripping topsoil and pollution from fertilizers and pesticides are common. The project areas are impacted by extreme climatic and natural disaster events such as

flooding, tropical storms/typhoons and drought which constitutes additional pressure on the environment such as biodiversity loss, water stress, reduced crop yields and deteriorating forage quality. Small-scale farmers often lack the requisite knowledge and awareness about strategies for climate change adaptation and natural resource management. They typically have limited financial resources and assets to protect themselves against environmental shocks. Additionally, they may not have access to resilient technologies and practices or adequate leadership and governance in natural resource management. Having limited options, smallholders particularly Indigenous Peoples (IPs), women, and youth are trapped in a vicious cycle of reduced productivity, increased poverty, and environmental degradation.

- 198. Agricultural commodities that the upland farmers are engaged with have underdeveloped value chains, which do not create desired value addition and commercialization of production. As a result of which the smallholder farmers are not able to add significant value to the commodities that they produce and sell them at low prices which often does not even cover their production costs. The poorest households often face restricted access to value chains due to a lack of productive assets, suitable rural finance products and services, and the necessary knowledge and technologies to meet buyer demands in terms of quantity and quality. In upland areas, value chains operate below their potential, largely because local cooperatives, which function as consolidators and sometimes as value chain intermediaries, have weak business capacities. Smallholder farmers also often lack the business acumen and resources necessary to enhance the value of their produce or to grow their businesses sustainably, which would result in low productivity, employment, and income. These farmers struggle with inadequate post-harvest, processing, and transport facilities. Furthermore, they have limited access to markets and lack substantial engagement with the private sector to establish partnerships that could yield higher economic benefits.
- 199. VISTA is designed to address the main causes of rural poverty and create economic opportunities for the poor smallholders including women, youth, and IP. The project will protect and enhance natural resource base while contributing to climate change adaptation, thus increasing the resilience of its target group. It will provide considerable food security benefits through (more intensive) intercropping of the anchor commodities with food crops, particularly in the early stages of growth.[76]
- 200. Interventions to enhance upland farm ecosystems will be prioritized for sustainable development of selected value chain anchor crops. This will be achieved through the interventions provided in three interlinked components of the Project.
- 201. Ecosystem Planning, Protection and Enhancement. The initial component of the project is multi-faceted, focusing on several key areas to promote sustainable farming practices and increase the resilience of local communities to climate change. Firstly, this component will identify and prioritize a range of on-ground investments, allowing communities to gain improved access to a sustainable natural resource base. These investments will support the adoption of climate-resilient infrastructure, technologies, and practices, including renewable energy. This improved access and implementation of sustainable practices are expected to address the primary concerns of value chain actors, particularly their need to maintain and increase production supply within a sustainable ecosystem. To further bolster this, community groups will receive support to implement NRM plans. These plans, which are embedded into the value chain investment plans, aim to enhance and restore agroforestry and degraded lands, protect and improve water sources, and conserve soil and biodiversity. These interventions can positively impact the surrounding ecosystem. This, in turn, benefits all farmers including neighbouring food and staple crop producers by preserving soil fertility, stabilizing water sources, and promoting a healthier environment for agriculture. The goal is to provide improved access to and sustainable management of natural resources, while mitigating climate and disaster-related risks.
- 202. Simultaneously, smallholders and their organizations will be given assistance to enhance their knowledge and production capacities. They will be trained on environmentally sustainable and climate-resilient practices, promoting the sustainable use of natural resources for agricultural production including the production of non-anchor crops. Furthermore, they will be encouraged to adopt climate-resilient farming systems tailored for the selected value chains. Support will be provided through services included in subcomponents 1.3 and 2.1. This subcomponent of the program will generate applied research, piloting, knowledge, learning, and green innovations. Additionally, to further incentivize the transition towards sustainable farming, local farmers or implementing partners will be offered innovation grants. These grants aim to improve sustainable green farming practices and enhance the eco-functionality of the value chain operations, thereby encouraging a more sustainable and resilient agricultural community.
- 203. Expected Outcomes: Project beneficiaries, including women, youth and IPs, have improved access to protected and enhanced natural resource base from restored agroforests, enhanced soil management, improved water resources, and the conservation of biodiversity. Smallholder farmers adopt sustainable and climate resilient technologies and practices, thereby having improved capacity to effectively manage natural resources for sustainable production systems and cope with the negative impacts of climate change.
- 204. **Sustainable Value Chain Development**. In this component, VISTA will invest to support <u>adoption of new or improved</u> <u>agriculture inputs, technologies or practices for value adding activities</u> and <u>strengthening of the rural producer organizations and</u> <u>their smallholder members' capacities in the selected value chains with improved access to business development services,</u> <u>financial services, markets, and productive facilities</u>. Smallholders will access to the new inputs and practices provided by the project to achieve farm productivity, quality standards, and better access to post-harvest and processing farm equipment accompanied by training and extension services. Rural producer organization will be supported with organizational, business and financial, administrative, and marketing capacities, certification and value addition support services, and access to roads, markets, and productive assets. Enabling small producers and their organizations to aggregate and improve their quality of produce will provide incentives to the private sector to engage in mutually beneficial arrangements that will enable them to increase their production and marketed volumes, incomes and employment. With support to generating knowledge and piloting of innovative practices and technologies in greening the value chain, successful practices will be scaled up within the value chain in an environmentally sustainable manner. Youth and women will receive specific trainings supported with on-farm demonstration activities to become the lead agents in their communities. Value chain investments will provide new job and other economic opportunities for youth in digitalization, renewable energy, finance, marketing, and empower them in specific chain nodes that are most relevant for youths' skills development.

- 205. In addition to increased income (as well as new employment opportunities offering a steady income source), which allows farmers to purchase diverse and nutritious food as well as improving dietary diversity and food availability, the Project will also provide improved access to market (i.e. access to market roads), that will also benefit other food/staple crop producers in the target region, and hence investments will reduce transportation costs, minimize post-harvest losses, and ensure that producers can reach larger and more distant markets. The training and extension activities on production and natural resource management often involves the dissemination of sustainable farming practices. These practices can be valuable for all farmers in the region, regardless of their specific crops.
- 206. Expected Outcomes: Smallholders adapting new farm practices and technologies are integrated to the value chains by gaining share of market and profits and adding value through increased volume and quality production, and increased nutrition, with sustainable use of natural resources. Producer organizations and their smallholders' capacities are strengthened for improved market and financial access and commercial partnerships in value chains in environmentally sustainable manner.
- 207. These two outcomes aim to reduce rural poverty, bolster livelihoods, and enhance food security within a sustainable environment by improving resilience to climate risks. This will be achieved through increased production and marketing of key value chains and greater economic benefits via new green jobs and income opportunities from resource-based enterprises. Additionally, the project will tackle malnutrition by building resilience in food production systems and creating diverse food sources. Also, the increased household income will increase the amount spent on nutrient consumption by the poor that leads to reduced malnutrition.
- 208. The project will enhance institutional capacities at both national and local levels, enabling improved planning, monitoring, and management of natural resources for sustainable rural development. In alignment with the National Converge Initiative, VISTA aims to boost coordination among relevant public institutions to fortify governance and formulate effective socio-economic and environmental policies. These will enhance upland rural communities' access to public services. The project will focus on creating policy and knowledge products on upgrading value chains in upland ecosystems, developing effective measures in support of the convergence strategy, and addressing institutional fragmentation and functional overlaps in natural resources management, biodiversity, and climate risks. The project also aims to institutionalize vulnerability and climate risk analysis at various governance levels to better manage natural resources, and bolster support services to improve access to finance and digital solutions.
- 209. <u>Social inclusion of women, youth, and IPs</u> will be a cross cutting themes across all components of the Project. The gender transformative goal of VISTA is to increase the socio-economic empowerment of rural women including young women and indigenous women in the project areas though setting an overall outreach target at 50% women; and through addressing the current barriers faced by rural women in the domains of economic empowerment, in decision making, in achieving equitable workload balance and in overcoming some of the existing social norms that are currently not in favour of rural women. Addressing women's barriers against these domains also mean fulfilling IFAD's gender policy strategic objectives.
 - Promoting economic empowerment to enable rural women and men to have equal opportunity to participate in, and benefit from, profitable economic activities;
 - Enabling women and men to have equal voice and influence in rural institutions and organizations; and,
 - Achieving a more equitable balance in workloads and in the sharing of economic and social benefits between women and men.
- 210. Women's empowerment will be achieved via economic empowerment, improved decision making and representation, and providing equitable workload balance: Introducing gender sensitive and climate smart productivity enhancing technologies to reduce women's time poverty and enable their enhanced participation in productive activities. Youth empowerment will be achieved via the following pathways: a) creating employment opportunities along the selected value-chains; b) tailored support to young men and women agri-preneurs with access to business packages, including agri-preneurship and enterprise related production training, access to grants and mentorship. VISTA will pay particular attention to the empowerment of indigenous women by: (i) expanding their access to and control over resources; (ii) strengthening their agency, decision-making role in community affairs, and representation in local institutions; and (iii) building on their untapped potential for sustainable development, by recognizing their role as stewards of natural resources and biodiversity, and as bearers of rich traditional knowledge systems. Further, VISTA will support the empowerment of Indigenous Peoples, particularly indigenous women and youth through initiatives that consider inter-generational relations, to ensure that their knowledge, identity and traditions are passed on to the next generation.
- 211. VISTA aims to promote behavioral and attitudinal change of the target beneficiaries. This will be achieved by raising awareness and demonstrating the benefits of good natural resource management practices that will improve the small farmers' productivity, protect their natural resources, and reduce their envionment risks. The project will motivate beneficiaries particularly women and young people to be more responsive by providing them with information, skills, and practices they need to adopt that are appropriate for their specific circumstances. VISTA will also help farmers to provide them with the resources they need to adopt new practices and technologies. Financial incentives will be used to assist them purchase new equipment such as drip irrigation systems or new seed varities. Adopting new practices can be risky, especially for small farmers who have limited resources. By providing resources, incentives, and capacity they need, the Project will reduce the risks associated with change and hence help small farmers to change their behavior in significant ways.
- 212. Value chain interventions will provide training and education to farmers on improved commercial practices, such as how to negotiate prices, market their products, and access credit. This can help farmers to improve their commercial skills and to get a better deal for their products. It will also build relationships between farmers and other actors in the value chain, such as traders, processors, and exporters. This will help farmers to get better market information and to build trust with other actors in the value chain. Since VISTA will address the root causes of behavior change, such as poverty, lack of access to resources, and gender inequality, it is more likely that its beneficiaries will adopt new commercial practices.

213. The achievement of project goals and objectives relies on critical assumptions that the national convergence approach between government agencies operates smoothly and that agreed counterpart allocations are received. This includes that no obstacles related to land management are experienced. In this regard, the project approach will be to avoid ARCs where there is potential of land ownership conflicts. An important assumption is that private sector actors are identified and engaged in an appropriate manner and that they are willing to partner in VCD activities, where market conditions are favorable. Climate-related risks will be identified but the theory of change does assume that there are no cataclysmic environmental events within the project area that may significantly affect VC production. Finally, the potential of the project for replication and scaling up will depend on the assumption that the selected policy initiative and knowledge products are relevant to wider stakeholders. This will require the project being attentive to policy interests and issues and generating knowledge products in a manner appropriate to the target audience.

F. Alignment, ownership and partnerships

- 214. Alignment with the UN and SDGs. Overall, VISTA will contribute to rural poverty reduction and increased food security which are directly aligned with SDG1: No Poverty and SDG2: Zero Hunger, respectively. The Project's Development Outcome primarily includes focus on environmental protection and enhancement (SDG15: Life on Land) and increased incomes and job opportunities aligned with SDG 8: Decent Work and Economic Growth, with focus on vulnerable households, aligned with SDG10: Reduced Inequalities and in particular women, youth and IPs aligning with SDG5: Gender Equality.
- 215. In addition, VISTA is aiming to improve climate change adaptation (SDG13: Climate Action) in target communities. Potential investments in component 1 include support for access to water for both irrigation and drinking purposes (SDG6: Clean Water and Sanitation) which aims to reduce the prevalence of water borne diseases contributing to SDG3: Good Health and Wellbeing. Component 2 contains specific activities to encourage innovation along the VC and both components contain infrastructure support (SDG9: Industry, innovation and infrastructure). VISTA's emphasis on climate smart and environmentally friendly production will also contribute to SDG12: Responsible Consumption and Production given. VISTA will be implemented in line with the Government's convergence approach, as well as the ARBO and other FOs and the private sector, meaning that multiple institutions will be partners which is strongly aligned with SDG17: Partnerships for the Goals.
- 216. The Project directly contributes to the achievement of Outcome 2 (By 2028, all people, especially those at risk of being left behind, benefit from a more inclusive, innovative, competitive, resilient, green and sustainable economy that generates decent work and livelihood opportunities) and Outcome 3 (By 2028, all people, especially those at risk of being left behind, equitably benefit from safer, gender-responsive, and just transition to low-carbon, climate-resilient development, disaster risk reduction and management, and sustainable management of environment, natural resources and biodiversity) of UN Sustainable Development Cooperation Framework (2024-2028). VISTA will also prioritize the inclusion of women, youth and Indigenous People who are identified as part of the groups left or at risk of being left behind in the UNSDCF.
- 217. Alignment with national priorities. The VISTA design directly responds to key government priorities. Commercialization of value chains will increase opportunities for creating new jobs in rural areas, particularly for women and youth. The focus on new practices, technologies, and innovation will also contribute to increasing the productivity and competitiveness of agriculture sector as targeted in the PDP (2023-2028). The project will also respond to diversification, production and environmental priorities outlined in the National Agricultural and Fisheries Modernization and Industrialization Plan (NAFMIP) 2021-2030. Component 1 of the design is clearly aligned with several priorities in the National Climate Change Action Plan including water sufficiency, ecosystem and environmental stability, capacity development and climate-smart industries and services. The focus on resilience in the NDC is embedded in the design of VISTA aiming to strengthen the resilience and adaptive capacity of the country in rural areas. The implementation arrangements are also reflective of government priorities to apply a convergence approach.
- 218. VISTA is aligned with the key national policies including the National Agricultural and Fisheries Modernization and Industrialization Plan 2021-2030, the National Convergence Initiative (NCI) for Sustainable Rural Development aiming to address fragmentation and protect natural resources through environment-friendly enterprises and livelihood opportunities and the Philippines Nationally Determined Contribution (NDC) 2021 with its focus on building adaptation and resilience capacity of smallholders in the upland areas. It complements ongoing projects in the region such as the Philippine Rural Development Project (PRDP), the Farm-to-Market Road Development Program and the Special Areas for Agricultural Development Program of the DA. It also supports the National Greening Program of the Department of Environment and Natural Resources (DENR). The project is consistent with the Cordillera Declaration of Principles on Environmental Governance specifically, Principle No. 2 Sensitivity to Local Conditions and Sound Management Practices. It also supports the adoption of Indigenous Knowledge, Systems and Practices in the sustainable management and use of natural resources where applicable, when appropriate and as accepted by the community.[77]
- 219. The project is also aligned with cross-cutting strategies identified in the Cordillera Regional Development Plan (RDP) 2023-2028, specifically in the chapters on food security, modernizing agriculture and agribusiness, industry, and environmental management. It targets women, youth and indigenous peoples from ARCs) in upland areas in the region. These sectors were identified in the CAR RDP 2023-2028 as priority sectors to be engaged in the agriculture sector. [78]
- 220. Coffee and cacao were selected as anchor crops, and upland or heirloom rice as foundational crop. Coffee and heirloom rice are considered as banner commodities in the region while cacao is one of the priority industry clusters. The project supports the Cordillera Cacao Industry Roadmap 2023-2025 which was adopted by the RDC-CAR on June 8, 2023. It will contribute to the region's goal to produce 76.03 metric tons of quality fermented cacao beans and expand cacao production area to 104.5 hectares by 2025.[79]

- 221. Selecting coffee and cacao as priority crops is supportive of RDC XII Resolution No. 38, series of 2023 entitled Supporting Sultan Kudarat Sangguniang Panlalawigan (SP) Resolution No. 142, series of 2022: Requesting the Senate of the Philippines to Confer to the Province of Sultan Kudarat the official designation as "Coffee Capital of the Philippines" (*ref: NEDA feedback to VISTA Briefing note*).
- 222. Alignment with IFAD Policies and Corporate Priorities. VISTA's overarching goal of "Reduce rural poverty and increase food security while protecting and enhancing the natural ecosystems in vulnerable upland areas" is closely aligned with IFAD's overarching corporate goal prioritizing poverty reduction, food security and remunerative, sustainable and resilient livelihoods. VISTA also supports all three of IFAD's strategic objectives related to productive capacities, market participation and environmentally sustainable rural economic activities. IFAD's policies related to biodiversity, resilience and targeting have all informed the VISTA design. It is fully aligned with the two Strategic Objectives of the Philippines COSOP (2023-2028); Strategic Objective 1: Enhance the resilience of small producers to economic and climate shocks and protect and rehabilitate the fragile eco-systems of the country. Strategic Objective 2: Promote inclusive, resilient, and sustainable agricultural value chains to increase productivity, employment opportunities, and incomes for poor rural communities.
- 223. VISTA will establish partnership with wide range of institutions, non-state actors, private sector and community groups. Targeted activities for on-farm demonstrations will be designed and piloted with DOST, state universities and colleges, private sector research and development initiatives or with other partners will be embedded in the agricultural extension services. DAR will support the capacities of LGU MAOs and private sector actors to establish a financially self-sustaining extension mechanism. Partnership with DTI is essential as part of the convergence approach leveraging DTI's working experience with SMEs in providing training and extension services to agribusiness practitioners. Partnership with EU will be explored on Copernicus initiative to benefit from high-resolution satellite imagery of the project areas. Furthermore, VISTA will collaborate with the PCIC to expand agri-insurance coverage for ARBs through VPOs as underwriters. Partnership with rural banks and MFIs will be established to provide responsive and inclusive financial products and services (i.e. PCF mechanism) as well as capacity development and financial training to beneficiaries. The NCIP serves as the primary government agency through which the interests and well-being of the ICCs/IPs are promoted including the issuance of certificates of ancestral land/domain title. VISTA will work closely with NCIP to secure commitment of FPIC/CP facilitation and approvals. Complementarities will be sought with other main development projects such as PRDP and MIADP of DA.
- 224. VISTA will also leverage the IFAD financed grant programs in the country. Particularly, the Sustainable Farming in Tropical Asian Landscapes (SFITAL) implemented by ICARDA in partnership with the private sector focusing on coffee and cacao production as five-year research-in-development project that aims to link small-scale producers to global supply chains in an environmentally sustainable manner. Asia-Pacific Farmers' Program (APFP) Project implemented by the consortium Asian Farmers' Association for Sustainable Rural Development (AFA) and La Via Campesina (LVC) provides another opportunity for VISTA to receive support and leverage FO business and capacity building plans by linking the FOs with private and financing sectors.

G. Costs, benefits and financing

a. Project costs

- 225. The total project cost inclusive of taxes and duties, and contingencies amounts to USD 112.82 million over a six-year implementation period. All costs are estimated based on currently (March 2023) prevailing prices in the Philippines. Project costs by component are presented in Table 6. Project financing including 11 percent price and physical contingencies by components are: US\$ 28.32 million for Component 1, (25 percent of project costs) and US\$ 72 million for Component 2 (64 percent of project costs), and US\$ 11 million for Component 3 (11 percent of project costs), which is Project management.
- 226. The IFAD loan will finance US\$ 85 million of the total project cost (75.3%); Central Government will provide US\$ 15.4 million (13.7%); Local Government, US\$ 8.7 million (7.8%); and beneficiaries including the value chain producer organizations, USD 3.05 million (2.7%) in cash and USD 598,136 in kind. More details can be found in the project's COSTAB in Annex 3.

227. Table 6a. VISTA costs by component (and sub-components) and financier

	Th <u>e Governmer</u> Amount	nt %	IFA D Amount	Loca	al Governme A mount		ficiaries Ca Amount	sh Ben	eficiaries Ki Amount	nd %	Total Amount	9/	For. Exch.	Local (Excl Taxes)	Dutes & Taxes
	Allount	76	AIIIOUIIL	76	AIRCUIL	76	ATTOUTL	76	AINOUITE	76	AINOUITE	76	EAGH.	12,000	12,00
A. Ecosy stem Planning, Protection and Enhancement															
Identify and prioritize sustainable investments	1 116	16.7	5 584	83.3	-		-		-		6700	5.9		6047	653
Erhance Natural resources management for value chains and resilience	3 106	18.0	12 906	74.6	1 0 0 7	5.8	-	-	277	1.6	17 2 96	15.3		14 355	2940
Greening the Value Chain			4331	100.0			-				4331	3.8		4 33 1	-
\$ubtotal	4 222	14.9	22 82 1	80.6	1 0 0 7	3.6	-		277	1.0	28 3 27	25.1		24734	3 5 9 3
B. Sustainable Value Chain Development															
Sustainable Agriculture Production Improvements and Enhanced Extension Services	836	4.0	19912	96.0	-		-	-	-		20748	18.4	11	19 90 1	836
VC Commercialization and Rural Finance	68	0.5	9 58 7	75.5	-	-	3 0 4 7	24.0	-	-	12703	11.3		12 634	68
V C-related Infrastructure Support	7 708	20.0	22 855	59.2	7737	20.0	-		321	0.8	38 6 2 2	34.2		32 056	6 5 6 6
Subtotal	8 6 1 3	12.0	52 354	72.6	7737	10.7	3047	4.2	321	0.4	72 0 72	63.9	11	64 59 2	7 4 7 0
C.Project Management															
ProjectOperations Management	2 185	28.2	5 572	71.8	-		-				7757	6.9		7 572	185
Project Monitoring, Evaluation, and Knowledge Management	407	8.7	4 252	91.3			-		-		4660	4.1		4 252	407
Subtotal	2 593	20.9	9825	79.1	-		-		-		12417	11.0		11 824	593
Total PROJECT COSTS	15 427	13.7	85 00 0	75.3	8743	7.8	3 0 4 7	2.7	598	0.5	112816	100.0	11	101 150	11 6 5 6

228. Table 6b. VISTA costs by expenditure category and financier

														Local	
	The Governme	nt	IFAD	Loca	al Governme	nt Bene	eficiaries Ca	sh Ben	eficiaries Ki	ind	Total		For.	(Excl.	Duties &
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Exch.	Taxes)	Taxes
investment Costs															
A. Works	8 7 2 5	20.0	26 175	60.0	8 1 2 7	18.6	-	-	598	1.4	43 625	38.7	-	36 209	7 416
B. Equipment & materials	553	16.6	2 779	83.4	-	-	-	-	-	-	3 3 3 2	3.0	-	2 779	553
C. Vehides	60	17.0	291	83.0	-	-	-	-	-	-	351	0.3	-	291	60
D. Goods, services & inputs	2 627	19.7	10 110	75.7	617	4.6	-	-	-	-	13 354	11.8	-	11 164	2 190
E. Grants and Subsidies	-	-	22 682	88.2	-	-	3 0 4 7	11.8	-	-	25729	22.8	-	25 7 29	-
F. Training & capacitybuilding	558	8.2	6 258	91.8	-	-	-	-	-	-	6 817	6.0	-	6 284	532
G. Technical Assistance, Consultancies, and Studies	776	8.5	8 3 1 0	91.5	-	-	-	-	-	-	9 0 8 6	8.1	-	8 3 1 0	778
H. Workshops	123	13.3	797	86.7	-	-	-	-	-	-	919	0.8	-	797	123
stal Investment Costs	13 421	13.0	77 402	75.0	8743	8.5	3 0 4 7	3.0	598	0.6	103 213	91.5	-	91 563	11 650
Recurrent Costs															
A. Operating costs	1 088	44.2	1 378	55.8	-	-	-	-	-	-	2 464	2.2	11	2 454	-
B. Salaries & allowance	917	12.9	6 222	87.1	-	-	-	-	-	-	7 139	6.3	-	7 133	6
xtal Recurrent Costs	2 006	20.9	7 597	79.1	-	-	-	-	-	-	9 603	8.5	11	9 587	6
talPROJECT COSTS	15 427	13.7	85 000	75.3	8 7 4 3	7.8	3 0 4 7	2.7	598	0.5	112 816	100.0	11	101 150	11 656

229. Table 6c. VISTA costs by component and year

	Totals Including Contingencies (Local '000)							Totals Including Contingencies (U S\$ '000)						
	2025	2026	2027	2028	2029	2030	Total	2025	2026	2027	2028	2029	2030	Total
A. Ecosystem Planning, Protection and Enhancement														
Identify and prioritize sustainable investments	49 481	138 071	93 08 1	46 7 55	30 319	12116	369 822	896	2 50 1	1 686	847	549	220	6700
Enhance Natural resources management for value chains and resilience	123 656	358 869	277 375	158 761	27 548	8 5 1 1	954 721	2 2 4 0	6 50 1	5 0 2 5	2 876	499	154	17 296
Greening the Value Chain	-	63 776	99 962	75 3 54	-	-	239 092		1 155	1 81 1	1 365	-		4 33 1
Subtotal	173 137	560 716	470 417	280 870	57 867	20 6 28	1 563 635	3 137	10 158	8 522	5 088	1 048	374	28 327
B. Sustainable Value Chain Development														
Sustainable Agriculture Production Improvements and Enhanced Extension Services	81 867	196 106	313 461	373 342	128 612	51898	1 1 45 2 86	1 483	3 55 3	5 67 9	6763	2 330	940	20748
VC Commercialization and Rural Finance	17 067	139 858	188 899	183 130	152 547	19680	701 181	309	2 53 4	3 422	3 3 1 8	2 764	357	12703
VC-related Infrastructure Support	-	316 935	647 878	730 793	436 307	-	2 1 3 1 9 1 2	-	5742	11737	13 239	7 90 4	-	38 622
Subtotal	98 9 3 5	652 899	1 150 237	1 287 265	717 466	71578	3 978 379	1 792	11828	20838	23 320	12 998	1 2 9 7	72 072
C. Project Management														
Project Operations Management	105 804	62 820	63 622	65 3 2 4	66 468	64 167	428 205	1917	1 138	1 153	1 183	1 20 4	1 1 6 2	7 757
Project Monitoring, Evaluation, and Knowledge Management	33 3 16	99 283	63 91 4	23 6 96	2 497	34 5 1 4	257 220	604	1 799	1 158	429	45	625	4 66 0
Subtotal	139 120	162 103	127 536	89 0 2 0	68 966	98 681	685 425	2 52 0	2 937	2 310	1613	1 2 4 9	1788	12 417
Total PROJECT COSTS	411 192	1 375 718	1 748 190	1 657 154	844 299	190 887	6 227 439	7 44 9	24 922	31670	30 021	15 295	3 4 5 8	112 816

b. Project financing/co-financing strategy and plan

- 230. The project has four funding sources; IFAD loan, central government of Philippines, local government units, and the beneficiaries including the producer organizations.
- 231.IFAD loan funds amounting to US\$ 85 million, account for 753% of the project's total cost. IFAD will finance 80.6% of the cost for the first component, 72.6% of the second component, and 79.1% of the third component, which is project management. The central Government funding source, contributing US\$ 15.4 million, will finance 13.7% of the total project cost. It will finance 14.9% of the cost of the first component, 12.0% of the second component, and 20.9% of the third component. The Local

Government Units (LGU) will provide US\$ 8.7 million, which is 7.8% of the total project cost, and finance 3.6% of the cost of the first component and 10.7% of the cost of the second component. The beneficiaries' source of financing, which is 3.2% of the project cost, amounts to US\$ 3.65 million. It will finance 1% of component one cost and 4.6% of component 2 cost.

- 232.IFAD contributions will be 100% financial/monetary which will be provided through a replenishment process. The government's contribution will be US\$ 15.4 million and out of which USD \$ 11.6 would be for financing duties and taxes and US \$ 3.8 million would be for paying government staff salaries, other logistics, materials, facilities for workshop etc, among others. The financing share of the local government, which is US\$ 8.7, will be provided fully in cash mainly for the infrastructure construction and maintenance activities of the project. Contributions from beneficiaries will be in-kind, such as labor for value chain crop cultivation, installations or constructions of infrastructure, materials, tools, facilities, among others. For their accounting, all such non-cash contributions will be estimated at market prices and would be US\$ 589,137. The balance US\$ 3 million would be cash contribution by way contributing to matuching grants.
- 233. Table 7 below outlines the contribution of each source to the activities that will be carried out in each component in the 6 years of project implementation period.
- 234. Table 7: Contribution of funding source for implementing project sub-component during the project implementation period

Project activity	IFAD	Central Government	LGU	Beneficiaries
Comp 1	IFAD will fully (100%) finance (i) identify and prioritize sustainable investments; (ii) enhance Natural resources for value chains and resilience; (iii) Forest ecosystem and conserving biodiversity within the sub-catchments; and (iv) reforestation of natural forest and enrichment planting. IFAD will provide 60% of the financing for NRM related infrastructure, and small-scale irrigation for upland rice. Further IFAD will provide 100% of the financing for greening the value chain; Operationalization of the FPIC Implementation Plan; and the salaries of the staff helping the component	Government will provide 20% of the funding needs for DAR capacity building, community training, NRM related infrastructure establishment, and small-scale irrigation construction.	LGU will fully (100%) finance the design work of all infrastructure and in addition 15% of the construction cost and all in cash contribution.	financing required for all infrastructure work by
Comp 2	IFAD will fully (100%) finance Farm business school (FBS), FBS implementation, capacity building of VPOs including GESI capacity improvement, VPO system design and installation, VC commercialization and rural finance. Further IFAD will provide 60% financing for all VC related infrastructure and post-harvest infrastructure. All recurrent cost items such as salaries are fully financed by IFAD.	The central government will provide 20% financing for all VC related infrastructure and post-harvest infrastructure facilities.	The LGU fully (100%) finance the system designing of all the infrastructure and post- harvest facilities and 20% of the construction cost of all infrastructures and 10% of the cost of post- harvest facilities.	Beneficiaries will share 50% of the full value of the matching grants under VC financing, and also contribute 5% for small-scale irrigation. Further they will contribute 10% to all post-harvest facilities' construction. All contributions are in- kind.
Comp 3	IFAD will finance 100% of the cost of Training and Capacity Building including GESI Capacity Building, technical assistance, vehicles and office equipment, oversight and supervision, Project Monitoring, Evaluation, and Knowledge Management, and ESCMP planning, implementation and monitoring, and the salaries of all hired staff. In addition, the funds will meet 50% of the cost of travel and other operations	The government will finance 100% of the salaries all the regular staff of both DA and DAR.	Not applicable	Not applicable

c. Disbursement

- 235. IFAD will transfer funds to the project through revolving fund mechanism following the guidance from IFAD's handbook for Financial Management and Financial Control (FMFC) and FMFC letter. The revolving fund approach stipulates the project will submit quarterly WAs – one for Advance and one for Justification (it will be preferable the project justifies previous quarter expenditure in full before submitting next Advance WA), both WAs will be based on the amounts reported in the quarterly IFRs submitted to and validated by IFAD. The FMFCL will identify the initial Authorized Allocation which then can be changed based on the IFR's cash forecasts. DAR CPMO will prepare the consolidated Interim Financial Report (IFR) and Withdrawal Application (WA) and submit to IFAD through IFAD Client Portal (ICP) for providing expenditure report and requesting disbursement from IFAD. WA will be prepared by the Inputter and submitted to IFAD after the approval of authorized approvers in ICP. The CPMO Senior Admin and Finance Officer will have the Inputter role for submission of IFR and WA in ICP, the CPMO Coordinator will be the 1st WA Approver and the Undersecretary of DAR for Foreign-assisted and Special Projects Office (FASPO) shall be the 2nd WA Approver, while the Undersecretary for Finance, or the Assistant Secretary for Support Services, or the Assistant Secretary for FASPO will be the alternate 2nd Approver in case of the Undersecretary's absence. IFR will be submitted to IFAD through ICP for review and validation.
- 236. The Bureau of Treasury (BTr) will maintain a Designated Account for DAR for its receipt of IFAD loan proceeds. The currency of the Designated Account will be identified during the negotiation period, which can either be USD or EUR for the BRAM and PBAs resources. BTr will transfer IFAD loan proceeds in Peso to DAR project account upon receipt of Notice of Cash Allocation (NCA) from the DBM. Separate project bank sub-accounts will be maintained also at all project levels and sub-recipients. DAR CPMO will transfer project funds through funding checks to R/PPMOs and advances to DA Central Office. DAR PPMOs will manage fund transfers to the LGUs while DA Central Office will be responsible in downloading received project funds to its RIUs. The GOP counterpart will be released to DAR Central Office through its existing MDS account and will be further transferred to operating units and collaborating agencies through funding checks.

d. Summary of benefits and economic analysis

- 237. Summary of benefits and economic analysis: Benefits to the VISTA target group would accrue from: (i) rehabilitated forest land for increased fuelwood production; (ii) better soil quality, improved cultural practices and increased water availability for enhanced productivity of VC products such as coffee and cocoa; (iii) increased irrigation for higher upland paddy production; (iv) increased agroforestry productivity; (v) enhanced processing efficiency through innovative technology and improved infrastructure; (vi) improved productivity of non-VC products represented by banana which is widely cultivated in both regions; (vi) high tech and climate resilient vegetable cultivation under greenhouse environment; (viii) better drinking water availability; (viii) increased productivity of nurseries of VC products; (ix) benefits of improved infrastructure such as farm-to-market roads, warehouses, end foot-bridges. The gross margin models were estimated to assess the financial and economic viability of all these interventions. The Annex on the Economic and Financial Analysis (EFA) presents all the details.
- 238. **Financial analysis (FA):** The financial analysis results show that all the models listed above are financially viable with positive benefit cost ratios and financial internal rate of returns that are higher than the assumed financial discount rate of 6.5%. The cashflows of all the enterprise models populated with appropriate targets over the 6-year VISTA project period were aggregated to compute the total gross benefit flow of the VISTA project. The total cost is comprised of (i) the VISTA project cost, based on 2023 prices, net of all infrastructure cost and grants provided; and (ii) the incremental cost of all farm models and enterprises. The incremental benefits of all farm and enterprise models provided the benefit flow. The Financial Internal Rate of Return (FIRR) is 30% with Net Present Value (NPV) of USD 203 million at 7% financial DR[80] and the financial benefit cost ratio is 1.19. As a sensitivity test, the NPV and the benefit cost ratio were estimated at 10% DR and the estimation are USD 127 million and 1.16 respectively. The net benefit flow was discounted at 7% to ascertain the break-even point of the project cash flows. At the

7th year (2031), the project will be able to breakeven the total project investment and the beneficiaries' investment during the project period and start generating a positive net benefit flow. Therefore, the analyses indicate that the project can significantly increase the income and welfare of the participating beneficiaries. At the same time, the FA highlights how VISTA could unblock the productive potential of those beneficiaries that lack access to productive means, financial resources, institutional credit, and technical knowledge by providing them. In particular, the technical and financial support through various financial products provided by VISTA allows landless youth and women to participate and make a profit in new productive activities from which they would be barred otherwise.

- 239. Economic analysis (EA). The economic analysis was carried out by adjusting the cost and benefits flows that were used in the financial analysis of the VISTA project to reflect economic values. The Economic Internal Rate of Return (EIRR) is 29.4% and the economic benefit cost ratio is 1.2 with the economic discount rate of 5.5%. The project earns an Economic Net Present Value (ENPV) of USD 225 million (Peso 12,405 million) for the 20-year period with 4.58% discount rate. Table 7 presents the results. As a sensitivity test to the EDR, the analysis was carried out with 10% economic discount rate. The ENPV and the economic benefit cost ratio are USD 107 million and 1.16 respectively indicating the project is economically viable at a higher opportunity cost of capital. Sensitivity analyses were carried out to assess whether the project is economically robust in light of potential risks that could increase the cost of production of enterprise, decrease benefits or delay in realising benefits. The risk factors that have been identified in the project Integrated Risk Matrix were used as the basis to rationalise the sensitivity scenarios. The project generates EIRRs that are higher than the opportunity cost of capital under all sensitivity scenarios except two 20% reduction in all benefits, and both cost increase and benefit decrease taking place simultaneously. The analyses indicate therefore that the enterprise models and the overall VISTA project are both financially and economically justifiable even under most of the adverse risky environments. The two extreme conditions mentioned above alarm the project to monitor for cost escalations and keep adequate controls to maintain the cost as estimated and undertake training and other capacity building activities for the producers to maintain the productivity level as expected.
- 240. In addition to the economic benefits that have been valued in the EFA, VISTA would generate climate benefits through reforestation, soil management, other conservation activities and carbon sequestration. Health benefits attributed to better quality drinking water is non-quantified additional benefit. Also, through VISTA, there will be increased tax income to the government, better capacities of the government staff.

e. Exit Strategy and Sustainability

- 241. Sustainability will be ensured through achieving scale by clustering VC enterprises of POs to become key players in active value chains. Clustering is a commonly used approach in the Philippines where smallholders operate together to achieve larger scale production and marketing. **Capacity building, incentive alignment, establishment of sustainable partnerships with various actors along the VC** (including the private sector), increased access to finance, and professional management of VPO enterprises and their service delivery will be key determinants of ensuring benefit generation beyond the project. Sustainability of the initiatives will be dependent on the effective use of participatory approaches in planning and implementation, as well as capacity building of these communities to maintain investments. Initiatives in policy reform can contribute to sustainability by addressing critical barriers to future development. The support of VISTA aims to support sustainable development of VCs that will be of sufficient scale to be resilient in the face of market and other risks.
- 242. Capacity building for VC actors in the local area will be a key factor in the sustainability of VISTA. These actors will include VPOs, Private Sector actors, LGUs and local service providers such as the BDSs. This will create a legacy impact for continuing VC activities and enhancement in EARCCs. Project will also undertake extensive trainings and capacity building programs in all components to empower women and for better inclusion of youth and IPs including interventions to strengthen the capacities of rural organizations to implement women and youth sensitive programs. The planning of these activities will be discussed and the results will be disseminated through the IFAD's annual platforms in IPGN and KLMPE to ensure consultative and transparent process and to reach wider audience.

- 243. The sustainability of rural infrastructure delivered through the Project is an important aspect of sustainability. To address common sustainability downfalls with provision of infrastructure, VISTA infrastructure, particularly FMRs will be made in compliance with government policies. In the case of FMRs this will mean fully concretized roads thus reducing ongoing maintenance burdens and extended durability of project-funded infrastructure. Where resources do not allow for complete concretization, FMRs may be partly gravel but will be limited to areas where degradation is less likely to maintain lower maintenance requirements and enhance durability. Finally, all types of access infrastructure and Streambank Stabilization will be turned over to the MLGUs and Irrigation Schemes to the Irrigators' Associations for operation and maintenance (O&M). All Post-Harvest Facilities (PHF) including Greenhouses and Pipe Irrigation Schemes for cacao and coffee will be turned over to the respective proponent VPOs for O&M. Farm Slope Protection Works and Small Farm Reservoir will be turned over to direct farmers' group beneficiaries and Rainwater Capture Tanks to individual HHs.
- 244. All participating MLGUs and proponent VPOs (IAs, POs, ARBOs, FCAs) responsible for the O&M of completed NRM and VCrelated Infrastructure facilities including all levels of implementing units will be provided with capacity building interventions in all aspects of Operation and Maintenance to build up a sense of ownership to ensure sustainability of completed facilities and ensure that maintenance activities are properly done. Establishment of Monitoring and Evaluation (M&E) systems and procedures of O&M activities shall also be done prior to completion of VISTA to ensure that O&M provisions under the Sub-Project Agreements (SPAs) are carried out accordingly. Implementation and O&M capacity building interventions under NRM and VC-related Infrastructures is estimated to need about \$900,000.00 under Trainings and Capacity Building of the VISTA costs by expenditure category and financier.
- 245. Another key aspect of VISTA sustainability is **the adoption of a convergence approach throughout the project.** With the convergence approach, the organizations involved will be capacitated to seek services beyond their own area and connections between organizations and agencies will be strengthened. For instance, the agencies of DAR and DA will be strongly linked with agencies such as DTI, DENR etc. The Project will enable direct linkages between local stakeholders and key support agencies as well as private sector VC actors. Further organization capacity building within government agencies will also be supported related to procurement and safeguards. This will further build sustainability through a strengthened expertise and knowledge base that will contribute to the sustainability of future initiatives implemented by local governments and implementing agencies.
- 246. Partnership with the private sector for sustainable value chain operations will be established by joint planning/implementation of VISTA investment plans promoting good management practices and innovative approaches to ensure active participation and interest of the private sector for establishing new priorities and/or redirecting existing investments in line with the Project objectives. The private sector will capitalize on the incentives provided by the Project to the producers and VPOs while improving the natural resources and production. The project will work together with the private sector, building on the understanding that their products and services are key to the impact they have on the environment and in society.
- 247. In addition, the proposed formats of **financing mechanisms are designed to build sustainability through improved financial management, access to formal finance and self-sustaining finance mechanisms.** The revolving funds proposed through the project with grant inputs are designed to improve VPO financial management practices and resource base to fund future agricultural development activities. In addition, the increased resource availability can assist with access to formal financing institutions with sufficient capitalization to enable ongoing access to finance beyond the project period.
- 248. An additional aspect of VPO sustainability that is expected to be built through VISTA relates to improvements to financial intermediation programs. Part of FI strengthening to occur through VISTA for VPOs will be supporting development of savings programs for members which will build up capital in the targeted communities and assist in reducing the burden of access to credit by building up local financial resources to finance future agricultural investments requirements.
- 249. Sustainability is integrated in the VSTA design through **consideration of safeguards, capacity building and ensuring measures for ongoing maintenance of investments**, particularly infrastructure investments. In addition, there will be a strong focus on sustainable exit in the final year of implementation. In the last year of implementation, the Project will work with project stakeholders to ensure plans for effective phase out and transition of work arrangements and support services so that support to the Project stakeholders will continue sustaining the investments after project closure.
- 250. Sustainability of Infrastructure: Each type of infrastructure under VISTA will require a specific unit or organization to operate and maintain the completed facility. This will be dependent on who will be the direct users or beneficiaries of the facility.
- 251. For purely **public infrastructure** that will benefit everybody regardless of direct or indirect beneficiaries including those outside of the project area, these will be turned-over to the Municipal Local Government Units (MLGUs) who are mandated to operate and maintain these facilities by virtue of the Local Government Code of 1991 and as stipulated in the Sub-Project Agreement (SPA) signed between the municipal Chief Executive and DAR or DA. Under VISTA, this includes Streambank Stabilization works, all types of Access Infrastructure like standard FMRs, tire tracks, motorcycle roads, trails, and foot bridges. The municipal government will engage the barangay (village) level government in the maintenance of these facilities providing annual budgets for the purpose from their National Tax Allotment (NTA formerly IRA) and may also collaborate with the selected members of the communities (organized as Barangay O&M committee members on rotational basis) where these infrastructures are located for efficient and effective sustainable mechanism as well as develop the sense of ownership which is a crucial ingredient for the sustainability of rural infrastructure. The practice of "Bayanihan" (community effort of maintenance work organized by barangay officials providing donated labor time) is still adopted in most part of the rural areas in the Philippines and this can be one of the strategy in the conduct of periodic maintenance (every 2 to 3 years) with technical and financial support from the municipal government. All of these will be supported by VISTA capacity building interventions on Operation and Maintenance (O&M) systems and procedures and O&M Monitoring and Evaluation mechanisms at all levels of these institutions. Manuals and guidelines will be developed under VISTA prior to project completion.

252. In the case of infrastructures with specific organization or group as end users, the completed facilities will be turned-over to the

VISTA Participating Organization (VPO) for Operation and Maintenance (O&M). Under VISTA, this type of infrastructure includes Post-Harvest Facilities (PHF) composed of warehouses, solar drying pavements, solar tunnel dryers, processing center buildings to house processing equipment, and Production-Related infrastructures like small-scale irrigation systems, pipe irrigation schemes for cacao and coffee supplemental water supply during dry season, and greenhouses with drip irrigation system. While the MLGUs will provide counterpart for these interventions as part of their mandates under the Local Government Code, the VPOs will likewise contribute to develop their sense of ownership. As these facilities have specific users' group, it is appropriate for them to keep the completed facilities usable and in good working condition throughout its economic life. The VPOs will be assisted by VISTA to be organized and to establish the systems and procedures to operate and maintain the completed facility through the development of policies and by-laws, creating O&M committees, generating O&M funds through the collection of users' fees agreed upon among the members, putting aside a certain percentage of income generated from the sale of end products of the VPO, and formulate annual O&M plans and budget among others. In particular, irrigation schemes are usually operated and maintained by Irrigators' Service Associations (ISA) that have their own policies and by-laws. ISA members are usually contributing Irrigators' Association Management Obligation (IAMO) as additional funds for O&M to supplement the national government subsidy for this purpose. The MLGU will need to provide periodic technical assistance and conduct O&M monitoring and evaluation based on the same mechanism developed for public infrastructure. Capacity building interventions on O&M systems and procedures and O&M Monitoring and Evaluation mechanisms will also be provided to the VPOs, MLGUs, and BLGUs. Farm Slope Protection Works and Small Farm Reservoir will be turned over to direct farmers' group beneficiaries organized as Small Water Impounding Service Association (SWISA) similar to the ISA and Rainwater Capture Tanks to individual HHs for them to operate and maintain the completed facilities. This is the most effective and efficient sustainability mechanism since these facilities are basic needs of the end users. To further enhance the VPOs' capacity and as part of the standard operating procedure, processing equipment suppliers will train the selected members of the organization in operating VC-equipment and greenhouse suppliers will orient and train the VPO in O&M of completed facilities.

253. Finally, DAR and DA shall conduct Sustainability Monitoring after VISTA has completed according to the agency's regular plans and programs to ensure that O&M arrangements and obligations as stipulated in the Sub-Project Agreement (SPA) are carried out accordingly and to identify needs for further technical support if necessary. All sub-projects implemented under VISTA is integrated in the Municipal Development and Investment Plan with the appropriate endorsement of the Barangay (village) Development Council and sanctioned by the Municipal Development Council hence continuing support from the local government unit during the O&M stage is expected.

3. Risks

H. Project risks and mitigation measures

- 254. **Country context risk**. Overall, the country context risk is substantial and expected to be moderate after mitigations during the implementation. VISTA is fully aligned with The Philippine Development Plan and other key national priorities of the Government. Government is committed to the successful implementation of the Project, which will contribute to the achievement of key strategic outcomes in food security, modernizing agriculture and agribusiness, industry, and environmental management. The economic outlook is mainly positive, and IFAD will closely communicate with the Government at national and local levels to monitor any emerging issues in the face of economic and political constraints. Focus on rural poor, women, youth and IPs have an important comparative advantage to ensure ongoing support and favorable public opinion. VISTA project is designed to build strong resilient communities that have an inherent interest in collaborating and living peacefully and are able to effectively address both economic and climate risks.
- 255. Effective implementation of VISTA will require strong management with a focus on integration and coherence between components. The intended feedback loops between knowledge developed under component 1 to inform activities under component 2 will need to be well-managed to maximize benefits. Additionally, the innovative approach of harnessing natural ecosystems with the VC development in Philippines will require an emphasis on knowledge capture and management as well as policy engagement to feed these learnings up to the national level.
- 256. Sector strategies and policies. The project inherent risk is assessed substantial and residual risk is moderate for sector strategies and policies. The complex nature of land tenure and land reform in the Philippines is a potential risk to project progress. Tenurial overlaps are common and the nature of these will be different in every context. There are several legal land use and management instruments which are implemented by the government in response to these overlaps. However, these processes take time, often beyond the life of a single project. There are alternatives to legal resolutions to overlaps that involve joint understanding between the parties involved to progress activities. It is likely these types of arrangements, tailored to each situation, will be pursued by the Project. To mitigate, the Project will rely on institutional agreement among DAR, DA, NCIP and DENR in formulating the MOA among the four agencies, the following provisions will be included: (i) areas targeted for inclusion in Project VISTA should be free of tenurial concerns and agreed upon by the four agencies using evidenced-based data such as maps and surveys; (ii) for ancestral lands and domain, NCIP will commit to facilitate approval of FPIC/CP; and (iii) establishment of a working group at various levels if any conflicts arise. Coordination with RLUC/RDC. At the regional level, coordination among the four agencies can be facilitated through the Regional Land Use Committee (RLUC) of the Regional Development Council (RDC), supported by NEDA. The RCC can also provide support in resolving land tenure issues.
- 257. Philippines has an active suite of policies and strategies related to the agriculture and SME sectors. VISTA is designed to influence these sector policies and strategies. The non-lending activities will be promoted in annual KLMPE and ARDKPP events organized by IFAD Country Office to assist in raising strategic and policy issues and develop dialogue and action in relation to any identified concerns.

- 258. Environmental and climate context. Philippines is prone to environmental risks and natural calamities. The inherent risk is substantial and residual risk is moderate. The current or possible future environmental conditions or natural hazards (e.g. typhoon, earthquake, volcano eruption, land erosion, salinity, siltation etc.) may have significant adverse impacts on food and nutrition security, agricultural productivity, access to markets, and infrastructure. The target areas face different climate and environment-related risks depending on the exposure to hazards and the adaptive capacity of the communities, however, common features are fragile upland environments and remote terrain. Project component targeted to address risks to the ecosystems and environmental considerations relevant for target value chains. The first component is specifically designed to enhance Good Agricultural Practices and nature-based solutions including a disaster risk fund to prevent disruptions in the production and value chains in case of calamities. SECAP measures will apply as embedded in the project design and compliance to safeguards requirements will be observed ie preparation of ESCMPs, enhancement of existing disaster risk management plans, and other applicable instruments defined within the country system that is relatively equivalent with IFAD's SECAP.
- 259. Institutional capacity for implementation & sustainability: The inherent risk of this category is rated substantial, and it is assessed moderate after mitigations. The risk that the project executing agency lacks the capacity to coordinate/support implementation arrangements that may involve several national government agencies (DENR, NCIP, DA. DTI), different levels of local government units at provincial, municipal and barangay, and non-government entities). Coordination may include multiple donor/financing agencies with different procedures and/or reporting requirements. A Project Steering Committee (PSC) will be established at national level to: i) provide policy guidance and strategic directions, ii) facilitate coordination to ensure alignment/complementarity of Programme interventions with other donors, and iii) ensure AWPB is prepared in a consultative manner. IFAD Supervision Missions will provide guidance and closely monitor the effectiveness of coordination mechanisms with stakeholders.
- 260. To ensure effective project implementation, an in-depth capacity assessment of the DAR and DA staff involved in the project at various levels will be conducted, along with a quick assessment of the implementing partners' capacities, particularly the LGUs. Based on the assessment results, the CPMO will design and deliver a capacity improvement program in the first year of the project. The progress of capacity building will be evaluated in the second year, and further capacity strengthening will be provided as needed.
- 261. To ensure the full involvement of government agencies in project implementation, the following measures will be put in place: (i) Formalize institutional commitment to the project through Memoranda of Agreement (MOAs) with clear roles and responsibilities; (ii) Conduct project orientation for the assigned staff of each agency; (iii) Establish a Regional Coordination Committee (RCC) and ARC Coordination Committee (ARC-CC); (iv) Implement a robust monitoring and evaluation system, utilizing RDC/NEDA RPMES to monitor and report on agency coordination for VISTA implementation.
- 262. There is variation in the capacity of LGUs to develop and implement plans which has the potential to impact results achievable by the project. In addition, the recent Mandanas Garcia Ruling on decentralization will be enacted early in the project period. This will increase the level of LGU autonomy for local services. Although budgets will be substantially increased for LGUs, the additional responsibilities and the generally weak capacity of the LGUs is likely to cause challenges for project implementation. This has contributed to the inclusion of a focus on institutional capacity building and strengthening planning processes. In addition, the LGUs will require support in procurement and financial management as well as accountability for SECAP procedures. In this regard, the project will require clear financial management guidelines and well-supervised risk management plans.
- 263. Financial Management. The inherent financial management risk and residual risk are substantial. In 2022 TI score was 33/100, ranked 117/180 countries. Philippines TI is one of the significant decliners since 2014. RSP dropped to 4.0 in 2022 after stable rating of 4.25 since 2016. 2016 PEFA indicates improvement in some areas, however confirms failings and delays in reconciliations with budget execution and accounting systems are inadequate to monitor and facilitate budget delivery. FMIS is still in development and procurement lacks an independent complaints mechanism while budget allocations steadily increased with limited absorptive capacity in executing departments.
- 264. Use of government PFM is exposed to the risk of delay in procurement, financial reporting and disbursement that derived from complex project governance structure, PFM regulations and policies and the limited reporting capacity of accounting software. Additionally, from past experience, slow formation of project and recruitment of staff at start-up are issues commonly encountered during implementation. See further details of risks and mitigation measures at the FM sections of IPRM.

I. Environment and Social category

- 265. Given VISTA's location in fragile upland areas with forestlands and protected areas and high IP populations, the project Environment and Social risk is classified as Substantial. While the entire VISTA approach includes a focus on enhancing environmental resources and facilitating inclusion, there are inevitably some potential risks. These risks include negative impacts of infrastructure activities including environmental disturbance, noise and air pollution, impacts to local biodiversity through species selection, physical and economic displacement, negatively affecting tenure arrangements and disrupting IP communities, potential for broadening inequality based on exclusion of certain groups, unsustainable waste management and intermediaries unequipped in environmental and social management systems.
- 266. The VISTA design acknowledges these risks and integrates mitigation measures, both in this PDR and in the Project Implementation Manual (PIM). Mitigation measures include specific construction maintenance measures, site-specific selection of species for planting activities and use of IP knowledge systems, protection against displacement specifically integrated into procedures, observation of Indigenous Peoples Planning Frameworks and Free and Prior Informed Consent Implementation Plans, stringent grievance redress mechanisms (GRM) as in the PIM, specific measures to enhance inclusion and stringent preinstallation measures for financial intermediaries. Additional detail regarding the potential risks and mitigating measures included in VISTA design are available in IPRM.
- 267. VISTA has been designed in accordance with relevant environmental and social laws and is compliant with SECAP policies. All SECAP standards were found to be applicable to the VISTA context, that is biodiversity and conservation, resource efficiency and pollution prevention, cultural heritage, Indigenous Peoples, Labor and working conditions, Community health and safety, Physical and economic resettlement, Financial intermediaries and direct investments, and Climate change. Accordingly, VISTA has integrated aspects in design to address the necessary requirements as described in Annex 5.

J. Climate Risk classification

- 268. The Project is classified Substantial for climate risk. The project areas are impacted by extreme climatic events such as flooding, tropical storms/typhoons and drought. While communities in the project area are vulnerable to the impacts of climate and often have low adaptive capacity, the project will aim to enhance resilience to climate change with a focus on agrobiodiversity practices, mainstreaming of indigenous knowledge systems and practices and tailored climate information services to serve target communities. The project will include capacity building activities for government institutions, local governments, private sector as well as local communities and will apply Good Agricultural Practices. More details on the climate risk assessment are available in Annex 5.
- 269. Climate risks inherent in the VISTA design include the potential to exacerbate ongoing environmental degradation and calamities such as landslides, potential loss of project resources and agricultural loss and waste associated with calamities including typhoons, floods, landslides or earthquakes and low adaptive capacities of target communities to the impacts of climate change. Mitigation measures developed include a focus on climate resilience in selection of materials, infrastructure designs and activities including storage facilities to reduce post-harvest losses, ongoing supply of planting materials to replace lost crops, anticipation of calamity occurrence through early warnings and disaster preparedness and applying SECAP measures on targeted climate adaptation strategies. Additional details about climate risks and mitigation measures are available in Annex 5.

4. Implementation

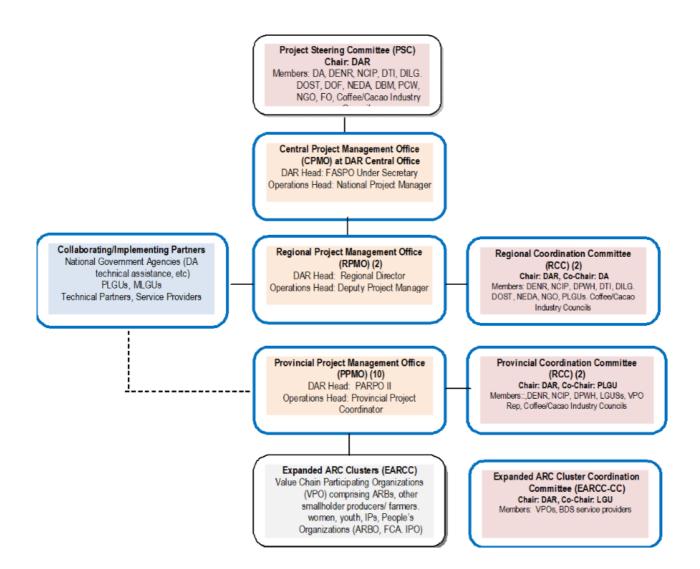
K. Organizational Framework

a. Project management and coordination

- 270. Executing Agency. The Department of Agrarian Reform (DAR) will have overall responsibility for implementing the project and will use its existing structures at national, regional, provincial, and EARCC levels to implement project activities. Project management structure will be embedded into the DAR; thus, project planning, budgeting, procurement, contracting, financial management, monitoring, and evaluation, and knowledge management will be integrated into the existing processes and procedures. In addition, it will identify improvements to be brought to the DAR's system as a whole.
- 271. Collaborating Agencies The Department of Agriculture (DA) will assist DAR in implementing Sub-Components 1.2 and 2.1. The DA Central Office will mobilize its attached Bureaus and Offices which will play a key role in project implementation. They are the (i) Bureau of Soil and Water Management (BSWM), (ii) Agricultural Training Institute (ATI), and (iii) Regional Field Offices (RFO) of CAR and Region XII to provide technical support. The Local Government Units (LGUs) in covered provinces and municipalities will be involved in the implementation of agforestry, DRM, rural infrastructure related sub-projects in close coordination with regional/provincial offices of DENR, DILG and DPWH.

272. Figure 1: VISTA Organizational Structure

Figure 1: VISTA Organizational Structure



- 273. The Project Steering Committee (PSC), chaired by the DAR and consisting of members from the DA, DENR, DILG, NCIP, DPWH, DTI, NEDA, DOF, DBM, PCW, PS, VPO Rep, and other relevant institutions/organizations, will serve as the governing body and provide policy direction and overall coordination mechanism for the project. The institutional commitments of PSC members will be formalized through special orders (SO) that specify their respective roles and responsibilities. The CPMO will be responsible for ensuring the coordination of national agencies involved in project implementation.
- 274. Central Project Management Office (CPMO) will be established at the national level to manage and coordinate overall implementation. This will be headed by the DAR's Undersecretary of Foreign Assisted and Special Projects Office (FASPO) as the National Director, together with a hired National Project Manager managing the day-to-day undertakings of the Project. The CPMO will be fully accountable for the performance of project; implementation and the use of funds. It will also be responsible in coordinating with IFAD; DA as collaborating agency; government oversight agencies, including, NEDA, DoF, and the DBM; and within the DAR central management that includes the Support Services Office (SSO), Finance Management and Administration Office (FMAO) and Office of the External Affairs and Communications Operations (DEACO). In addition, the CPMO will be directly responsible in effecting convergence of national agencies like DA, DENR, DILG, NCIP in project implementation.
- 275. **Regional Project Management Offices (RPMO)** will be created in the Cordillera Administrative Region (CAR) and Region XII. TheRPMO will be headed by DAR Regional Director with a hired Deputy Project Manager, managing the day-to-day undertakings of the Project. The RPMO will oversee project implementation at the regional and provincial levels. It will be coordinating with the different agencies for the review and endorsement of proposed subprojects as well as other implementing partners at the regional level. It will organize the Regional Coordination Committees.
- 276. Provincial Project Management Office (PPMO). In every target province, a PPMO will be established at the Provincial Support Services Division (SSD), under the authority of DAR Provincial Agrarian Reform Program Officer (PARPO). The day-to-day operation is managed by a hired Provincial Project Coordinator. The PPMO will oversee project operations in the selected ARCs (ARC) and will link with other implementing partners (e.g., BDS providers, PLGUs, MLGUs etc.) at the provincial level. It will organize EARCC Coordination Committees (EARCC-CC) and provide implementation support to the functioning of the EARCC-CC in the identified ARC Clusters.
- 277. Coordination Committees will be organized at the Regional and Expanded ARC Cluster levels.

- Regional Coordination Committee (RCC) will be chaired by DAR and co-chaired by DA and will have similar composition with the PSC at the regional level. It will review and endorse proposed subprojects and other activities, and will ensure complementation of other agencies and organizations' programs, projects and resources for the implementation of VISTA subprojects. It will also facilitate resolution of operational issues (e.g., duplication of investments, safeguards compliance).
- **Provincial Coordination Committee (PCC)** will be chaired by DAR and co-chaired by PLGU with membership from partner/implementing agencies present at the provincial level and municipal LGUs. This body will conduct initial review and to endorse VISTA investment plans and sub-projects. It will also facilitate resolution of operational issues (e.g. counterparting, provision of technical support) within their scope.
- Expanded ARC Cluster Coordination Committee (EARCC-CC) will be established in an expanded ARC cluster (EARCC). It will be chaired by DAR and co-chaired by LGU, and membership is dynamic to include NGAs which have on the ground presence, VPOs (ARBOs, FCAs, IPOs), and representatives of any other critical project implementers (e.g., financial institutions) within or adjacent to the A. It will mobilize concerned LGU departments and units, coordinate with and monitor all the stakeholders and implementing partners in the implementation of sub-projects, ensure the participation of VPOs and other people's organizations in the planning and monitoring of sub-projects in the EARCCs.
- 278. **Implementation Arrangement**. Overall, DAR will take the lead in implementing the project with DA, LGUs and other relevant agencies as project collaborators or implementing partners. The matrix below shows the lead implementing agency for each subcomponent. Implementation of activities will be in collaboration with multi-stakeholders such as the LGUs, business service providers, private sector, financial institutions, NGOs, academes, among others. See PIM for an Assessment of Possible Partner Agencies and Institutions and DA technical support for Project VISTA.

Component/Sub-Component	Lead Agency and Collaborating Partners
Component 1: Ecosystem Planning, Protection and Enhancement	
Sub-component 1.1: Identification and prioritization Sustainable investments	DAR with Technical Service Provider
Sub-Component 1.2 Enhancement of Natural resources management for value chains and resilience.	DAR with DA (technical assistance), LGUs
Subcomponent 1.3 Greening the Value Chain	DAR
Component 2: Sustainable Value Chain Development	
Sub-component 2.1. Sustainable Agricultural Production Improvements and Enhanced Extension Services	DAR with DA (technical assistance), LGUs
Sub-component 2.2. VC Commercialization and Rural Finance	DAR
Component 2.3. VC-related Infrastructure	DAR

- 280. **IFAD** in the Philippines have had successfully experience with the convergence and partnership implementation arrangements in previous IFAD-financed projects. The CHARM Project in the Cordilleras under DA as executing agency included NCIP, DENR, LGUs, and the DAR in ARC areas. The NMCIREM Project under DAR partnered with NCIP and LGUs. RaSSFIP/IRPEP executed by DA had NIA, NFA, and ATI as co-implementing agencies. In the mentioned projects, funds management was also undertaken by the co-implementing agencies. The FishCORAL, ConVERGE, and RAPID Projects, aside from having Project Steering Committees (PSC) with membership from agencies like DA, DAR, DENR, DTI, DILG, NCIP, DPWH also established regional coordination committees composed of government agencies reflective of the PSC composition, the LGUs and representatives of the private sector.
- 281. **Project Staffing** will be a combination of DAR's and DA's regular staff assigned to the project part-time and hired staff working for the Project on full time basis. Based on the staffing requirements, DAR and DA management will issue a special order to DAR and DA regular staff who will perform functions for the project. The contracted staff will be sourced out through a selection process which will be elaborated in the project implementation manual (PIM). See Annex 15 for Proposed Staffing for Project VISTA.

b. Financial Management, Procurement and Governance

- 282. The Department of Finance (DOF) will be the Representative of the Borrower, the Republic of the Philippines and the signatory to the Project's Financing Agreement. The financial management of the project will follow the government Public Financial Management systems (PFM), Government Accounting Manual (GAM), and other regulations and procedures on receipts and disbursements of proceeds from loans so far as it is consistent with IFAD's standard disbursement procedures and financial management guidance. Project inherent risk and control risk are substantial as detailed in FM risk assessments.
- 283. DAR will be the Lead Project Agency of VISTA under the regulation of GoP. DAR, through CPMO FASPO, will maintain a financial management system for project implementation, including procurements, budgets and fund flow for the implementation of project. IFAD will transfer fund to the project through revolving fund mechanism following the guidance from IFAD's handbook for Financial Management and Financial Control (FMFC) and FMFC letter.
- 284.DAR-CPMO will prepare Interim Financial Report and Withdrawal Application and submit to IFAD through IFAD Client Portal (ICP) for justification of expenditures and requesting disbursement from IFAD. From recent IFAD funded projects in the Philippines, it can be learned that the use of Public Financial Management (PFM) provides extensive support to project on financial management with available staff, policy, procedures and control with low cost, effective result, and the advocacy of sustainability after the project life. However, there are rooms for improvement on enhancing the reporting function of computerized financial software and the readiness of start-up activities, Conditions precedent to first disbursement will be included in the financing agreement to ensure the readiness of the project: a) Recruitment of key staff at DAR CPMO. b) e-NGAs will be configured or additional software that meet the IFAD reporting requirements. In addition, start-up training on IFAD procedures, financial reporting and ICP will be conducted to project staff after project entry into force, continuous support will be provided to project during the supervision and support missions.
- 285. To ensure active preparation of project at early stage, retroactive financing for expenditures incurred from NEDA project approval until the entry into force of the Financing Agreement is recommended; however, optional to GoP as exception to General conditions and will be described in the President's Report and the Financing Agreement. The total of final retroactive financing will not exceed the threshold of USD 1,000,000 that relates to the project's start-up activities including recruitment and salary of staff, configuration of e-NGAs accounting software, honorarium allowances, office set-up costs and procurement of office equipment will be identified during negotiations but it should not exceed 5% of the total IFAD financing. VISTA will be audited by the Commission on Audit (COA) on the consolidated financial reports. The project audit reports will be submitted to IFAD within 6 months after the end of each financial year (i.e., January 1 to December 31).
- 286. **Organizational and staffing.** DAR is the Lead Project DAR is the Lead Project Agency. Project activities will be implemented at three levels: national, regional and provincial level for DAR. Government staff will be core Finance Staff with additional Finance Officer will be recruited from outside. The DAR through the CPMO will be responsible for overall management of project funds which includes the oversight of project operations, finance and procurement, providing implementation support to the project implementers; review and consolidation of project annual work plans and budgets (AWPB); physical and financial reports and audits; and preparation of Interim Financial Report (IFR) and withdrawal applications. The project regional and provincial offices will in turn be responsible for project funds that they will receive for the implementation of the project within their respective offices/jurisdictions and in accordance with the AWPB.
- 287. The Financial and Management Service (FMS) of DAR Central Office will be primarily responsible for the implementation of adequate and sound financial management system for the Project. The FMS Director will be assisted at R/PPMOs by Regional/Provincial Chief Finance and Administrative Officers, who supervise admin and finance functions (i.e., budgeting, accounting, cashiering, planning, and procurement), approve obligations and disbursements, and are in-charge of accountability reports.
- 288. **Budgeting.** DAR will comply with national government budget guidelines and procedures issued by the Department of Budget and Management (DBM) in preparing annual budget proposals and obtaining budget authorization through the General Appropriations Act (GAA) for IFAD loan and GOP counterpart fund requirements. DAR will synchronize preparations of project AWPB and agency budget proposal for respective submissions to IFAD and DBM annually.
- 289. Disbursement Arrangements and Flow of Funds. IFAD will transfer loan proceeds to the project through revolving fund mechanism in accordance with IFAD's handbook for Financial Management and Financial Control and FMFC letter. DAR CPMO will be responsible for submitting in the IFAD Client Portal (ICP) the required consolidated Interim Financial Reports (IFRs) and Withdrawal Application (WA) for cash forecast requirements of the Project for a six-month period. The Bureau of Treasury (BTr) through DAR will maintain a Designated Account (DA) for receipt of loan proceeds from IFAD. The loan proceeds will then be

transferred to DAR project account upon receipt of Notice of Cash Allocation (NCA) from the DBM. Separate project bank accounts will be also maintained by all sub-recipients for the receipt of project funds from all sources. DAR CPMO will transfer project funds to R/PPMOs and DA Central Office. DAR PPMOs will manage fund transfers to the LGUs while DA Central Office will be responsible in further downloading project funds to its regional implementing units concerned. COA accounting and audit rules will govern fund transfers (including liquidation and reporting) from and to national government agencies (NGAs), operating units, and LGUs.

- 290. Internal controls and internal audit arrangements. VISTA will use the Government Accounting Manual (GAM) in conjunction with the Project Implementation Manual (PIM) in implementing adequate and effective internal control procedures over project expenditures, including segregation of duties, reconciliations, procurement, payment authorization, and safeguarding of project funds and assets. DAR will also explore internal audit activities covering the project with its Internal Audit Service at the Central Office.
- 291. Accounting Systems and Financial Reporting mechanisms. The Project will adapt International Public Sector Accounting Standard (IPSAS), accrual basis and comply with Government Accounting Manual (GAM) policies and procedures. Separate project books of accounts will be maintained using the Electronic National Government Accounting System (e-NGAS). DAR Central Office will be responsible in consolidating project financial reports in compliance with IFAD reporting requirements and format.
- 292. External Audit. DAR CPMO will prepare the consolidated annual financial statements following the IPSAS Cash Basis of Accounting and IFAD handbook for financial reporting and auditing. Auditors from the Commission on Audit (COA) will conduct the annual audit of project accounts in accordance with ISSAI. DAR CPMO shall submit the project audit reports to IFAD and Government within six months after the end of each fiscal year (i.e., January 1 to December 31). COA resident auditor at DAR Central Office will consolidate results of regional and provincial audits. COA Regional Offices will issue Regional Consolidated Annual Audit Report (CAAR) for the project, which will cover R/PPMOs.
- 293. There is a moderate inherent risk of non-compliance with project objectives and IFAD's Project Procurement Framework (PPF). The national procurement system of the Government of the Philippines is generally consistent with IFAD's PPF. Recent IFAD projects (CHARMP, FishCORAL, ConVERGE and RAPID) in the Philippines have adopted the national procurement system. Accordingly, VISTA Project procurement may be carried out in accordance with the national procurement law (Republic Act 9184, also known as the Government Procurement Reform Act) and its implementing rules and regulations to the extent consistent with IFAD Project Procurement Guidelines. The Project will follow the Project Procurement Strategy as provided in the Annex 13. The minimum number of submitted bids and minimum period of advertisement for competitive bidding will adopt IFAD standards. Prescribed competitive bidding documents prescribed by the GPH Government Procurement Policy Board may be utilized by project procuring entities. However, with a substantial inherent SECAP Project risk rating, national bidding documents will be supplemented by SECAP Standards through an Annex to comply with IFAD SECAP requirements. Procuring entities will adopt IFAD's standard request for quotation bidding documents in shopping and small value procurement. There are no certified procurement personnel at DAR Central Office and current procurement staff do not have adequate training and experience in procurement.
- 294. Procuring entities will be at different levels of the DAR including implementing partner MLGUs. In DAR, building upon the project ConVERGE experience, procurement of goods and services via national competitive bidding and alternative modes of procurement may be undertaken by its national and regional offices. Its provincial offices will undertake procurement of lease of venue and small value procurement of office supplies and equipment. Procurement of value chain related infrastructure under SC 2.3 will be undertaken by implementing partner MLGUs. For this purpose, DAR will execute Sub-Project Agreements (SPAs) with said partners providing for the procurement, implementation and funding arrangements. Procurement of NRM related infrastructure under SC 1.2 will be undertaken by its partner MLGUs under under SPAs with DA for the purpose. In the implementation of the project SCs, whenever appropriate to foster beneficiary co-ownership and specific sub-project sustainability, procurement via community participation will be undertaken to the extent possible pursuant to the GPH "Guidelines for the Conduct of Community Participation in Procurement".
- 295. Online Project Procurement Plans (PP) will be prepared via IFAD's OPEN (Online Procurement End-To-End System). Access to the system will be provided to a Procurement Officer at DAR CPMO and a Procurement Associate at RPMOs. Other project staff at DAR RPMO who will be assisting sub-component focal project staff will be given access to IFAD's OPEN. The Procurement Officer will be responsible in reviewing proposed procurement activities and modalities in the online PP imbedded in IFAD's OPEN to ensure compliance with the national procurement law, consistency with IFAD Project Procurement Guidelines and IFAD Project Procurement Arrangements Letter before submission of the PP for IFAD's prior No Objection. IFAD Contact Monitoring Tool (CMT) will be used for managing and updating contracts where data on contracts will be recorded as required. The Procurement Officer and Procurement processes in accordance with the mode of procurement in the PP. The Procurement Officer and Procurement Associate will likewise be tasked to ensure that suppliers, contractors and consultants comply with contracted deliverables as to quality and timeliness.
- 296.On governance, project procuring entities will undertake capacity development interventions at start up to strengthen procurement capacity with emphasis on the conduct of post qualification. BUILDPROC Procurement Training will be provided at all levels as required. A constitutional office called Office of the Ombudsman is tasked to receive administrative and criminal complaints for graft and corruption including those relating to foreign assisted projects. Presidential Decree 749 grants immunity to givers of bribes and other gifts to public officers. The immunity extends to accomplices of the givers.

L. Planning, M&E, Learning, KM and Communication

a. Planning, M&E, Learning, Knowledge Management and Communication

- 297. At start-up, Project management and staff will receive a training on the Project's Theory of Change (ToC) and Logical Framework (LF) as stated in the IFAD's project design report (PDR), NEDA's project evaluation report (PER) and in the Financing Agreement (FA). The aim of the training is for the Project to have a common understanding of the desired changes and results that Project VISTA intends to achieve, how they will be realized, and how they will be monitored and evaluated. This exercise will help the staff gain a better grasp of the link between Component 1 and Component 2, and how they should be interdependent in the activities carried out in the EARCCs. Part of the exercise is to revisit the project's implementation phasing or batching in a six-year project duration, projecting the milestone results. The following are the expected outputs in this exercise:
 - *Multi-Year Work Plan and Budget (MYWPB)* which is a six- year milestone plan for achieving project objectives and targets, a consolidated annual output targets and budgets. The MYWPB will indicate targets per region and per province. The MYWPB will guide in the preparation of annual plans, especially in complying with the GoP's budgeting call.
 - Expanded M&E logframe for AWPB indicators: the expanded logframe will detail indicators and annual targets per outcome/component and activities/outputs, also incorporating IFAD's core outcome/output indicators (COI).
- 298. Annual Planning will be conducted beginning PY2. For PYI, the Annual Work Plan and Budget (AWPB) and Annual Procurement Plan (APP) prepared at project design will be used in implementing project activities. Preparation of the AWPBs and APPs will draw from the VISTA Investment Plans (VIP) as juxtaposed with the Project's MYWPB, results of the annual project assessments, reports of supervision missions and the project's regular M&E reports. The Project Expanded Logical Framework will be used as the main reference for formulating the AWPB/APP, to create clear linkages between proposed activities and budget requirements and expected outputs, outcomes and impacts (annual targets vs. achievements). The AWPB/APP will be the key management tool for planning, monitoring and reporting on implementation of activities.
- 299. The PPMOs will prepare provincial AWPBs/APPs based on the EARCC VIPs. RPMOs will prepare Regional AWPBs/APPs from the provincial AWPBs/APPs. The CPMO will consolidate the Regional AWPBs/APPs into a Project-wide AWPB/APP. The Project-wide AWPB/APP will be reviewed and approved by the PSC and submitted to IFAD for no objection.
- 300. **The Monitoring and Evaluation (M&E) system** will provide reliable data to support results-based management and evidencebased decision making. It will align with IFAD's Core Outcome Indicators guidelines to assess the project's impact on the health of EARCCs' ecosystem and the livelihoods of ARBs and community households. The M&E system will identify gaps and challenges to improve project performance and support decision making for all project management and coordination bodies at all levels, including implementing partners from government and the private sectors. It will also support learning among project staff and partners and inform policy-making and strengthening of LGUs and national government agencies. This will include improving implementation of local ordinances, policies, and programs related to natural resource management, resilience to climate shocks, and value chain development that ensure ecosystem health in agricultural production.
- 301. Areas of Monitoring and Evaluation. The Project will perform: (i) *process monitoring* which will track compliance with safeguards requirements (e.g., FPIC), activities and strategies leading to outputs and outcomes such as technical services, VIP, community reforestation/ agroforestry; (ii) *performance monitoring* whichwill determine the achievement of outputs against targets in the AWPB. Physical and financial progress reports will be the primary products of this exercise; (iii) *outcome monitoring* which will measure the changes in the target beneficiaries: ARBs and community households (especially the women, youth and IPs) as a result of Project interventions which usually occur in the third year of implementation. Outcome monitoring will start at PY3 or during the mid-term review (MTR), and hereafter core outcome surveys (COI) will be undertaken. At the end of the project, and end-line survey will be conducted to capture the initial impact of the project as well.
- 302. **M&E Plans** will be formulated at the CPMO, RPMOs and PPMOs by the M&E staff. Execution of the plans will be assessed annually especially on how the M&E system and processes contribute to decision making, learning, and policy dialogues. The PIM will expound on the format and process of M&E planning.
- 303. **Database Building and Measuring Changes.** The project will adopt the methodology of ConVERGE and RAPID in collecting baseline data/information by profiling beneficiary households, ARBOs/FCAs/IPOs, ARCs, enterprises. Profiling will start in PY1 and will continue on a rolling basis as the Project touches the intended targets. Data/information gathered from profiling will serve as the baseline which will be used for delivery of services and measuring results. The Project may build on existing DAR's Information Technology-enabled Assessment System for Agrarian Reform Communities' (IT-eASy) or from the profiling forms developed under ConVERGE and RAPID. As to software, the Project may adopt the Kobo Toolbox utilised in Project SPLIT of DAR/WB, with modifications based on the lessons learned from the application of the tool (e.g., use of tablet instead of mobile phone). Data collection and database building will include geo spatial maps for both Components 1 and 2. This database is webbased with server managed by the CPMO.
- 304. The project will use IFAD's Core Outcome Indicators Measurement Guidelines for baseline, mid-line, and end-line surveys to measure changes in line with the Theory of Change and Logical Framework. The surveys will be supplemented with appropriate qualitative methods like focus group discussions, key informant interviews, and most significant change analysis. The Philippine Institute for Development Studies (PIDS), the government's primary socioeconomic policy think tank, will conduct the studies similar to ConVERGE and RAPID. Systematic economic and financial analyses will also be conducted at design, mid-term, and end of project. The surveys compliant with the COI guidelineswill be done in-house with statistical sampling and analysis of data,

using a panel survey methodology to compare changes before and after the project's implementation for the profiled beneficiaries receiving project services.

- 305. **Reporting Flow**. M&E reporting will follow the organizational structure of the Project. Data/information will be gathered at the ARBO/ARC level by the DF and the M&E assistants in data capture forms developed by the project. The project will endeavour for a paperless data collection by using mobile app with data/information uploaded directly to a web-based database. Access and data generation for report writing will be at all management levels for authorized users. Details of the data collection, generation, analysis, dashboard publication, and other protocols will be elaborated in the PIM. Formats for reporting to specific agencies/organizations (e.g., NEDA, DBM, DoF, Office of the President, IFAD) will be indicated in the PIM and be elaborated at Start-Up.
- 306. Knowledge Management. Knowledge management (KM) will be done systematically throughout the entire project duration. There will be three key thrusts under KM: (i) knowledge generation, (ii) knowledge use, (iii) building an enabling environment for evidence-based learning and knowledge sharing. In *generating knowledge*, the M&E system will be the main feeder of knowledge created from the project. From project reports, lessons learned will be produced by the M&E staff. Other sources of knowledge topics will cover processes, good practices and innovations on upland agriculture development, linking the NRM and VC, lessons from each component, among others. *Knowledge use* is targeted. The main users of knowledge from and for the project include the project management and staff, ARBOs/FCAs/IPOs, enterprises, implementing partners, oversight agencies, development partners including IFAD. There are several media forms for publishing project knowledge, e.g., print media: newsletter, brochures, briefers, builletins; audio-visual productions: video clips, video productions, ppt and similar type of presentations; social media: FB, twitter, WhatsApp, tiktok, viber, etc.
- 307. There are two main platforms in building an *enabling environment for knowledge-sharing*: (i) face-to-face, and (ii) virtual. To encourage peer-to-peer learning, the Project will organize cross-visits among farmers, ARBOs, and LGUs. The Project will join existing KM face-to-face platforms organized by the IFAD-PHL Country Office: Annual Country Programme Reviews (ACPoR), Knowledge Learning Market and Policy Engagement (KLMPE), and IFAD-Philippines Gender Network (IPGN), and other fora like the Mekong Hub Knowledge and Learning Fair (MKLF), Local and National Trade Fairs, etc. It may also organize thematic knowledge sharing through workshops and fora, e.g., IP Forum, Gender Forum, and Youth Forum. The main instrument for virtual knowledge sharing is through a **Project Website**. This website will be created and managed at the CPMO. The Project will also organize a community of practice (CoP) among the staff project-wide on thematic concerns. Interaction can be via a portal in the Project website.
- 308. To realize the above, the Project will prepare a **KM strategy and plan.** At PY1, the M&E staff together with key staff in Components 1 and 2 will conduct a workshop to draft a KM strategy and plan for the Project. The workshop will be facilitated by a KM resource person. The plan will be assessed and adjusted on a yearly basis.
- 309. Engaging in Policy Dialogues. As this project is an innovation from the "business as usual" VC development, there will be policy and program implications which need to be shared and engaged into with government agencies and other players for policy formulation, modifications and/or strengthening. As part of partnering with the PIDS, the latter will be also engaged into preparing policy studies as practiced in ConVERGE and RAPID. In the contract of PIDS, they will organize policy dialogue forums with relevant entities. In addition, the project may engage consultants to prepare policy briefs. Policy briefs will be presented in local legislation gatherings, g., SB sessions, RDC sessions, and in national forums like KLMPE for policy dialogues. Policy changes/modifications at the local, regional and national levels emanating from policy dialogues will be monitored and reported by the Project. Policy dialogues may include:
 - Sustainable agriculture: Discussions on the need to promote sustainable agriculture practices, including soil conservation and protection of biodiversity, as well as reducing the use of agrochemicals that can harm the environment and human health.
 - Land tenure and access to natural resources: Discussions on policies that promote secure land tenure for smallholder farmers, as well as access to natural resources such as water and forest areas, which are critical for coffee and cacao production.
 - Access to finance: Discussions on policies that promote access to finance for smallholder farmers, cooperatives, and other
 value chain actors. This can include policies that support the establishment of rural financial institutions or improve the ability
 of smallholders to access credit.
 - Market access: Discussions on policies that support smallholder farmers to access markets for their products, including
 improving market linkages and promoting market-oriented production practices.
 - Public-private partnerships: Discussions on the need for public-private partnerships that bring together government, private sector, and civil society actors to address challenges in the coffee and cacao value chains and promote sustainable development.
- 310. As part of its commitment to effective engagement and collaboration, VISTA will incorporate several pivotal elements into its communication strategy. A primary focus involves comprehensively understanding and actively involving a diverse range of stakeholders, including local communities, government bodies, NGOs, and farmers. VISTA will develop clear, culturally sensitive messages that resonate with project objectives, promoting participatory communication rooted in respect for local context and traditions. Furthermore, the project will leverage a broad spectrum of communication channels, including community gatherings and mobile technology, ensuring accessibility and robust engagement. An essential aspect of VISTA's approach is the empowerment of local stakeholders through capacity building initiatives and the establishment of robust feedback mechanisms, continually refining the communication approach to better suit the needs of the communities.
- 311. In alignment with these commitments, the project will commence the development of a comprehensive communication plan from the project's onset. This strategic blueprint will be collaboratively formulated with the IFAD Communication Specialist, ensuring alignment with corporate practices and organizational objectives. The communication plan will detail budgetary allocations,

timelines, and assigned responsibilities, serving as a guiding framework for effective communication throughout the project's lifecycle. Emphasizing active engagement, transparency, and trust within the targeted rural communities, this plan will underpin VISTA's commitment to create lasting positive change through inclusive and transparent communication practices.

b. Innovation and scaling up

- 312. The Project is designed to implement proven practices and modalities building on the best practices and lessons learned from the previous projects such as the detailed investment plans of RAPID linking producer organizations with the anchor firms at the planning stage; integration and consolidation approach of CONVERGE; and building the capacity of indigenous peoples and their council to assume responsibility for natural resource management in CHARM2. VISTA builds on the understanding that the role of value chains to improve the livelihoods of smallholders, and overall food security and nutrition, can be further strengthened when natural resources are treated as part of the chain linked to the production improvements. The Project will promote an innovative approach at the regional level by leveraging and consolidating the existing NRM plans of relevant institutions therefore contributing to the cohesion of these investment plans and their implementation with on-the-ground activities; hence contributing directly towards the convergence of investment priorities across agencies. VISTA will provide incentives to support the modernization and upgrading of value chains through integrating environment and climate considerations through the generation of knowledge and piloting of innovative practices and technologies in greening the value chain. The Project will develop a comprehensive rural finance strategy in a diverse financial sector environment with numerous lending and insurance programs to address the barriers of access to finance that would also be an instrumental tool for other development programs and projects. Another novel aspect of the project is the focus on research on farmer's fields of a range of inputs, practices and technologies for climate adaptation. Using the research capacity of the various actors including universities and NGOs/CSOs, VISTA will finance farm business plans and demonstration activities through Farm Business Schools for selected crops in the value chains. The project will test and scale-up technologies and management practices that will enhance climate resilience such as improved water management practices, and new seed and crop varieties tolerant to multiple climate stresses such as drought, heat, humidity etc.
- 313. VISTA proposes numerous activities that have great potential to be scaled up focusing on natural resource management and value chain development. Sustainable Farming and Natural Resource Management: Encouraging techniques like agroforestry, organic farming, and soil conservation enhances soil health, reduces chemical inputs, and preserves biodiversity. Activities such as reforestation and shade-grown coffee promote sustainability, supporting both coffee and cacao quality and environmental conservation. Implementing efficient water management practices is also crucial component. Value Chain Development and Market Access: Strengthening value chain activities can significantly impact the sector's growth. This includes investments in post-harvest processing facilities, promoting value addition through roasting and packaging, and improving market linkages between farmers and buyers. Certification programs can also expand opportunities for smallholders. Additionally, capacity building, financial inclusion, and support for farmer organizations empower stakeholders along the value chain. Successfully stimulating private sector credit using improved product models will also provide a roadmap for credit access in the future. Research, Innovation, and Policy Advocacy: Research and innovation are essential for introducing disease-resistant, climate-resilient, and high-quality coffee and cacao varieties. Scaling up successful projects from innovation facility can lead to improved yields and quality. Engaging in policy advocacy is crucial to influence favourable government policies supporting sustainable agriculture, natural resource management, and value chain development.
- 314. Linkages between similar projects being implemented in targeted geographical areas in the same sector, both horizontally and vertically, will be strengthened. These may also include setting up working coordination mechanisms with the development projects such as PRDP and MIADP. This collaboration will consider the innovations from a systems approach and allow partners to leverage their capacities and available finances to increase sustainability and scaling up efforts. VISTA will empower communities to influence local decision-making processes as well as provide capacity building to strengthen local institutions in delivering project activities. Such process will strengthen the capacity of poor and vulnerable communities influencing local governments to incorporate their priorities in local development plans. VISTA interventions will demonstrate commercial viability to firms and strengthen their business with the VPOs and their poor farmers through increasing the quality and delivery standards required by the market. VISTA aims to address the main constraints of market failures, including poor access to credit or inputs, infrastructure, and institutional barriers, therefore using a pull mechanism to attract private sector willing to take successful innovations promoted by the Project and sustain and scale-up the results over time. VISTA contains two avenues for scaling up through the convergence approach and policy dialogue activities. The adoption of a convergence approach throughout all project components facilitates the sharing and uptake of VISTA advancements and approaches by partners including a variety of government agencies, community organizations and private sector VC actors. IFAD has also built a strong connection with partners and other implementers in the Philippines through the KLMPE and the ACPoR. These forums will provide opportunities for advocacy related to VISTA which will facilitate the sharing of lessons and learnings to scale up in other projects and government programmes.

M. Project Target Group Engagement and Feedback, and Grievance Redress

a. Project Target Group Engagement and Feedback.

- 315. VISTA will be implemented with the engagement of a wide range of stakeholders. Planning for ecosystem and natural resources investments will include communities in the ground, NGOs/CSOs, academic institutions, technical experts, and considering the sensitivities of IP communities and organizations. Value chain planning involves a consultative process with the private sector actors and beneficiaries participating in the different nodes across the chain. The success of the Project highly depends on the well-executed participatory processes during the planning stages. The Project will engage with its technical service providers, staff, and consultants to ensure the beneficiaries will be consulted proactively and consensus will be made before the implementation of activities. IFAD country office will involve representatives from different groups in annual KM and learning workshops and monitor that the planning and implementation are undertaken through inclusive stakeholder engagement in the project.
- 316.VISTA will tackle the gender-based constraints using household methodologies, as an entry point, to achieve gender transformation. Three principles will be followed to promote gender transformative change in the context of natural resource management, climate adaptation and VCD: (i) using participatory approaches to facilitate dialogue, trust, ownership, visioning and behaviour change at various levels (individual/household/ ARBO/community/society levels); (ii) promoting critical reflection on deep-rooted social and gender norms and attitudes in order to change unequal power dynamics and bring about a paradigm shift at all levels; and (iii) explicitly engaging with men including young men to transform personal perspectives, norms, and systemic patterns towards gender equality and inclusion.
- 317.As part of its commitment to enhancing the impact of the project on gender equality and women's empowerment, in addition to securing FPICs in project areas, VISTA will pay particular attention to the engagement of indigenous women by recognizing their role as stewards of natural resources and biodiversity, and as bearers of rich traditional knowledge systems.

b. Grievance redress.

- 318. VISTA feedback mechanisms will be established through several ways. The project implementation manual (PIM) will include mechanisms to address complaints related to the project activities and NRM, VC and infrastructure safeguards. The Project grievance mechanism will be anchored on the project's implementation arrangement management structure . Complaints will be registered through CPMO/RPMO through regular government procedures as well as through specific GRM email account and website to be set up by the Project. Any complaints received through the DA, NCIP, DENR, MLGUs or other partners will be monitored and handled with due diligence in coordination with those agencies and the resolution will be reported to the PSC.
- 319.CPMO will be the main responsible unit to ensure that the GRM works effectively and proper authorities are informed in a timely manner for resolution. These complaints will be made available at all national, regional and provincial level to be monitored and addressed by the responsible parties, adhering to the confidentiality requirements, in accordance with the procedures established by types of grievances in the PIM. The status of complaints will be reported in the progress reports regularly and adhoc reports as requested.
- 320.At the community level, farmers and village level feedback can also be communicated to farmer's cooperatives and associations, at the ARC level through the EARCC-CC, and if not addressed to the PPMOs, RPMOs, and CPMO. Documentation of stakeholder engagement and FPIC processes will form part of project report submissions. Action plans (ESCMP, SEP, GAP) per project site shall be prepared, to incorporate stakeholder feedback. The documents will be included as materials for periodic monitoring. For this to be realized DAR / DA and the LGUs will have to be well coordinated.
- 321. Documentation of stakeholder engagement and FPIC processes will form part of project report submissions. Action plans (ESCMP, SEP, GAP) per project site shall be prepared, to incorporate stakeholder feedback. The documents will be included as materials for periodic monitoring. All SECAP project/subproject documents shall be made available for public review at a place accessible to local people, and in a form, manner, and language they can understand.
- 322. Details of the grievance procedures are in the PIM. Project will also make sure that the beneficiary materials (i.e. brochures, training materials) will include GRM contact details (i.e. email account, phone number) for effective complaints and feedback mechanism. In addition, GRM will collect referral information to ensure that specific requests that are more relevant to be addressed by other projects/partners are collected and communicated with the responsible parties to ensure greater benefits and synergies.
- 323.IFAD has an established complaints procedure for its supported projects to receive and facilitate resolution of concerns and grievances as regards alleged non-compliance of its environmental and social policies and the mandatory aspects of SECAP. If despite an official project GRM, stakeholders still need their concerns to be resolved in a fair and timely manner through an independent process, IFAD may be contacted by e-mail at <u>SECAPcomplaints@ifad.org</u>.

N. Implementation plans

a. Supervision, Mid-term Review and Completion plans.

324. Implementation Stream. The project will be implemented over a period of six years, drawing on the experience gained from

similar projects funded by the International Fund for Agricultural Development (IFAD), such as ConVERGE and RAPID, and incorporating lessons learned during the implementation of the VISTA project. Below is a matrix illustrating the stages of implementation, and implementation and describing the key characteristics of each stage.

325. Table 9. Implementation Stages

Start Up		Implementatio	n	MTR	Implementation	PCR
Pre-Start Up	Start Up	Batch1	Batch2		Implementation	FCK
PY0	PY1	PY1-PY2	PY2-PY3	PY3-PY4	PY4-PY6	PY6
Organizational set-up and PIM finalization	Standardization of implementation systems, procedures, mechanisms; mobilization of ARBOs/ FCAs/ IPOs, partners; and VISTA investment planning	which exhibit readiness to	This will be implemented in ARCS/ARBOs needing production enhancement and organizational strengthening	Project design and implementation review and modifications	Implementation adjustments	Accounting results and learning lessons

- 326. **Pre-Start-Up:** One of the major causes for delayed project implementation is the slow achievement of start-up requirements. To facilitate this start-up process, IFAD will provide retroactive financing to DAR for pre-start up activities. This will be effective immediately from the date the project has been approved by the IFAD Executive Board and NEDA until the entry into force of the Financing Agreement. A work and financial plan prepared by DAR for retroactive financing will be given no objection by IFAD. This stage will focus on: (i) hiring/assigning of key staff at the national level, (ii) establishing the CPMO, (iii) reviewing and firming up of the PIM, (iii) orientating the targeted regional and provincial offices, (iv) configuring and designing Accounting System (e-NGAs) to meet IFAD financial reporting requirement. The DAR management will hire an experienced short-term consultant to assist in setting up all the project management procedures and tools.
- 327. **Start-Up**: The first three months of the project (PY1) will be devoted to: (i) setting up Regional Project Management Offices (RPMO) and Project Provincial Management Offices (PPMO), including the signing of memorandum of agreement (MoU) with LGUs and other implementing partners, (ii) initiating the integrated planning processes for both components 1 and 2, (ii) firming up the AWPB and APP, and (iii) commencing procurement processes short of award.
- 328. **Implementation:** The project will be implemented in expanded clustered ARCs, which are expanded in adjacent areas having existing or potentials for coffee or cacao production areas, referred to as Expanded ARC Clusters (EARCC). There will be two stages during the implementation phase. In PY1, the project will be implemented in selected EARCCs where coffee/cacao VCs on the go, with ARBOs or FCAs with higher level of maturity based on the latest result of the DAR's Information Technology-Enabled Maturity Assessment or (ITEMA). Part of the identification criteria will be the presence of plans such as ARCDP or similar plans. This will be labelled as Batch 1 implementation.
- 329. In PY2, Batch 2-A will commence in EARCCs and ARBOs/FCAs/IPOs showing high potential for VC development, but with low production and moderate levels of organization, and then Batch 2-B in EARCCs and ARBOs/FCAs/IPOs which show potential for VC development, but may have low or no production at all and may require more intensive organizing and business establishment support. Implementation of second batches will be initiated in the second year to consider the gestation of coffee and cacao plants.
- 330. **Continuing Implementation.** This is an application of the results of the MTR. Design modifications will undergo the process of government and IFAD approval which may take three to six months depending on the extent of changes introduced.

Supervision, Mid-Term Review and Completion Plans

- 331.During project implementation,IFAD and the GoP will organise **supervision and implementation support (SIS)** missions beginning PY1. SIS missions will be carried out by a core team returning regularly, joined by specialists to address specific needs of a given year. Shorter implementation support missions to address specific technical needs will take place in between annual supervision missions.
- 332. **Mid-term review**. A Mid-Term Review (MTR) will be conducted at the end of project year 3 to: (i) assess achievements and efficiency, effectiveness of VISTA management, and continued validity of VISTA design; (ii) identify key lessons learnt and good practices; and (iii) provide recommendations for improved performance. The MTR will also make recommendations on measures needed to secure the sustainability of partnerships and of ARBs and other beneficiaries' access to services and markets, and the protection/enhancement of natural resources. The conduct of the MTR should not go beyond the 50% time elapsed of project implementation.

333. Project Completion Review (PCR) – This is to assess and document overall project implementation performance and the results achieved. This process calls for an informed reflection on the relevance, effectiveness, efficiency and sustainability of project interventions. Lessons learned and innovations are also captured in for learning and application to similar projects in the future. This will be undertaken after project completion and before project loan closure.

Footnotes

- [1] World Bank, 2022, DataBank, https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=PH
- [2] Philippines Statistics Authority, 2022, National Accounts, https://psa.gov.ph/
- [3] PSA, 2022. https://psa.gov.ph/poverty-press-releases/nid/167972

[4] Philippine Statistics Authority. 2021. Preliminary 2021 Full Year Poverty Statistics of the Philippines. Retrieved from: https://psa.gov.ph/sites/default/files/Preliminary%202021%20Full%20Year%20Poverty%20Statistics%20Publication_25Aug2022_1.pd

[5] https://data.unwomen.org/country/philippines

[6] PSA, 2023, National QuickStat for 2023, https://psa.gov.ph/statistics/quickstat/national-guickstat/all/*

[7] https://data.unwomen.org/country/philippines

[8] National Economic and Development Authority, 2023, *Philippines Development Plan 2023-2028*, https://pdp.neda.gov.ph/philippine-development-plan-2023-2028/

[9] NEDA, 2023, Philippine Development Plan 2023-2028, https://pdp.neda.gov.ph/philippine-development-plan-2023-2028/

[10]https://www.statista.com/statistics/578787/share-of-economic-sectors-in-the-gdp-in-philippines/#:~:text=In%202021%2C%20the%20share%20of,sector%20contributed%20about%2061.05%20percent

[11] World Bank. Macro Poverty Outlook. October, 2022.

[12] Madayag, William & Estanislao, Hajime. (2021). Sector Study on Philippine Agriculture.

[13]https://psa.gov.ph/sites/default/files/%28ons-cleared%29_FO%207_Employment%20and%20Wages%20ao%20ONS-21122021_ONSF-signed.pdf

[14] Philippine Consulate General, *Major Agricultural Products*, <u>https://www.philcongen-</u> toronto.com/general/general_products.php#:~:text=The%20country's%20major%20agricultural%20crops,%2C%20goat%2C%20and %20dairy%20products.

[15] Philippines Statistical Authority

[16] PSA, 2021, Agricultural indicators system, https://psa.gov.ph/sites/default/files/FO%205_AIS%20Agri%20Exports%20and%20Imports%202022%20ao%2030Sept_signed.pdf

[17] Eckstein, D, Hutfils, M and Winges, M, 2017, GLOBAL CLIMATE RISK INDEX 2019 Who Suffers Most From Extreme Weather Events? Weather-related Loss Events in 2017 and 1998 to 2017, https://www.germanwatch.org/sites/default/files/Global%20Climate%20Risk%20Index%202019_2.pdf

[18] Grantham Research Institute on Climate Change and the Environment, 2011, *National Climate Change Action Plan*, Plan https://climate-laws.org/geographies/philippines/policies/national-climate-change-action-plan#:~:text=The%20National%20Climate%20Change%20Action,current%20situation%20and%20projected%20impact.

[19] World Bank, *Philippines MPO*, <u>https://thedocs.worldbank.org/en/doc/c6aceb75bed03729ef4ff9404dd7f125-0500012021/related/mpo-phl.pdf</u>

[20] Department of Agriculture, 2021, National Agriculture and Fisheries Modernisation and Industrialisation Plan 2021-2030

[21] https://www.fao.org/3/CA1345EN/ca1345en.pdf

[22] Data combined from the 2012 Census of Agriculture and Fisheries (Decennial) and the May 2022 Agriculture Indicator System report provide a rough indication of the extension reach.

[23] OECD, 2017, Agricultural Policies in the Philippines, <u>https://www.oecd-ilibrary.org/agriculture-and-food/title-agricultural-policies-in-the-philippines_9789264269088-en</u>

[24] Ibid.

[25] USAID and Agri-Terra, 2021, Grow Coop Project: Agricultural Cooperative Development Agenda

[26] https://www.fao.org/3/CA1345EN/ca1345en.pdf

[27] The Philippines Congress Policy Brief No. 2016 – 04, Convergence Strategy: The Way Forward to Rural Development

[28] DA, DAR, DENR, DILG Joint Administrative Order (JAO) 01-Series of 2020.

[29] World Bank, 2020, Project Appraisal Document for Support to Parcelization of Lands for Individual Titling Project, https://documents1.worldbank.org/curated/en/693491593482902716/pdf/Philippines-Support-to-Parcelization-of-Lands-for-Individual-Titling-Project.pdf

[<u>30</u>] Department of Agriculture, 2022, National Agriculture and Fisheries Modernization and Industrialization Plan 2021-2030: Transforming the Philippine Food System Together, <u>https://www.bfar.da.gov.ph/wp-content/uploads/2022/08/06232022_NAFMIP-2021-2030.pdf</u>

[<u>31</u>] Abaca, Coffee, Cacao, Vegetables, Mango, Banana, Onion, Coconut, Shellfish, Shrimp, Seaweed, Tilapia, Milkfish, Dairy, Carabao, Yellow Corn, Small Ruminants, Hog, Poultry Broiler, Poultry Layer

[32] DA, 2022, DA launches Commodity Industry Roadmaps, <u>https://bar.gov.ph/index.php/media-resources/news-and-events/454-da-launches-commodity-industry-roadmaps</u>

[33] DA, Technology and Innovation including Digital Agriculture, <u>https://www.da.gov.ph/the-one-da-reform-agenda-eighteen-18-key-strategies/technology-and-innovation-including-digital-agriculture/</u>

[34] DTI, 2020, Keynote message of Secretary Ramon M. Lopez, Deliver-e goes Live.<u>https://www.dti.gov.ph/speeches/deliver-e-goes-live/</u>

[35] DA, 2020, Kadiwa goes online, bringing farmers' produce closer to more consumers, https://www.da.gov.ph/kadiwa-goes-onlinebringing-farmers-produce-closer-to-more-consumers/

[36] Department of Agriculture, 2022, National Agriculture and Fisheries Modernization and Industrialization Plan 2021-2030: Transforming the Philippine Food System Together, <u>https://www.bfar.da.gov.ph/wp-content/uploads/2022/08/06232022_NAFMIP-2021-2030.pdf</u>

[<u>37</u>] Philippine Institute for Development Studies, 2017, *The Comprehensive Agrarian Reform Program after 30 years:* Accomplishments and Forward Options, <u>https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps1734.pdf</u>

[38] DAR, 2022, Agency Performance Review Report CY 2022, https://documents1.worldbank.org/curated/en/693491593482902716/pdf/Philippines-Support-to-Parcelization-of-Lands-for-Individual-Titling-Project.pdf

[39] ARBs can own up to 5 hectares if they are previous land owners which land has been transferred to tillers, but this is rare, most ARBs own close to the national average.

[40] CDA, 2015, Memorandum Circular (MC) 2015-05

[41] Micro: Assets of PhP 3,000,000 and below, Small: Assets between PhP 3,000,001 and 15,000,000

[42] USAID and Agri-Terra, 2021, Grow Coop Project: Agricultural Cooperative Development Agenda

[43] Philippines Institute for Development Studies DISCUSSION PAPER SERIES NO. 2020-24, The Role of Agrarian Reform Beneficiaries Organizations (ARBOs) in Agriculture Value Chains

[44] Philippine Commission on Women, 2019, Gender Equality and Women Empowerment Plan, https://pcw.gov.ph/gewe-plan/

[45] World Health Organisation, 2023, WHO Coronavirus (COVID-19) Dashboard, <u>https://covid19.who.int/</u>

[46] World Bank, 2022, Supporting the Philippines' COVID-19 Emergency Response, https://www.worldbank.org/en/results/2022/05/30/supporting-ph-covid-19-emergencyresponse#:~:text=The%20Philippines%20was%20one%20of,the%20operational%20capacity%20of%20businesses.

[47] Amit, A, Pepito, V and Dayrit, M, 2021, *Early Response to COVID-19 in the Philippines*, <u>https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8143926/#:~:text=In%20response%20to%20the%20early,contributed%20to%20unbrid</u> led%20disease%20transmission.

[48] Jaranilla-Sanchez, P. A., Wang, L., & Koike, T. (2011). Modeling the hydrologic responses of the Pampanga River Basin, Philippines: A quantitative approach for identifying droughts. Water Resources Research, 47(3), W03514. http://doi.org/10.1029/2010WR009702

[49] Pullen, J., Gordon, A. L., Flatau, M., Doyle, J. D., Villanoy, C., & Cabrera, O. (2015). Multiscale influences on extreme winter rainfall in the Philippines. Journal of Geophysical Research: *Atmospheres*, 120(8), 2014JD022645. http://doi.org/10.1002/2014JD022645

[50] Yumul Jr., G. P., Servando, N. T., Suerte, L. O., Magarzo, M. Y., Juguan, L. V. V., & Dimalanta, C. B. (2012). Tropical cyclone– southwest monsoon interaction and the 2008 floods and landslides in Panay Island, central Philippines: Meteorological and geological factors. *Natural Hazards*, 62(3), 827–840. <u>http://doi.org/10.1007/s11069-012-0109-5</u>

[51]CRA_Profile_Philippines.pdf

[52] World Economic Forum. 2022. Global Gender Gap Report 2022. July 2022. Retrieved from https://www3.weforum.org/docs/WEF_GGGR_2022.pdf

[53] Ibid.

[54] Philippine Commission on Women. 2022. Updated Gender Equality and Women's Empowerment Plan 2019-2025. April 2022. Retrieved from https://library.pcw.gov.ph/wp-content/uploads/2022/07/PCW-Updated-Gender-Equality-and-Womens-Empowerment-Plan-2019-2025-2022.pdf

[55] https://www.fao.org/3/CA1345EN/ca1345en.pdf

[56] Philippine Statistics Authority. 2019. Gender-Based Indicators of Labor and Employment in Agriculture. *Report No. 2019-9.* November 2019. Retrieved from <u>https://psa.gov.ph/sites/default/files/ais_Genderbased_2019.pdf</u>

[57] Philippines Statistics Authority. 2022. Employment and Wages in Agriculture. *In Agricultural Indicators System 2017-2021*. December 2022. Retrieved from https://psa.gov.ph/sites/default/files/AIS%20Employment%20and%20Wages%202017-2021%20%28signed%29.pdf

[58] Philippine Statistics Authority. 2022. 2022 Fact Sheet on Women and Men in the Philippines. Retrieved from https://psa.gov.ph/sites/default/files/Agriculture-Fact%20Sheet%20on%20Women%20and%20Men%202022%20done.pdf? https://psa.gov.ph/sites/default/files/Agriculture-Fact%20Sheet%20on%20Women%20and%20Men%202022%20done.pdf?

[59] Rice Watch Action Network. 2022. Enhancing Gender Outcomes of Different Rice Related Agencies through

Gender Analysis of Rice Supply Chain and Advocacies. *End of Project Report to PCAF*. March 2022. Retrieved from http://www.pcaf.da.gov.ph/index.php/enhancing-gender-outcomes-of-different-rice-related-agencies-through-gender-analysis-of-rice-supply-chain-and-advocacies/

[60] https://www.iwgia.org/en/philippines.html#:~:text=The%20number%20of%20Indigenous%20Peoples,yet%20ratified%20ILO%20C onvention%20169.

[61] https://www.iwgia.org/en/resources/publications/305-books/3147-traditional-livelihoods-and-indigenous-peoples.html

[62]https://philippines.unfpa.org/en/node/15309

[63]http://legacy.senate.gov.ph/lisdata/3128228181!.pdf

[64] Philippine Institute for Development Studies, 2023, Draft Endline Study Report and Policy Study for the ConVERGE Project.

[65] Aide Memoire, CONVERGE PCR Mission, 2023

[66] RAPID reports the need to source more extension with the upcoming closing of the PhilCafe project. Kennemer field coordinator states the inability to visit farms more than once per year.

[67] IFAD, 2023, Rural Agro-Enterprise Partnerships for Inclusive Development and Growth Mid-term Review

[68] Aide Memoire, CONVERGE PCR Mission, 2023

[69] Research and Impact Report, RIA, Second Cordillera Highland Agricultural Resource Management Project (CHARMP2), https://www.ifad.org/ifad-impact-assessment-report-2021/assets/pdf/impact/Philippines/BAR_PHILIPPINES_RI_REPORT.pdf

[70]https://innovate.dti.gov.ph/wp-content/uploads/2020/07/R12-Regional-TIR.pdf

[71] https://innovate.dti.gov.ph/wp-content/uploads/2020/07/CAR-Regional-TIR.pdf

[72]https://psa.gov.ph/poverty-press-releases/data

[73]https://essc.org.ph/content/view/617/153/

[74] Eckstein, D, Hutfils, M and Winges, M, 2017, GLOBAL CLIMATE RISK INDEX 2019 Who Suffers Most From Extreme Weather Events? Weather-related Loss Events in 2017 and 1998 to 2017, https://www.germanwatch.org/sites/default/files/Global%20Climate%20Risk%20Index%202019 2.pdf

[75]Statista 2022. https://www.statista.com/statistics/1092008/philippines-earthquake-hazard-region-12-soccsksargen-by-type/#statisticContainer

[76] There is evidence that the production diversification (i.e., cacao trees combined by plantains and bananas together with other shade trees) improves land productivity, labour productivity, and the nutritional quality of food, while reducing dependence on non-renewable energy and improving the productivity (kg, kcal, proteins, food quality), energy efficiency and sustainability of food security, particularly in organic systems (citation: David Pérez-Neira, Monika Schneider, Laura Esche, Laura Armengot) - https://www.sciencedirect.com/science/article/pii/S0921344923000113)

[77] NEDA feedback to VISTA Briefing note, Jul 2023

[78] NEDA feedback to VISTA Briefing note, Jul 2023

[79] NEDA feedback to VISTA Briefing note, Jul 2023

[80] The central bank of the Philippines held its benchmark interest rate for the second straight meeting at 6.25% in June 2023, in line with market expectations, as inflation continued on an easing trend.



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex 1: Logframe

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Logical Framework

Results Hierarchy	Indica	ators			Mear	s of Verifica	tion	Assumptions
	Name	Baseline	Mid- Term	End Target	Source	Frequency	Responsibility	
Outreach	1 Persons receiving services p project	promoted or s	supported	l by the	Project data	Annually	NPCO	The targeted rural areas are
	Males	0	14000	35000				accessible and have the necessary
	Females	0	14000	35000				infrastructure for effective outreach.
	Young	0	5600	14000				The local communities are
	Not Young							open to
	Indigenous people	0	8400	21000				engagement and trust the intentions
	Non-Indigenous people							and benefits of the VISTA and
	Total number of persons receiving services	0	28000	70000				participate actively. The existing
	Male	0	20	50	-			government policies that support or do
	Female	0	20	50				not hinder the project will remain
	Young	0	8	20				stable throughout
	1.a Corresponding number of	households	reached		Project data	Annually	NPCO	the project duration. The existing
	Women-headed households	0	5600	14000				government policies that support or do
	Non-women-headed households	0	22400	56000				not hinder the rural development project
	Households	0	28000	70000				will remain stable throughout the
	1.b Estimated corresponding to members	otal number	of house	holds	Project data	Annually	NPCO	project duration.
	Household members	0	140000	350000	000			

Results Hierarchy	Indic		Mear	s of Verifica	tion	Assumptions		
	Name	Baseline	Mid- Term	End Target	Source	Frequency	Responsibility	
Project Goal Reduce rural poverty and increase food security while protecting and enhancing	Increase in housing and farm a data	asset indices	from bas	seline	Baseline, Mid term, and End-	Start, Mid term, and	Third Party Service	Stable macroeconomic and
the natural ecosystems in vulnerable upland areas in CAR and Region XII	Percentage Increase - Households	0	3	10	Line Studies	EOP	Provider	fiscal outlook with no major changes in food security
	Increase in the ratio of food ex expenditure from baseline data	-	total fam	ily	Baseline, Mid term, and End-	Start, Mid term, and	Third Party Service	policies. The region is not affected by geopolitical conflicts
	Percentage increase - Households	0	5	15	Line Studies, PSA	EOP	Provider	that may cause instability,
Development Objective Increase income and employment of target groups in fragile upland areas,	Increase in income of participa baseline	ating househ	olds from		Baseline, Mid term, and End-	Start, Mid term and EOP	Third Party Service	Implementing and partner agencies,
including women, youth and IPs, through the strengthening of inclusive value chains with conservation and sustainable use of the natural resources and climate resilient practices	Increase in household income	0	10	30	Line Studies, PSA		Provider	including LGUs fulfill their commitments and work effectively
	2.2.1 Persons with new jobs/e	ies	Project M&E/MIS	Annual	Project	in coordination under NCI. Project		
	Males	0	2000	5000	0	M&E/MIS Unit	area is not affected	
	Females	0	2000	5000				by major natural disasters or
	Indigenous people	0	1200	3000				calamities. No major changes to
	Young	0	800	2000				government incentive programs
	Total number of persons with new jobs/employment opportunities	0	4000	10000				and/or policies related to domestic agriculture and
	Increase in crop yield among la agriculture ecosystems.	ocal commu	nities in u	pland	Baseline, Mid term, and End-	Start, Mid Third Party term, and Service		trade of value chain products.
	Crop Yield	0	10	20	Line Studies, COI Survey	EOP, Annually	Provider	
	IE.2.1 Individuals demonstratir empowerment	ng an improv	ement in		Project M&E/MIS	Annual	Project M&E/MIS Unit	
	Indigenous people	0	6000	14000				
	Young	0	4000	9000				
-	Total persons	0	71	69				

Results Hierarchy	Indica	ators			Mean	s of Verifica	ion	Assumptions
	Name	Baseline	Mid- Term	End Target	Source	Frequency	Responsibility	
	Total persons	0	20000	48000				
	Females	0	71	69				
	Females	0	10000	24000				
	Males	0	71	69				
	Males		10000	24000				
	SF.2.1 Households satisfied w	vith project-s	upported	services	Baseline, Mid	Start, Mid	Third Party Service	
	Household members	0	210000	280000	term, and End- Line Studies	term, and EOP	Provider	
	Households (%)	0	60	80				
	Households (number)	0	42000	56000				
Outcome 1. Improved sustainable use of natural resources for sustainable production systems that can cope with negative impacts of climate change	1.2.1 Households reporting im forests, water or water bodies				term, and End- term	Start, Mid term, and	Third Party Service Provider	Local institutions and communities
	Total no. of households reporting improved access to land	0	10000	30000	Line Studies, COI Survey			are willing to engage and adequately capacitated by the
	3.2.2 Households reporting ad sustainable and climate-resilie				Baseline, Mid term, and End-	Start, Mid term, and	Third Party Service	Project on natural resource and environment
	Total number of household members	0	50000	150000	Line Studies, COI Survey	EOP, Annually	Provider	protection. No major calamities
	Households	0	36	43				and natural hazards affecting the project
	Households	0	10000	30000				area.
	Increase in adoption of NRM p government units	olans by part	icipating I	ocal	Project M&E/MIS	Annually	Project M&E/MIS Unit	
	LGUs	0	30	80				
	VC Participating Organizations	0	30	80				

Results Hierarchy	Indic		Mean	s of Verifica	ion	Assumptions		
	Name	Baseline	Mid- Term	End Target	Source	Frequency	Responsibility	
Output 1.1. High quality, VC-focused NRM plans implemented	Sub-project proposals (SPs) a approved	nd VISTA in	vestment	plans	Project M&E/MIS	Quarterly, Annually	Project M&E/MIS Unit	No major calamities and natural hazards
	Investment Plans	0	20	30				affecting the project area. Government, FCAs/VPOs, and implementing partners follow the protocols and the social and environmental safeguards are applied properly.
Output	Area supported for agroforestr	y activities			Project M&E/MIS	Quarterly,	Project	No major calamities
1.2. Households supported with activities to improve agroforests, enhance soil management, improve water resources, and conserve biodiversity	Agroforestry activities	0	5000	6000		Annually	M&E/MIS Unit	and natural hazards affecting the project
	Areas supported for communit	ty-level fores	try		Project M&E/MIS	Quarterly,	Project	area. Government, FCAs/VPOs, and
	Community level	0	3000	4000		Annually	M&E/MIS Unit	implementing partners follow the
	Length of Slope Protection Wo lands	g farm	Project M&E/MIS Quarterly, Annually		Project M&E/MIS Unit	protocols and the social and		
	Length linear meters	0	2000	3400				environmental safeguards are
	Number of Small Farm Reserv	oirs provide	b		Project M&E/MIS	Quarterly,	Project	applied properly.
	Units	0	20	40		Annually	M&E/MIS Unit	
	Length of Streambank protect	ed and stabil	ized		Project M&E/MIS	Quarterly,	Project M&E/MIS Unit	
	Linear meters	0	500	850		Annually	MAE/MIS UNIT	
	CIS Rehabilitated				Project M&E/MIS	Quarterly, Annually	Project M&E/MIS Unit	
	Hectars rehabilitated	0	200	640		Annually	M&E/MIS UNI	
	CIP Constructed				Project M&E/MIS	Quarterly, Annually	Project M&E/MIS Unit	
	Hectares of land	0	200	450		Annually	MAE/MIS UNIT	
	Pipe Irrigation Scheme provide	ed			Project M&E/MIS	Quarterly,	Project M&E/MIS Unit	
	Pipe irrigation	0	200	430		Annually M&E/MI		

Results Hierarchy	Indica	ators			Mean	s of Verifica	tion	Assumptions
	Name	Baseline	Mid- Term	End Target	Source	Frequency	Responsibility	
	Rainwater Capture Tank provid	ded to poor h	nouseholo	ds	Project M&E/MIS	Quarterly,	Project	
	Rainwater tank provided	0	600	850		Annually	M&E/MIS Unit	
	3.1.2 Persons provided with cli	imate inform	ation serv	vices	Project M&E/MIS	Quarterly.	Project M&E/MIS Unit	
	Males	0	3500	8000		Annually	M&E/MIS Unit	
	Females	0	3500	8000				
	Young	0	1400	3200				
	Indigenous people	0	2100	4800				
	Persons provided with climate information services	0	7000	16000				
Output 1.3. Innovative, inclusive and sustainable approaches on green value chains developed	Sub-project proposals on mecl (manual, guideline, and skills t implemented				Project M&E/MIS		Project M&E/MIS Unit	No major calamities and natural hazards affecting the project
	Proposals Approved	0	20	50				area. Government, FCAs/VPOs, and
	Relevant greening IKSPs docu	imented and	promote	d	Project M&E/MIS	Quarterly,	Project	implementing partners follow the
	documented and promoted	0	4	10		Annually	M&E/MIS Unit	protocols and the social and environmental safeguards are applied properly.
Output	Households supported by the	disaster fund			Project M&E/MIS	Quarterly,	Project	RED financing will
1.4. Response to Emergency and Disaster (RED)	Number of Households- Supported	0	5000	10000		Annually	M&E/MIS Unit	be activated based on Government request if one or several of the expected shocks have occurred. Targets will be set when the fund is activated.

Results Hierarchy	Indica		Mean	s of Verifica	ion	Assumptions		
	Name	Baseline	Mid- Term	End Target	Source	Frequency	quency Responsibility	
2. Developed commercially viable and environmentally sustainable Value Chains of selected commodities	1.2.2 Households reporting ad inputs, technologies or practice	ed	Baseline, Mid term, and End-	Start, Mid term, and	Third Party Service	No major calamities and natural hazards		
	Total number of household members	0	49000	115500	COI Survey, Project M&E/MIS	EOP, Annually	Provider	affecting the project area. Strong planning and
	Households	0	14	33			coordination efforts between DA , DAR	
	Women-headed households	0	1960	4620				, LGUs and other
	Households	0	9800	23100				implementing partners is ensured.
	1.2.4 Households reporting an	increase in	productio	n	Baseline, Mid	Start, Mid	Third Party	No major changes in the availability,
	Total number of household members	0	42000	98000	COI Survey, Annually Project M&E/MIS	EOP,	Service Provider	and prices of agricultural inputs. Training partners and extension specialists are available in the
	Households	0	12	28				
	Women-headed households	0	1680	3920				
	Households	0	8400	19600			market.	
	1.2.5 Households reporting us	/ices	Baseline, Mid	Start, Mid	Third Party			
	Total number of household members	0	30000	80000	COI Survey, Annually Project M&E/MIS	EOP,	Service Provider	
	Households	0	8	23				
	Women-headed households	0	1200	3200				
	Households	0	6000	16000				
	2.2.6 Households reporting im markets, processing and stora	ss to	Baseline, Mid term, and End-	Start, Mid term, and	Third Party Service			
	Households reporting improved physical access to markets	0	40	50	Line Studies, COI Survey, Project M&E/MIS	EOP, Annually	Provider	
	Size of households	0	30000	80000				
	Women-headed households	0	8	23				
	Women-headed households	0	1200	3200				

Results Hierarchy	Indica	ators			Mean	s of Verifica	ion	Assumptions
	Name	Baseline	Mid- Term	End Target	Source	Frequency	Responsibility	
	Households reporting improved physical access to markets	0	6000	16000				
	2.2.3 Rural producers' organiza partnerships/agreements or co entities				Project M&E/MIS	Annually	Project M&E/MIS Unit	
	Number of POs	0	100	250				
	Percentage of POs	0	20	50				
	Percentage of indigenous POs	0	30	30				
	Women in leadership position	0	30	40				
	Number of POs - crop	0	100	250				
	2.2.5 Rural producers' organizations reporting an increase in sales				Project M&E/MIS	Annually	Project M&E/MIS Unit	
	Number of Rural POs	0	40	80				
	Rural producers' organization r profit	reporting an	increase	in net	Project M&E/MIS	Annually	Project M&E/MIS Unit	
	VPO given intensive training	0	40	80				

Results Hierarchy In					Mean	Means of Verification		
	Name	Baseline	Mid- Term	End Target	Source	Frequency	Responsibility	
	1.1.3 Rural producers accessir technological packages	and/or	Project M&E/MIS	Quarterly, Annually	Project M&E/MIS Unit	Private sectors are active and willing to		
practices and agricultural inputs	Males	0	2000	5000				engage with rural producer organizations based on the Project terms. Government,
	Females	0	2000	5000				
	Young	0	800	2000				
	Total rural producers	0	4000	10000				private sector, and all other main
	1.1.4 Persons trained in product technologies	ction practic	es and/or		Project M&E/MIS	Quarterly. Annually	Project M&E/MIS Unit	stakeholders work in coordination, particularly during
	Total number of persons trained by the project	0	10000	20000			the investment planning stage.	
	Total number of attendances to training sessions	0	10000	20000				Social and environmental safeguards are
	Men trained in crop	0	5000	10000			followed strictly.	
	Women trained in crop	0	5000	10000				
	Young people trained in crop	0	2000	4000				
	Indigenous people trained in crop	0	3000	6000				
	Total persons trained in crop	0	10000	20000				
	Males trained at least once by the project	0	5000	10000				
	Females trained at least once by the project	0	5000	10000				
	Number of farms receiving standard certifications (i.e. GAP)				Project M&E/MIS		Project	
	Farmers	0	2500	5000	Annually	M&E/MIS Unit		

Results Hierarchy	Indica	ators			Mean	s of Verifica	tion	Assumptions
	Name	Baseline	Mid- Term	End Target	Source	Frequency	Responsibility	
Output	2.1.3 Rural producers' organiza		Project M&E/MIS		Project	Private sectors are		
2.2. Rural producer organizations and their members supported with investments for viable and inclusive VC	Total size of POs	0	10000	25000		Annually	M&E/MIS Unit	active and willing to engage with rural
	Rural POs supported	0	200	500			producer organizations based on the Project terms. Government, private sector, and	
	Males	0	5000	12500				
	Females	0	5000	12500				
	Young	0	2000	5000				all other main stakeholders work in coordination, particularly during
	Rural POs supported that are headed by women	0	40	100				
	2.1.4 Supported rural producer producers' organization	of a rural	Project M&E/MIS	Quarterly. Annually	Project M&E/MIS Unit	the investment planning stage. Social and		
	Total number of persons	0	8000	20000			environmental safeguards are	
	Males	0	4000	10000				followed strictly.
	Females	0	4000	10000				
	Indigenous people	0	2400	6000				
	Young	0	1600	4000				
	Rural producers' organizations financing instruments	;	Project M&E/MIS	Quarterly, Annually	Project M&E/MIS Unit			
	VC Partiipating Organizations	0	200	500				
	1.1.5 Persons in rural areas accessing financial services				Project M&E/MIS	Quarterly.	Project	
	Total number of accesses to financial services	0	4000	10000		Annually M&	M&E/MIS Unit	
	Women in rural areas accessing financial services - savings	0	2000	5000				
	Young people in rural areas accessing financial services - savings	0	800	2000				

Results Hierarchy	Indica	ators			Mean	s of Verifica	tion	Assumptions
	Name	Baseline	Mid- Term	End Target	Source	Frequency	Responsibility	
	Men in rural areas accessing financial services - savings	0	2000	5000				
	Indigenous people in rural areas accessing financial services - savings	0	1200	3000				
	Total persons accessing financial services - savings	0	4000	10000				
	1.1.7 Persons in rural areas tra and/or use of financial products			су	Project M&E/MIS	Quarterly. Annually	Project M&E/MIS Unit	
	Males	0	4000	10000				
	Females	0	4000	10000				
	Young	0	1600	4000				
	Indigenous people	0	2400	6000				
	Persons in rural areas trained in FL and/or use of FProd and Services (total)		8000	20000				
	2.1.1 Rural enterprises access services	ing business	s develop	ment	Project M&E/MIS	Quarterly. Annually	Project M&E/MIS Unit	
	Rural enterprises	0	80	200				
	Rural Producers' organizations matching grants	accessing i	nvestmer	nt	Project M&E/MIS	Quarterly, Annually	Project M&E/MIS Unit	
	VC Participating Organizations	0	200	580				

Results Hierarchy	Indic		Means of Verification			Assumptions		
	Name	Baseline	Mid- Term	End Target	Source	Frequency	ency Responsibility	
Output 2.3. Rural producers supported with access to new or improved access and	2.1.6 Market, processing or store rehabilitated	ucted or	Project M&E/MIS	Quarterly, Annually	Project M&E/MIS Unit	Private sectors are active and willing to		
productive infrastructure and facilities	Total number of facilities	0	40	100				engage with rural producer organizations based on the Project terms. Government, private sector, and all other main
	Processing facilities constructed/rehabilitated	0	20	50				
	Storage facilities constructed/rehabilitated	0	20	50				
	2.1.5 Roads constructed, reha	bilitated or u	pgraded		Project M&E/MIS	Quarterly,	Project	stakeholders work in coordination,
	Length of roads	0	20	80	Annually	Annually	M&E/MIS Unit	particularly during the investment planning stage. Social and environmental safeguards are followed strictly.
Outcome 3. Strengthened national and local institutional frameworks with policy initiatives on sustainable use of natural resources and environmentally responsible Value	Existing/new laws, regulations, policies or strategies proposed to policy makers (national/local) approved and ratified				Project M&E/MIS	Annually	Project M&E/MIS Unit	A proper M&E/KM set up and plans at start up.
Chains	Proposal	0	2	5				Government interest and willingness to
	SF.2.2 Households reporting t making of local authorities and providers		Project M&E/MIS Annually	Annually	Project M&E/MIS Unit	engage in policy development based on learning/good		
	Household members	0	35000	122500				practices. Active engagement with
	Households (%)	0	10	35	5			stakeholders including effective
	Households (number)	0	7000	24500				implementation of GRM.
Output 3.1. Operational implementation arrangements established at all project management levels	Coordination mechanisms with complete representations established				Project M&E/MIS	Quarterly, Annually	Project M&E/MIS Unit	Competent staff/consultants are
	Regional coordination mechanisms	0	2	2				available at project start up
	Provincial coordination mechanism	0	10	10	1			

Results Hierarchy	Indica	ators			Mear	s of Verifica	tion	Assumptions
	Name	Baseline	Mid- Term	End Target	Source	Frequency	Responsibility	
	EARCC mechanisms	0	27	27				
Output 3.2. Functional M&E/MI systems supportive of generating knowledge products for	Knowledge products on natura VCs published	l resources	and respo	onsible				Competent staff/consultants are
learning and policy engagement	Learning materials	0	8	20				available at project start up
	Policy briefs	0	2	5				



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex 2: Theory of change

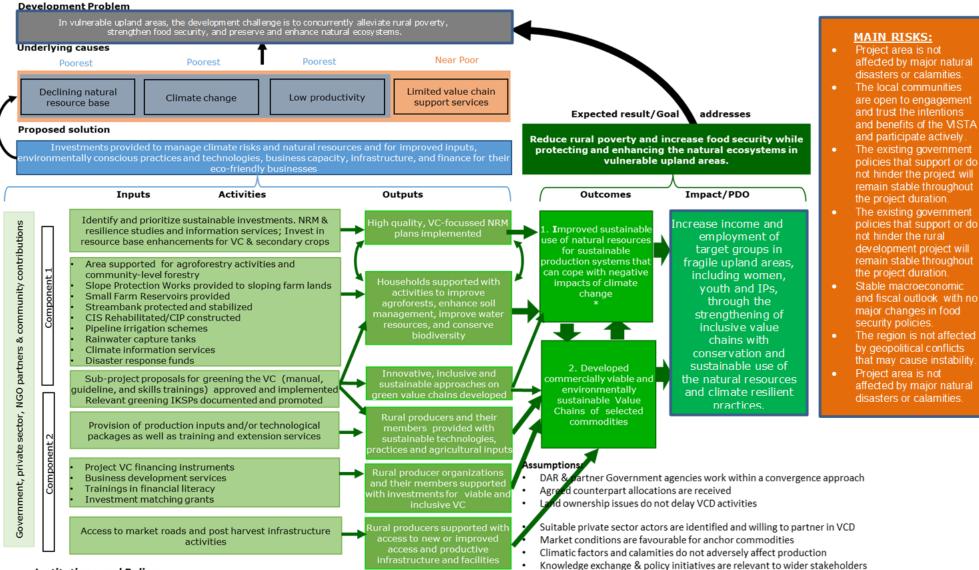
 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Annex 2: Theory of Change Diagram



Institutions and Policy:

The project will enhance institutional capacities at both national and local levels, enabling improved planning, monitoring, and management of natural resources for sustainable rural development.

These will enhance upland rural communities' access to public services. The project will focus on creating policy and knowledge products on upgrading value chains in upland ecosystems, developing effective measures in support of the convergence strategy, and addressing institutional fragmentation and functional overlaps in natural resources management, biodiversity, and climate risks.



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex 3: Project cost and financing: Detailed costs tables

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Philippines Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities (VISTA) Financing Plan

	(US\$ '000)				(Local '000)		
	Foreign	Local	Total	Percent	Foreign	Local	Total	Percent
The Government	-	15 427	15 427	13.7	-	851 591	851 591	13.7
IFAD	11	84 989	85 000	75.3	587	4 691 404	4 691 991	75.3
Local Government	-	8743	8743	7.8	-	482 635	482 635	7.8
Beneficiaries_Cash	27	3 0 4 7	3 0 4 7	2.7	-	168 205	168 205	2.7
Beneficiaries Kind	-	598	598	0.5	-	33 017	33 017	0.5
Total	11	112 805	112 816	100.0	587	6 226 852	6 227 439	100.0

Philippines Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities (VISTA) Components Project Cost Summary	(Local '000) Foreign	Total	Local	(US\$ '000) Foreign	Total	% Foreign Exchange	% Total Base Costs
	Locui	roroign	Total	Local	rororgin	Total	Exenange	00010
A. Ecosystem Planning, Protection and Enhancement	10000000		0000000					12
Identify and prioritize sustainable investments	339 198		339 198	6 1 4 5	-	6 1 4 5	-	6
Enhance Natural resources management for value chains and resilience	848 238		848 238	15 367	-	15 367	-	15
Greening the Value Chain	213 647	-	213 647	3 870		3 870	-	
Subtotal	1 401 082	-	1 401 082	25 382	-	25 382	2	25
B. Sustainable Value Chain Development								
Sustainable Agriculture Production Improvements and Enhanced Extension Services	1 041 609	587	1 042 196	18 870	11	18 880	-	19
VC Commercialization and Rural Finance	661 488	-	661 488	11 983	-	11 983	-	12
VC-related Infrastructure Support	1 887 936	-	1 887 936	34 202	-	34 202	-	34
Subtotal	3 591 033	587	3 591 621	65 055	11	65 066	-	64
C. Project Management								
Project Operations Management	396 963	-	396 963	7 191	_	7 191	_	7
Project Monitoring, Evaluation, and Knowledge Management	231 639	-	231 639	4 196	-	4 196	-	4
Subtotal	628 602	-	628 602	11 388	1	11 388	-	11
Total BASELINE COSTS	5 620 718	587	5 621 305	101 825	11	101 835	-	100
Physical Contingencies	36 764	-	36 764	666	-	666	-	1
Price Contingencies	569 370	_	569 370	10 315	-	10 315	-	10
Total PROJECT COSTS	6 226 852		6 227 439	112 805	11	112 816	-	444

Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities (VISTA) Project Components by Year -- Base Costs

Project Components by Year Base Costs			Base	Cost (Local '0	00)					Base	Cost (US\$ '(000)		
	2025	2026	2027	2028	2029	2030	Total	2025	2026	2027	2028	2029	2030	Total
A. Ecosystem Planning, Protection and Enhancement														
Identify and prioritize sustainable investments	48 092	128 242	84 070	41 067	26 499	11 229	339 198	871	2 323	1 523	744	480	203	6 145
Enhance Natural resources management for value chains and resilience	113 781	326 324	242 933	135 935	22 512	6 753	848 238	2 061	5912	4 401	2 463	408	122	15 367
Greening the Value Chain	-	58 671	89 571	65 405	-	-	213 647	-	1 063	1 623	1 185	-	-	3 870
Subtotal	161 873	513 237	416 574	242 407	49 011	17 982	1 401 082	2 932	9 298	7 547	4 391	888	326	25 382
B. Sustainable Value Chain Development														
Sustainable Agriculture Production Improvements and Enhanced Extension Services	79 355	183 401	284 943	331 133	114 547	48 816	1 042 196	1 438	3 322	5 162	5 999	2 075	884	18 880
VC Commercialization and Rural Finance	16 978	133 696	179 649	172 130	139 355	19 680	661 488	308	2 422	3 255	3 118	2 525	357	11 983
VC-related Infrastructure Support	-	293 702	583 753	639 682	370 800		1 887 936	-	5 321	10 575	11 588	6717	-	34 202
Subtotal	96 333	610 800	1 048 345	1 142 945	624 702	68 496	3 591 621	1 745	11 065	18 992	20 706	11 317	1 241	65 066
C. Project Management														
Project Operations Management	102 591	59 724	59 262	59 635	59 410	56 341	396 963	1 859	1 082	1 074	1 080	1 076	1 021	7 191
Project Monitoring, Evaluation, and Knowledge Management	31 577	91 629	57 240	20 693	2 073	28 428	231 639	572	1 660	1 037	375	38	515	4 196
Subtotal	134 167	151 352	116 502	80 328	61 483	84 769	628 602	2 431	2 7 4 2	2 111	1 455	1 1 1 4	1 536	11 388
Total BASELINE COSTS	392 372	1 275 389	1 581 421	1 465 680	735 196	171 247	5 621 305	7 108	23 105	28 649	26 552	13 319	3 102	101 835
Physical Contingencies	5 860	11 742	11 851	4 972	1 619	721	36 764	106	213	215	90	29	13	666
Price Contingencies														
Inflation														
Local	12 959	88 588	154 919	186 503	107 483	18 919	569 370	235	1 605	2 806	3 379	1 947	343	10 315
Foreign	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal Inflation	12 959	88 588	154 919	186 503	107 483	18 919	569 370	235	1 605	2 806	3 379	1 947	343	10 315
Devaluation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal Price Contingencies	12 959	88 588	154 919	186 503	107 483	18 919	569 370	235	1 605	2 806	3 379	1 947	343	10 315
Total PROJECT COSTS	411 192	1 375 718	1 748 190	1 657 154	844 299	190 887	6 227 439	7 449	24 922	31 670	30 021	15 295	3 458	112 816
Taxes	40 552	147 839	195 015	168 260	82 889	8 836	643 391	735	2 678	3 533	3 048	1 502	160	11 656
Foreign Exchange	98	98	98	98	98	98	587	2	2	2	2	2	2	11

Philippines Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities (VISTA) Disbursement Accounts by Financiers (US\$ '000)

	Th <u>e Governme</u>	nt	IFAD	Loca	al Governme	nt Bene	ficiaries_Ca	sh Bene	eficiaries_Ki	nd	Total		For.	Local (Excl.	Duties &
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Exch.	Taxes)	Taxes
1. Works	8 725	20.0	26 175	60.0	8 127	18.6	-	-	598	1.4	43 625	38.7	-	36 209	7 416
2. Workshops	123	13.3	797	86.7	-	-	-	-	-	-	919	0.8	-	797	123
Equipment & Material	553	16.6	2 779	83.4	-	-	-	-	-	-	3 332	3.0	-	2 779	553
4. Vehicles	60	17.0	291	83.0	-	-	-	-	-	-	351	0.3	-	291	60
5. Grants and Subsidies	-	-	22 682	88.2	-	-	3 047	11.8	-	-	25 729	22.8	-	25 729	-
6. Training and capacity building	558	8.2	6 258	91.8	-	-	-	-	-	-	6 817	6.0	-	6 284	532
Technical Assistance, Consultancies, and Studies	776	8.5	8 310	91.5	-	-	-	-	-	-	9 086	8.1	-	8 310	776
8. Operating costs	1 088	44.2	1 376	55.8	-	-	-	-	-	-	2 464	2.2	11	2 454	-
9. Salaries & allowance	917	12.9	6 222	87.1	-	-	-	-	-	-	7 139	6.3	-	7 133	6
10. Goods, services & inputs	2 627	19.7	10 110	75.7	617	4.6	-	-	-	-	13 354	11.8	-	11 164	2 190
Total PROJECT COSTS	15 427	13.7	85 000	75.3	8 743	7.8	3 047	2.7	598	0.5	112 816	100.0	11	101 150	11 656

VISTA costs by component (and sub-components) and financier

	The Governme	nt	IFAD	Loc	al Governme	ent Bene	ficiaries Ca	ish Ben	eficiaries Ki	ind	Total		For.	Local (Excl.	Duties &
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Exch.	Taxes)	Taxes
A. Ecosystem Planning, Protection and Enhancement															
Identify and prioritize sustainable investments	1 116	16.7	5 584	83.3	-	-	-	-	-	-	6 700	5.9	-	6 047	653
Enhance Natural resources management for value chains and resilience	3 106	18.0	12 906	74.6	1 007	5.8	-	-	277	1.6	17 296	15.3	-	14 355	2 940
Greening the Value Chain	-	-	4 331	100.0	-	-	-	-	-	-	4 331	3.8	-	4 331	-
Subtotal	4 222	14.9	22 821	80.6	1 007	3.6	-	-	277	1.0	28 327	25.1	-	24 734	3 593
B. Sustainable Value Chain Development															
Sustainable Agriculture Production Improvements and Enhanced Extension Services	836	4.0	19 912	96.0	-	-	-	-	-	-	20 748	18.4	11	19 901	836
VC Commercialization and Rural Finance	68	0.5	9 587	75.5	-	-	3 047	24.0	-	-	12 703	11.3	-	12 634	68
VC-related Infrastructure Support	7 708	20.0	22 855	59.2	7 737	20.0	-	-	321	0.8	38 622	34.2	-	32 056	6 566
Subtotal	8 613	12.0	52 354	72.6	7 737	10.7	3 047	4.2	321	0.4	72 072	63.9	11	64 592	7 470
C. Project Management															
Project Operations Management	2 185	28.2	5 572	71.8	-	-	-	-	-	-	7 757	6.9	-	7 572	185
Project Monitoring, Evaluation, and Knowledge Management	407	8.7	4 252	91.3	-	-	-	-	-	-	4 660	4.1	-	4 252	407
Subtotal	2 593	20.9	9 825	79.1	-	-	-	-	-	-	12 417	11.0	-	11 824	593
Total PROJECT COSTS	15 427	13.7	85 000	75.3	8 743	7.8	3 047	2.7	598	0.5	112 816	100.0	11	101 150	11 656

VISTA costs by expenditure category and financier

	Th <u>e Governme</u>	nt	IFAD	Loca	al Governme	nt Ben	eficiaries_Ca	sh Bene	eficiaries_Ki	nd	Total		For.	Local (Excl.	Duties &
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Exch.	Taxes)	Taxes
Investment Costs															
A. Works	8 725	20.0	26 175	60.0	8 127	18.6	-	-	598	1.4	43 625	38.7	-	36 209	7 416
B. Equipment & materials	553	16.6	2 779	83.4	-	-	-	-	-	-	3 332	3.0	-	2 779	553
C. Vehicles	60	17.0	291	83.0	-	-	-	-	-	-	351	0.3	-	291	60
D. Goods, services & inputs	2 627	19.7	10 110	75.7	617	4.6	-	-	-	-	13 354	11.8	-	11 164	2 1 9 0
E. Grants and Subsidies	-	-	22 682	88.2	-	-	3 047	11.8	-	-	25 729	22.8	-	25 729	-
F. Training & capacity building	558	8.2	6 258	91.8	-	-	-	-	-	-	6 817	6.0	-	6 284	532
G. Technical Assistance, Consultancies, and Studies	776	8.5	8 310	91.5	-	-	-	-	-	-	9 086	8.1	-	8 310	776
H. Workshops	123	13.3	797	86.7	-	-	-	-	-	-	919	0.8	-	797	123
otal Investment Costs	13 421	13.0	77 402	75.0	8 743	8.5	3 047	3.0	598	0.6	103 213	91.5	-	91 563	11 650
Recurrent Costs															
A. Operating costs	1 088	44.2	1 376	55.8	-	-	-	-	-	-	2 464	2.2	11	2 454	-
B. Salaries & allowance	917	12.9	6 222	87.1	-	-	-	-	-	-	7 139	6.3	-	7 133	6
otal Recurrent Costs	2 006	20.9	7 597	79.1	-	-	-	-	-	-	9 603	8.5	11	9 587	6
tal PROJECT COSTS	15 427	13.7	85 000	75.3	8 743	7.8	3 047	2.7	598	0.5	112 816	100.0	11	101 150	11 656

VISTA costs by component and year

		Тс	tals Including	Contingencie	s (Local '000))			Totals	Including	Contingen	cies (US\$ '	000)	
	2025	2026	2027	2028	2029	2030	Total	2025	2026	2027	2028	2029	2030	Total
A. Ecosystem Planning, Protection and Enhancement														
Identify and prioritize sustainable investments	49 481	138 071	93 081	46 755	30 319	12 116	369 822	896	2 501	1 686	847	549	220	6 700
Enhance Natural resources management for value chains and resilience	123 656	358 869	277 375	158 761	27 548	8 511	954 721	2 240	6 501	5 025	2 876	499	154	17 296
Greening the Value Chain	-	63 776	99 962	75 354	-	-	239 092		1 155	1 811	1 365		-	4 331
Subtotal	173 137	560 716	470 417	280 870	57 867	20 628	1 563 635	3 137	10 158	8 522	5 088	1 048	374	28 327
B. Sustainable Value Chain Development														
Sustainable Agriculture Production Improvements and Enhanced Extension Services	81 867	196 106	313 461	373 342	128 612	51 898	1 145 286	1 483	3 553	5 679	6 763	2 330	940	20 748
VC Commercialization and Rural Finance	17 067	139 858	188 899	183 130	152 547	19 680	701 181	309	2 534	3 422	3 318	2 764	357	12 703
VC-related Infrastructure Support	-	316 935	647 878	730 793	436 307	-	2 131 912		5 742	11 737	13 239	7 904		38 622
Subtotal	98 935	652 899	1 150 237	1 287 265	717 466	71 578	3 978 379	1 792	11 828	20 838	23 320	12 998	1 297	72 072
C. Project Management														
Project Operations Management	105 804	62 820	63 622	65 324	66 468	64 167	428 205	1 917	1 1 38	1 153	1 183	1 204	1 162	7 757
Project Monitoring, Evaluation, and Knowledge Management	33 316	99 283	63 914	23 696	2 497	34 514	257 220	604	1 799	1 158	429	45	625	4 660
Subtotal	139 120	162 103	127 536	89 020	68 966	98 681	685 425	2 520	2 937	2 310	1 613	1 249	1 788	12 417
Total PROJECT COSTS	411 192	1 375 718	1 748 190	1 657 154	844 299	190 887	6 227 439	7 449	24 922	31 670	30 021	15 295	3 458	112 816

able 1. Ecosystem Planning, Protection and Enhancement					Quartitie				Cost	Unit			P 0	net (1 '	000)				Other Accounts
talled Costs	Unit	2025	2026	2027	Quantities 2028	2029	2030	Total	(Local '000)	Cost (US\$)	2025	2026		2028		2030	Total	Disb. Acct.	Fin. Rule
Investment Costs		LULU		202.	2020		2000	10441		(000)	2020	LULU	LULI	2020	LOLD	2000	Total	DISD. ACCU	
A. Identify and prioritize sustainable investments																			
1. Hiring a Technical Partner (TP) /a	month	8	10	6	-	-	-	24	200	3,623	1,600	2,000	1,200	-	-	-		CONSULTANCIES_DA	IFAD (100%)
2. Capacity Building of DAR and other Agencies for Ecosystem planning /b	Sessions	15	20	30	20	-	-	85	350	6,341	5,250	7,000	10,500	7,000	-	-	29,750	TRAINING_DA	IFAD (80%) IFAD (100%)
 Supporting studies for Integrated planning, feasibility assessment and prioritisation /c Thematic technical workshops /d 	month	20	20	40		40	- 15	180		3,623	4,000	4,000	8,000	12,000	8,000	2,025	36,000	CONSULTANCIES_DA WORKSHOP_DA	IFAD (100%) IFAD (100%)
4. Thematic technical workshops /d 5. Community training and awareness /e	Workshops Sessions	20	15	15		15	15	80 360	135 30	2,446	600	2,025 1,500	2,025 4,800	2,025 2,400	2,025 1,500	2,025	10,800 10,800	TRAINING DA	IFAD (100%)
6 Support farmer access to climate information services provided through PAGASA /f	Lump Sum				00						-	5.000	5 000	5.000	5.000	-	20.000	GOODS DA	GOVT
7. DA - Generate geospatial maps and database: Cost of Maps /g	Set	10	40	50	-	-	-	100			4,843	19,372	24,215	-	-	-	48,430	GOODS_DA	IFAD (100%)
 Generate geospatial maps and database: Interpretation and Generate Information 	month	-	3	3	-	-	-	6	200	3,623	-	600	600	-	-	-	1,200	CONSULTANCIES_DA	IFAD (100%)
Subtotal											16,968	41,497	56,340	28,425	16,525	2,025	161,780		
B. Enhance Natural resources management for value chains and resilience 1. Water source protection through SALT/Agroforestry/EP																			
Nursery establishment and associated facilities /h	Hectare	50	800	3.387				4.237	6.5	118	325	5,200	22,016	-			27.541	GOODS_DA	IFAD (100%)
Plantation establishment/Out-planting /i	Hectare	2,245	6,597	1,745	-	-	-	10,587	8.732	158	19,603	57,605	15,237	-		-	92,446	GOODS_DA	IFAD (100%)
Maintenance & protection /j	Lump Sum										10,000	5,500	5,500	5,500	5,500	-	32,000	GOODS_DA	IFAD (100%)
TA/replacement planting & M&E	Lump Sum										-	8,218	6,556	6,556	6,556	6,556	34,442	GOODS_DA	IFAD (100%)
Subtotal											29,928	76,523	49,309	12,056	12,056	6,556	186,428		
2. Forest ecosystem and conserving biodiversity within the sub-catchments Nursery establishment and associated facilities	Lington	2,270	4,000	4,082	2,000			12,352	8.603	156	19,529	34,412	35,117	17,206			106,264	GOODS_DA	IFAD (100%)
Plantation establishment/Out-planting	Hectare	2,270	2,500	4,082	2,000			12,352	8.603	156	19,529	21,830	59,832	17,206	-	-	106,264	GOODS_DA	IFAD (100%)
Maintenance & protection /k	Hectare Lump Sum		2,000	0,002	2,000			11,002	0.102	100	10,000	5,000	5,000	5,000	5,000	-	99,126 30,000	GOODS_DA GOODS_DA	IFAD (100%)
TA/replacement planting & M&E	Lump Sum										-	10,005	7,150	-	-	-	17,154	GOODS_DA	IFAD (100%)
Subtotal											29,529	71,247	107,099	39,670	5,000	-	252,544		
3. Reforestation with Assisted Natural Regeneration and Enrichment Planting /	Hectare	-	200	400	400	- 200	-	1,000	31	562	-	6,200	12,400	12,400	4.800	-	31,000	GOODS_DA	IFAD (100%)
4. Enrichment Planting with coffee, cacao and others 5. NRM Related Infrastructure	Hectare	-	200	200	400	200	-	1,000	24	435	-	4,800	4,800	9,600	4,800	-	24,000	GOODS_DA	IFAD (100%)
5. NRM Related Infrastructure Farm Slope Protection Works: Feasibility Study & Designing /m	LM										200	200				-	400	GOODS_DA	LGU (100%)
Farm Slope Protection Works (grouted riprap) /n	LM	100	1,600	1,000	700		-	3,400	5	91	500	8,000	5,000	3,500	-	-	17,000	WORKS DA	IFAD (60%), LGU (15%), BEN_KIND (5%) IFAD (60%), LGU (15%), BEN_KIND (5%)
Small Farm Reservoir (SFR/interceptor canal) /o	Unit		18	12	10	-	-	40	250		-	4,500	3,000	2,500	-	-	10,000	WORKS_DA	IFAD (60%), LGU (15%), BEN_KIND (5%
Small Farm Reservoir: Feasibility Study and Designing	Lump Sum										200	-	-	-	-	-	200	GOODS_DA	LGU (100%)
Streambank Stabilization: FS and Design	LM										-	300	-	-	-	-	300	GOODS_DA	LGU (100%)
Streambank Stabilization (grouted riprap) /p Rainwater Capture Tank (500 Liter/PE pipes) /g	LM	- 50	500	200		-	-	850	15	272	- 750	7,500	3,000	2,250	-	-	12,750	WORKS_DA WORKS_DA	IFAD (60%), LGU (15%), BEN_KIND (5% IFAD (60%), LGU (15%), BEN_KIND (5%
Rainwater Capture Tank (500 Liter/PE pipes) /q Subtotal	LM	50	550	150	100	-	-	850	15	272	1.650	8,250 28,750	2,250	1,500 9,750	-	-	12,750	WORKS_DA	IFAD (60%), LGU (15%), BEN_KIND (5%
Subtotal 6. Small Scale Irrigation (upland rice) /r											1,650	26,750	13,250	9,750	-	-	53,400		
CIS Rehabilitation: FS & Designing	Lump Sum	-										2,250					2,250	GOODS_DA	LGU (100%)
CIS Rehabilitation	Ha	-	400	140	100	-	-	640	100	1,812	-	40,000	14,000	10,000	-		64,000	WORKS_DA	IFAD (60%), LGU (15%), BEN_KIND (5%
CIP Construction: FS and Designing	Lump Sum										-	4,050	-	-	-	-	4,050	GOODS_DA	LGU (100%)
CIP Construction	Ha	-	200	100	150	-	-	450	150	2,717	-	30,000	15,000	22,500	-	-	67,500	WORKS_DA	IFAD (60%), LGU (15%), BEN_KIND (5%
Pipe Irrigation Scheme: FS and Designing	Lump Sum											3,000	-	-	-	-	3,000	GOODS_DA	LGU (100%)
Pipe Irrigation Scheme Subtotal	Ha	-	250	100	80	-	-	430	200	3,623		50,000 129,300	20,000 49,000	16,000 48,500	-	-	86,000 226,800	WORKS_DA	IFAD (60%), LGU (15%), BEN_KIND (5%
7. Estimated Capacity Building Cost for Rural Infrastructure /s	Lump Sum										49,360	129,300	49,000	46,500	-	-	49,360	TRAINING_DA	IFAD (100%)
Subtotal	Earrip Gam										110,467	316,819	235,858	131,976	21.856	6.556	823,532		17(5)(10070)
C. Response to Emergency and Disaster (RED) /t	Lump Sum										-	-	-	-	-	-	-	WORKS_DA	IFAD (100%)
D. Greening the Value Chain																			
1. Improved training on contemporary and sustainable farming and value chain development	Lump Sum										-	13,500	13,500	13,500	-	-	40,500	TRAINING_DA	IFAD (100%)
2. Innovation grants /u	Lump Sum										-	23,462	23,462	20.000	-	-	46,924	GRANTS_DA	IFAD (100%)
Innovations such as potential for blockchain technology for carbon credit management /v 4. Piloting of modern equipment and technologies to improve efficiency and reduce environm	Lump Sum Lump Sum										-	20,000	20,000 30,000	30,000	-	-	60,000 60,000	GRANTS_DA GRANTS DA	IFAD (100%) IFAD (100%)
subtotal	Lump Sum											56,962	86,962	63,500			207,424	GIGANIS_DA	# AD (100%)
E. Operationalization of the FPIC Implementation Plan																			
 Supporting studies for integrated planning, feasibility assessment and prioritisation 	Lump Sum										-	41,887	-	-	-	-		CONSULTANCIES_DA	IFAD (100%)
2. Thematic technical workshops /w	Lump Sum										-	9,879	-	-	-	-	9,879		IFAD (100%)
3. Community training and awareness /x	Lump Sum										-	4,360	-	-	-	-	4,360	TRAINING_DA	IFAD (100%)
Subtotal											-	56,126	-	-	-	-	56,126		
F. Collaborating agency providing technical assistance /y 1. DA Technical assistance and support	Lumm Cum										27 661	21 782	20 131	5 881	6 660	7 042	00.457	CONSULTANCIES DA	IFAD (100%)
Total Investment Costs	Lump Sum										155,095	493,186	399,291	229,782	45,041	15,623	1,338,019	CONSULTANCIES_DA	IFAD (100%)
Recurrent Costs											155,085	435,100	388,281	220,102	43,041	13,023	1,550,013		
A. National Project Management Office PCO (1)																			
1. Sr. SECAP Specialist /z	month	12	24	24	24	24	24	132	85	1,540	1,020	2,040	2,040	2,040	2,040	2,040	11,220	SALARIES_DA	IFAD (100%)
B. Regional PMO (2): Hired Staff																			
1. SECAP Specialist	month	6	12	12	12	-	-	42	50	906	300	600	600	600	-	-	2,100	SALARIES_DA	IFAD (100%)
2. Sr Forester	month	12	24	24	24	-	-	84	50	906	600	1,200	1,200	1,200	-	-	4,200	SALARIES_DA	IFAD (100%)
3. Agricultural Engineer /aa Subtotal	month	12	24	24	24	-	-	84	50	906	600 1.500	1,200	1,200	1,200	-	-	4,200	SALARIES_DA	IFAD (100%)
C. Regional PMO (2): Regular Staff /bb											1,500	3,000	3,000	3,000	-	-	10,500		
1. Agrarian Reform Program Officer /cc	month	60	120	120	120	120	-	540	5.8	105	348	696	696	696	696	-	3,132	SALARIES_DA	IFAD (100%)
otal Recurrent Costs								2.10			2,868	5,736	5,736	5,736	2,736	2,040	24,852		
otal											157,963	498,922	405,027	235,518	47,777	17,663	1,362,871		
		_																	
The review and assessments proposed under this sub-component will be led by DAR but be carr	ried out by a qua	alified, contrac	ted Technica	al Partner (TP	?)														
One session per province, 5-day session, 10 persons per session. Repeat in the 2nd year	1. P. 1																		
Include gathering data (DAR, NCIP, DENR), reviewing existing local plans in sub-catchments, dig Focus of the workshops is participatory, citizen science, sharing and validating technical and loc	gitalizing plannir	ig database, g	penerating the	matic geosp	atiai mapping	h 1 por prov	inco												
Two session per 1 ARBO. @ 300 Peso/person; 30 heads per session; 2 sessions per ARBO	ai knowledge m	anagement pr	actices. 5 ua	ys with 50 pa	anticipants eat	un, i per prov													
Provided through agricultural extension services to provide early warning to vulnerable farm comm	nunities. Natural	disasters or o	limate hazar	ds would be r	considered. @	10,000 x5×1	100 ARCs												
linked to the Copernicus initiative for the application of high-resolution satellite imagery in the Phi	ilippines; Digita	lization of con	solidated plan	nning databas	se and genera	ation of thema	atic geospatia	al mapping fo	r the partici	ipating VIS	TA sub-waters	shed							
Buying certified seeds, nursery bed preparation, seed sowing, soil peparation, potting of seedling	qs, preparation	of potbeds an	d pot arrange	ments, main	tenance of se	edlings inside	e the nursery,	fertilizing (5g	m/p bag) a	and tools									
Brushing, Staking, Hole digging, Seedling transport/hauling, Planting, Tools and materials																			
Ring weeding/spot cultivation, replanting (est 20%), Fertilizer application, Patrol work and tools. N thre	faintenance of t	he plantation e	establishment	commences	in the following	ng quarter it is	s established	and continuo	ously quarte	ny or bi-an	nual after that	tor							
nne Maintenance of the plantation establishment commences in the following quarter it is established	and continuous	h quartarh or	hi appual aftr	r that for thro	0.0000														
Maintenance of the plantation establishment commences in the following quarter it is established © 50 ha per ACR in CAR and 20 ha/ARC in Reg 12, 20 ARCs in Yr 1, and 50 and 30 ARCs distr	ributed in Yr 2 a	nd mainteners	e til Yr 6. Uni	t cost: nursen	voperation F	stablishment	. Maintenand	e & Protectio	n										
a Feasibility study and designing is done about 6 months prior to biding					,		,												
MLGU to organize community labor contract																			
MLGU to organize community labor contract																			
Contractor to hire local skilled/unskilled labor																			
MLGU to engage HH to provide counterpart in kind																			
Needs NIA technical assistance through MOA with MLGU; MLGU BAC to procure contract work;	contractor to en	gage IA throug	ah "Pakyaw" I	abor contrac	t														
Cost is for both component 1 & 2 structures																			
This is a quick response fund and on the basis of prior approval and clear criteria, funds could be	disbursed																		
VPOs with a focus on women, youth and IPs. Private sector in partnership/or agreement with VP(This is to support initiatives towards introduction of carbon credits, which are attracting private se	us	and promotion	n eco-friendh	farming pro-	tices														
This is to support initiatives towards introduction of carbon credits, which are attracting private se Thematic technical workshops - refers to consultative, participatory, and citizen science: sharing	and validation t	echnical and l	ocal knowled	de managem	ient practices														
Thematic technical workshops - refers to consultative, participatory, and citizen science: sharing a	and validating te	chnical and lo	cal knowledg	je managemi	ent practices														
DAR will sign an MOU to provide funding to DA for all technical assistance and associated cost																			
2 PMOs. Monitor and evaluate project activities on social, environment and climate change asset	ssment																		
aa 2 Regional PMOs. Assist in planning, FS preparation, mapping and designing soil and water or	onservation tech	nologies																	

V2 2 PMOS. Monitor and evaluate project advites on social, environment and climate change assessment laa 2 Regional PMOS. Assist in planning, FS preparation, mapping and designing soil and water conservation technologies Ub 20% of the salaries and work full ime loc 10 PMOs. Work with communities to build community awareness and capacity building on NRM enhancement and protection and climate adaptation strategies will be developed through conducting a needs assessment to identify the specific knowledge gaps and capacit

				Quantities				Unit Cost (Local	Unit Cost			Bac	e Cost (Lonel Y	000)				Other Accounts
Unit	2025	2026	2027	2028	2029	2030	Total	'000)	(US\$)	2025	2026	2027	2028	2029	2030	Total	Disb. Acct.	Fin. Rule
Person-Months	6 32	6			:		12	1,000	18,116	6,000 160	6,000			:		12,000	CONSULTANCIES_DA CONSULTANCIES_DA	IFAD (100%) IFAD (100%)
Each	16	98	16				130	1.4	25	22	137	22				182	TRAINING_DA	IFAD (100%) IFAD (100%)
Person-days Person-days	13	20	23	23			79	140	2,536	1,820	2,800		3,220			1,896	TRAINING_DA	FAD (100%)
											3,417	5,7 24	3,772					
Sessions		1,625	1,625		-		3,250	2.4	43		6,110 3,900	3,900			-	15,275	TRAINING_DA TRAINING_DA	IFAD (100%) IFAD (100%)
Each		19,500	19,500	19,500	19,500	19,500	100,750	0.5	9 8,514		9,750 23,500	9,750 46,530	9,750 23,500	9,750	9,750	50,375 93,530	EQUIPMENT_DA	IFAD (100%) IFAD (100%) IFAD (100%)
Linit	- 10	5	10		-		10	250	4.529	2,500	1,250	2,500		-	-	2,500 3,750	GOODS DA	FAD (100%)
Lump Sum Ha	512	2,048	10 5,120	8,960	2,560		15	250 24.536	4,529	12,562	1,250	2,500	219,843	62,812		3,750	GRANTS_DA	FAD (100%) FAD (100%) FAD (100%)
Person-Months Person-Months	19	12	24	77	24	24	114 365	1.4	1,268		840 53	1,680	1,680			7,980	CONSULTANCIES_DA	IFAD (100%)
										26,976	106,320	200,230	254,880	74,350	11,538	681,860		
	1 25.6	1 26																IFAD (100%) IFAD (100%) IFAD (100%)
Nb plans	13	26 75	50	- 25	-		165	124.8 75	2,261	1.125	5.625	1,622 3,750	1,875			12.375	CONSULTANCIES DA	IFAD (100%)
Person-days Visits	576 576	832 832	736	736 736			2,880 2,880	5 0.124	91 2	71	4,160 103	91	3,680 91	-	-	357	TRAINING_DA TRAINING_DA	IFAD (100%) IFAD (100%)
												13,451	5,646		-			
Lump Sum Unit		48	48				1 96		27,174 2,717		7,200	7,200				14,400	CONSULTANCIES_DA EQUIPMENT_DA	IFAD (100%) IFAD (100%)
Lump Sum Unit	0.5	0.5	32	- 48	-		1 96	1,500	27,174 2,717	750	750 2,400	4,800	7,200			1,500 14,400	CONSULTANCIES_DA EQUIPMENT_DA	FAD (100%) FAD (100%) FAD (100%) FAD (100%) FAD (100%)
Lump Sum			0.5	- 48	-		1 96	1,500	27,174	-	750 2,400	750 4,800			-	1,500	CONSULTANCIES_DA EQUIPMENT DA	FAD (100%) FAD (100%)
Unit	16	16	32	32	-		96	100	1,812	1,600	1,600	3,200	3,200	-	-	9,600	EQUIPMENT_DA	IFAD (100%) IFAD (100%)
										13,289	33,483	34,201	23,246		-	104,219		
								45-	0.007	4.057	0.057	4.000				0.677		FAD (100%)
month	-	6 10	10	10	-	-	20 40	480	8,696 4,529	-	2,880	4,800	2,500	-	-	9,600	CONSULTANCIES_DA	IFAD (100%) IFAD (100%)
										1,920	5,380	9,800	2,500	-	-	19,600		
Lump Sum										- 15,000	19,680	72,500 19,680	19,680	72,500 19,680	- 19,680	113,400	GRANTS_DA GRANTS_DA	IFAD (50%), BEN_CASH (50%) IFAD (100%)
Lump Sum Lump Sum										-	13,800 20,000	55,200 20,000	55,200 20,000		-	169,200 60,000	GRANTS_DA GRANTS_DA	IFAD (100%) IFAD (100%) IFAD (100%)
										15,000 16,920	125,980 131,360	167,380 177,180	167,380 169,880	137,180 137,180	19,680 19,680	632,600 652,200		
Lump Sum KM		10	20	30	20		80	18 000	326.087	-	8,800	8,800	540.000	360.000	-	17,600	GOODS_DA	LGU (100%)
Lump Sum							20			-	2,100					2,100	GOODS_DA	LGU (100%) IFAD (60%), LGU (20%) LGU (100%) IFAD (60%), LGU (20%) LGU (100%) IFAD (60%), LGU (20%)
Lump Sum							20			-	1,500			-	-	1,500	GOODS_DA	LGU (100%)
LM				10			850			-			20,000	-		600	GOODS_DA	LGU (100%) IFAD (60%), LGU (20%)
		700	150	-	-		0.50		545		274,000	433,300	600,000	360,000	-	1,667,300	Woldto_DA	# AB (00 %), EGB (20 %)
Lump Sum		_									100	100	100			300	GOODS_DA	LGU (100%) IFAD (60%), LGU (15%), BEN_KIND (5%
Unit		ь	2	2			10	1,500	27,174	-	9,000	3,000	3,000	-	-	15,000		
Lump Sum											2,000					2,000	GOODS_DA	LGU (100%) FAD (60%), LGU (10%), DEN, KIND (10%) FAD (60%), LGU (10%), DEN, KIND (10%) FAD (60%), LGU (10%), DEN, KIND (10%) FAD (60%), LGU (10%), BEN, KIND (10%) FAD (60%), LGU (10%), BEN, KIND (10%)
Unit Lump Sum					-		40			-	- 48				-	100,000 48	WORKS_DA GOODS_DA	IFAD (60%), LGU (10%), BEN_KIND (10%) LGU (100%)
Unit Lump Sum							20					2,400	- 100			2,400 200	GOODS_DA	IFAD (60%), LGU (10%), BEN_KIND (10%) LGU (100%)
Unit Lump Sum			20							-		10,000 350	- 350	-	-	10,000 700	GOODS_DA	IFAD (60%), LGU (10%), BEN_KIND (10%) LGU (100%)
Unit			5	5	-		10	3,500	63,406		2,048	17,500	17,500			35,000	WORKS_DA	IFAD (60%), LGU (10%), BEN_KIND (109
										-	285,148	566,750	621,050	360,000	-	1,832,948		
Lump Sum										16,544	16,027	16,194	17,401	16,510	16,675	99,351 3 370 579	CONSULTANCIES_DA	IFAD (100%)
											0.01000							
Person-Months	1,040	1,040	1,040	1,040	1,040	1,040	6,240	17.5	317	18,200	18,200	18,200	18,200	18,200	18,200	109,200	SALARIES_DA	IFAD (100%) IFAD (100%)
Person-Monthis	1,396	1,390	1,396	1,396	1,396	1,396	0,300	0.7	13	19,179	19,179	19,179	19,179	19,179	19,179	115,072	OPERATING_COSTS_DA	PAD (100%)
Person-Months	12	12	12	12	12	12	72	60	1,087	720	720	720	720	720	720	4,320	SALARIES_DA	IFAD (100%)
Person-Months	-	12	12	12		-	36	60	1,087	720	720	720 1,440	720	720	720	2,160 6,480	SALARIES_DA	IFAD (100%)
month	6	12	12	12			42	50	906	300	600	600	600			2,100	SALARIES_DA	IFAD (100%)
month	6	12	12	. 12	-		6 36	50 50	906 906		- 600	- 600	- 600	-	-	300 1,800	SALARIES_DA SALARIES_DA	IFAD (100%) IFAD (100%)
month	6	12		. 12	12		6 48	50 50	906 906		- 600	- 600	- 600	- 600	-	300 2,400	SALARIES_DA SALARIES_DA	IFAD (100%) IFAD (100%)
month	6	12			12		6 48	60 50	1,087 906	-	- 600	- 600	- 600	- 600	-	2,400	SALARIES_DA SALARIES_DA	FAD (100%) FAD (100%) FAD (100%) FAD (100%) FAD (100%)
											2,400	2,400	2,400	1,200	-	9,660		
month	30	60	60	60	60	60	330	5.8	105	21,333	348 23,367	348 23,367	348 23,367	348 21,447	348 20,247	1,914 133,126	SALARIES_DA	IFAD (100%)
										95,062	595,704	1,021,716	1,113,596	609,487	68,140	3,503,704		
= 30 pax/batch; total =	= 30 ARBOs																	
n approach, supporter nd distribute these 	d by a matchin	g grant fund t	o facilitate VC	shared investme	nts													
cost																		
Ty constraints to bette	er equinment#	acility utilizatio	on bein in findi	na solutions for m	nairs and m	aintenance in	SLIPS											
tify constraints to bette the Extension Officer RBO performance, he I management, does A RBD engineers mist ad farms, do training,	er equipment/fa ead of ARBO E ARBO financia	acility utilizatio 800ST Team I analysis - m	on, help in findi , market linkag ember of ARB	ng solutions for re je O Boost Team	epairs and m	aintenance is	sues											
	Unit Parson Abornis, Parson days, Parson Morths Pa	Unit 2025 Parson-thoring 6 Parson-thoring 6 Parson-thoring 13 Parson-thoring 13 Parson-thoring 13 Parson-thoring 13 Sessions 6.500 Leadern 3.2500 Leadern 3.2500 Leadern 3.2500 Parson-thoring 6.500 Parson-thoring 6.500 Parson-thoring 6.500 Parson-thoring 6.500 Parson-thoring 19 Lump Sum 15 Lump Sum 0.5 Lump Sum 0.5 <	Unit 2025 2026 Parson-Martin	Unit 2025 2026 2027 Person-days 13 90 14 Person-days 13 90 15 Person-days 13 20 223 Sessions 6.600 76.000 32.600 Leaders 3.50 19.500 19.500 Person-Morris 6 2.048 5.100 Person-Morris 19 38 77 Lung Sum 1 1 0.55 0.5 Lung Sum 0.5 0.5 - 10 32 Unit 0.5 0.5 - 10 32 Unit 0.5 0.5 - 10 32 Unit 0.5 0.5 - 10 32	Unit 2025 2026 2027 2028 month 3 0 2027 2028 2028 Particular 3 0 10 2 2 Particular 13 00 2 2 2 Particular 13 00 2 2 2 Sessions 0.600 26,000 32,000 1 0 Ladden 3200 15,00 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500 19,500	Unit 2025 2028 2027 2028 2029 month 6 - - - - Particular 13 20 22 23 - Particular 13 20 24 24 - Particular 13 20 25 23 - Sessions 0.500 15.00 15.00 15.00 15.00 15.00 Eache 3.20 15.00 15.00 15.00 15.00 15.00 Eache 3.20 15.00 15.00 15.00 15.00 15.00 Langean 51 10 - - 15.00 15.00 15.00 Person-Month 6 12 2.04 5.10 8.960 2.500 Person-Month 6 13 56 16 - - - Lung Sam 0.5 0.6 - - - - - - - -	Unit 2025 2029 2029 2029 2029 2029 2029 mosthered Person-days 13 20 14 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Unit 2026 2029 2039 Total Partici Andro Samo 3 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Unit1939209720932093209310001000Person-Morriso3000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000 </td <td>Unit202202202202102010200000Pencendar30000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000<</td> <td>Date Date <thdate< th=""> Date Date <th< td=""><td>Date Date Date Date Table Case Case Date <thdate< th=""> Date Date <t< td=""><td>Dat Dat <thdat< th=""> <thdat< th=""> <thdat< th=""></thdat<></thdat<></thdat<></td><td>Image Image <t< td=""><td>Image Des <thdes< th=""> <thdes< t<="" td=""><td>Image Image <t< td=""><td>Image Date <thdate< th=""> Date Date <t< td=""><td></td></t<></thdate<></td></t<></td></thdes<></thdes<></td></t<></td></t<></thdate<></td></th<></thdate<></td>	Unit202202202202102010200000Pencendar30000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000000<	Date Date <thdate< th=""> Date Date <th< td=""><td>Date Date Date Date Table Case Case Date <thdate< th=""> Date Date <t< td=""><td>Dat Dat <thdat< th=""> <thdat< th=""> <thdat< th=""></thdat<></thdat<></thdat<></td><td>Image Image <t< td=""><td>Image Des <thdes< th=""> <thdes< t<="" td=""><td>Image Image <t< td=""><td>Image Date <thdate< th=""> Date Date <t< td=""><td></td></t<></thdate<></td></t<></td></thdes<></thdes<></td></t<></td></t<></thdate<></td></th<></thdate<>	Date Date Date Date Table Case Case Date Date <thdate< th=""> Date Date <t< td=""><td>Dat Dat <thdat< th=""> <thdat< th=""> <thdat< th=""></thdat<></thdat<></thdat<></td><td>Image Image <t< td=""><td>Image Des <thdes< th=""> <thdes< t<="" td=""><td>Image Image <t< td=""><td>Image Date <thdate< th=""> Date Date <t< td=""><td></td></t<></thdate<></td></t<></td></thdes<></thdes<></td></t<></td></t<></thdate<>	Dat Dat <thdat< th=""> <thdat< th=""> <thdat< th=""></thdat<></thdat<></thdat<>	Image Image <t< td=""><td>Image Des <thdes< th=""> <thdes< t<="" td=""><td>Image Image <t< td=""><td>Image Date <thdate< th=""> Date Date <t< td=""><td></td></t<></thdate<></td></t<></td></thdes<></thdes<></td></t<>	Image Des Des <thdes< th=""> <thdes< t<="" td=""><td>Image Image <t< td=""><td>Image Date <thdate< th=""> Date Date <t< td=""><td></td></t<></thdate<></td></t<></td></thdes<></thdes<>	Image Image <t< td=""><td>Image Date <thdate< th=""> Date Date <t< td=""><td></td></t<></thdate<></td></t<>	Image Date Date <thdate< th=""> Date Date <t< td=""><td></td></t<></thdate<>	

500 20,000 10,00 12 12 1 22 14 2 23 14 2 24 12 1 12 12 1 14 12 1 15 15 15	2 11 2 11		3 8 8 3 2 3 2 3 2 3 2 3 2 3 2 3 2 3 2 3	Total 1 1 48 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 <th>(Local) 900) 400 15 700 200 1,800 1,800 1,800 1,800 1,800 1,800 1,800 200 500 500 500 500 500 500 5</th> <th>7,246 272 12,66 272 3,623 3,2609 9,056 4,623 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,8</th> <th>2025 400 400 400 585 595 700 1600 27000 500 27000 500 27000 500 2000 20</th> <th>2026 225 225 225 225 225 225 225 2</th> <th></th> <th>2022 2022 2022 2022 2022 2022 2022 202</th> <th>20029 20029 </th> <th></th> <th>Total Disb. Acct. 1000 TRAINING_DA 1000 VEHCLES_DA 1000 VEHCLES_DA 1000 VEHCLES_DA 1000 VORKSHOP_DA 12500 VORKSHOP_DA 12500 VORKSHOP_DA 12500 VORKSHOP_DA 12500 VORKSHOP_DA 12500 VORKSHOP_DA 12500 VORKSHOP_DA 12000 VORKSHOP_DA 20000 VORULTANCES I 20000 VORULTANCES I 20000 VORULTANCES I</th> <th>FAD (100%) FAD (100%) FAD (100%) FAD (100%)</th>	(Local) 900) 400 15 700 200 1,800 1,800 1,800 1,800 1,800 1,800 1,800 200 500 500 500 500 500 500 5	7,246 272 12,66 272 3,623 3,2609 9,056 4,623 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,812 1,8	2025 400 400 400 585 595 700 1600 27000 500 27000 500 27000 500 2000 20	2026 225 225 225 225 225 225 225 2		2022 2022 2022 2022 2022 2022 2022 202	20029 20029 		Total Disb. Acct. 1000 TRAINING_DA 1000 VEHCLES_DA 1000 VEHCLES_DA 1000 VEHCLES_DA 1000 VORKSHOP_DA 12500 VORKSHOP_DA 12500 VORKSHOP_DA 12500 VORKSHOP_DA 12500 VORKSHOP_DA 12500 VORKSHOP_DA 12500 VORKSHOP_DA 12000 VORKSHOP_DA 20000 VORULTANCES I 20000 VORULTANCES I 20000 VORULTANCES I	FAD (100%) FAD (100%)
1 - 9 - 10 - 10 - 10 - 10 - 10 - 2 - 10 - 11 - 12 - 12 - 12 12 12 12 12 12 12 12 13 - 14 - 150 - 12 12 13 - 14 - 15 - 16 - 17 12 18 - 19 12 11 12 12 12 13 12 14 12 15 - 16 - 17 - 12 1 13	1 1 2 2 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 2 1 2 1 2 1	1 9 10 11 11 14 14 00 50 50 1 1 1 1 1 3 3 3 37,500	15 700 200 1,800 50 500 500 100 100 100 100 100 20,000 500 500 500 500 500 500 500	272 12,681 3,623 3,623 32,609 006 0,089 4,812 1,812 1,812 1,812 1,812 1,812 1,812 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,31	495 995 700 18,000 9,000 18,000 9,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000	1,000 4,250 4,475 200 200 200 700 1,000 55,188 18,028 3,680 93,435 93,435	1,000 4,280 4,280 200 200 200 200 200 200 200 200 0 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 20	1,000 4,250 4,250 	1,000 4,250 4,250 200 200 200 1,000 1,600 1,600	3,050 3,050 200 200 25,000 1,000 27,600	220 TRAINING DA 1.20 TRAINING DA 1.20 NEULTANCES D 2.600 VEHICLES DA 9.000 EQUIPMENT DA 9.000	FAD (100%)
1 - 9 - 10 - 10 - 10 - 10 - 10 - 2 - 10 - 11 - 12 - 12 - 12 12 12 12 12 12 12 12 13 - 14 - 150 - 12 12 13 - 14 - 15 - 16 - 17 12 18 - 19 12 11 12 12 12 13 12 14 12 15 - 16 - 17 - 12 1 13	1 1 2 2 2 2 1 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 2 1 2 1 2 1	1 9 10 11 11 14 14 00 50 50 1 1 1 1 1 3 3 3 37,500	15 700 200 1,800 50 500 500 100 100 100 100 100 20,000 500 500 500 500 500 500 500	272 12,681 3,623 3,623 32,609 006 0,089 4,812 1,812 1,812 1,812 1,812 1,812 1,812 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,319 362,31	495 995 700 18,000 9,000 18,000 9,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000	1,000 4,250 4,475 200 200 200 700 1,000 55,188 18,028 3,680 93,435 93,435	1,000 4,280 4,280 200 200 200 200 200 200 200 200 0 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 20	1,000 4,250 4,250 	1,000 4,250 4,250 200 200 200 1,000 1,600 1,600	3,050 3,050 200 200 25,000 1,000 27,600	220 TRAINING DA 1.20 TRAINING DA 1.20 NEULTANCES D 2.600 VEHICLES DA 9.000 EQUIPMENT DA 9.000	FAD (100%) FAD (100%)
1 2 4 2 10 10 1 - 50 100 1 - 50 100 1 - 50 100 50 100 50 20,000 50 20,000 50 20,000 50 20,000 50 20,000 50 10,00 12 12 13 12 14 12 150 5,605 150 156 150 156 151 12 12 12 13 12 14 12 15 15 15 15 15 15 15 12 12 12 13 12 14 12	1 1 2 2 2 2 1 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 2 1 2 1 2 1	11 44 1,100 5 5 10 50 10 1 1 1 1 1 1 1 1 3 7,500 37,500	200 1,800 50 50 50 500 500 100 100 100	3.623 32.609 906 463 1.81 9.058 4.812 1.812 1.812 1.812 1.812 1.812 1.812 1.812 1.812 1.812 1.812 1.812 1.812 1.812 86,239 9.058 8 8	700 1.6000 9.000 9.000 10.000 10.000 10.000 10.000 10.000 10.000 10.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.000 20.0000 20.0000 20.0000 20.0000 20.0000 20.0000 20.0000 20.0000 20.0000 20.0000 20.0000 20.0000 20.0000 20.0000 20.00000 20.0000 20.0000 20.0000 20.000000 20.00000 20.0000 20	1,000 4,250 4,475 200 200 200 700 1,000 55,188 18,028 9,000 55,188 18,028 3,680 93,435 93,435	1,000 4,280 4,280 200 200 200 200 200 200 200 200 0 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 20	1,000 4,250 4,250 	1,000 4,250 4,250 200 200 200 1,000 1,600 1,600	3,050 3,050 200 200 25,000 1,000 27,600	TOD DISULTANCES 2 600 NEULTANCES 2 600 NEULTANCES 2 700 NEULTANCES	FAD (100%) FAD (100%)
1 2 4 2 10 10 1 - 50 100 1 - 50 100 1 - 50 100 50 100 50 20,000 50 20,000 50 20,000 50 20,000 50 20,000 50 10,00 12 12 13 12 14 12 150 5,605 150 156 150 156 151 12 12 12 13 12 14 12 15 15 15 15 15 15 15 12 12 12 13 12 14 12	1 1 2 2 2 2 1 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 2 1 2 1 2 1	11 44 1,100 5 5 10 50 10 1 1 1 1 1 1 1 1 3 7,500 37,500	200 1,800 50 50 50 500 500 100 100 100	3.623 32.609 906 463 1.81 9.058 4.812 1.812 1.812 1.812 1.812 1.812 1.812 1.812 1.812 1.812 1.812 1.812 1.812 1.812 86,239 9.058 8 8	1800 2,500 9,000 27,000 1000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 1,000 2,000 2,000 1,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2,000 2	1,000 4,250 4,475 200 200 200 700 1,000 55,188 18,028 9,000 55,188 18,028 3,680 93,435 93,435	1,000 4,280 4,280 200 200 200 200 200 200 200 200 0 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 20	1,000 4,250 4,250 	1,000 4,250 4,250 200 200 200 1,000 1,600 1,600	3,050 3,050 200 200 25,000 1,000 27,600	1 BOD 1 BOD 2 ADD NEUL TANCES I 2 ADD 1 BOD 2 ADD CEUPMENT DA 2 ADD 2 ADD CEUPMENT DA 2 ADD 2 ADD CEUPMENT DA 2 ADD 3 ADD CEUPMENT DA 2 ADD 3 ADD CEUPMENT DA 2 ADD 4 ADD CEUPMENT DA 2 ADD 5 ADD CEUPMENT DA 2 ADD 4 ADD CEUPMENT DA 2 ADD 5 ADD CEUPMENT DA 2 ADD 5 ADD CEUPMENT DA 2 ADD 5 ADD CEUPMENT AD 2 ADD	FAD (100%) FAD (100%)
1 2 4 2 10 10 1 - 50 100 1 - 50 100 1 - 50 100 50 100 50 20,000 50 20,000 50 20,000 50 20,000 50 20,000 50 10,00 12 12 13 12 14 12 150 5,605 150 156 150 156 151 12 12 12 13 12 14 12 15 15 15 15 15 15 15 12 12 12 13 12 14 12	1 1 2 2 2 2 1 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 2 1 2 1 2 1	11 44 1,100 5 5 10 50 10 1 1 1 1 1 1 1 1 3 7,500 37,500	50 25 25 250 250 250 100 100 1,000 20,000 25,000 25,000 500 0,45	906 453 1,612 1,612 1,612 1,612 1,612 1,612 1,612 1,612 1,612 1,612 1,612 1,612 1,612 1,612 1,612 1,612 1,612 1,612 1,612 1,612 1,612 1,612 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,613 1,61	18,000 9,000 27,000 1000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,0000 1,0000 1,0000 1,00000000	1,000 4,250 4,475 200 200 200 700 1,000 55,188 18,028 9,000 55,188 18,028 3,680 93,435 93,435	1,000 4,280 4,280 200 200 200 200 200 200 200 200 0 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 20	1,000 4,250 4,250 	1,000 4,250 4,250 200 200 200 1,000 1,600 1,600	3,050 3,050 200 200 25,000 1,000 27,600	16.000 VEHICLES, DA. 27.000 CUMPRENT, DA. 27.000 CUMPRENT, DA. 45.00 CUMPRENT, DA. 45.00 WORKSHOP, DA. 54.020 Selutrestration 55.000 Selutrestration 56.020 Selutrestration	FAD (100%) FAD (100%)
1 2 4 2 10 10 1 - 50 100 1 - 50 100 1 - 50 100 50 100 50 20,000 50 20,000 50 20,000 50 20,000 50 20,000 50 10,00 12 12 13 12 14 12 150 5,605 150 156 150 156 151 12 12 12 13 12 14 12 15 15 15 15 15 15 15 12 12 12 13 12 14 12	1 1 2 2 2 2 1 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 2 1 2 1 2 1	11 44 1,100 5 5 10 50 10 1 1 1 1 1 1 1 1 3 7,500 37,500	50 25 25 250 250 250 100 100 1,000 20,000 25,000 25,000 500 0,45	1,812 18,116 127 362,319 362,319 362,32 9,058 8 8 725	9.000 9.000 1.000 1.000 1.000 1.000 1.000 1.000 1.000 1.000 1.000 2.000 2.000 2.0,000 2.0,000 2.0,000 1.500 2.0,000 2.0,000 1.500 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,000 2.0,0000 2.0,000 2.0,000 2.0,0000 2.0,000 2.0,000 2.0,	1,000 4,250 4,475 200 200 200 700 1,000 55,188 18,028 3,680 93,435 93,435	1,000 4,280 4,280 200 200 200 200 200 200 200 200 0 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 20	1,000 4,250 4,250 	1,000 4,250 4,250 200 200 200 1,000 1,600 1,600	3,050 3,050 200 200 25,000 1,000 27,600	550 WORKSHOP DA 11,000 WORKSHOP DA 11,000 WORKSHOP DA 14,000 B0,000 14,000 B0,000 14,000 B0,000 14,000 B0,000 10,000 B0,000	FAD (100%) FAD (100%)
2 1 2 2 10 10 1 - 50 100 1 - 50 100 1 - 50 20,000 10,00 1 - - 50 20,000 10,00 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1	1 1 2 2 2 2 1 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 2 1 2 1 2 1	75 50 50 11 150 11 1 1 3 3 37,500 72	100 1,000 20,000 20,000 2,000 500 500 0.45	1,812 18,116 127 362,319 362,319 36,232 9,058 8 8	50 1000 2000 3.3620 1.000 3.3746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,746 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,755 3.3,7555 3.3,7555 3.3,75555 3.3,755555555555555555555555555555555555	1,000 4,250 4,475 200 200 200 700 1,000 55,188 18,028 3,680 93,435 93,435	1,000 4,280 4,280 200 200 200 200 200 200 200 200 0 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 20	1,000 4,250 4,250 	1,000 4,250 4,250 200 200 200 1,000 1,600 1,600	3,050 3,050 200 200 25,000 1,000 27,600	550 WORKSHOP DA 11,000 WORKSHOP DA 11,000 WORKSHOP DA 14,000 B0,000 14,000 B0,000 14,000 B0,000 14,000 B0,000 10,000 B0,000	FAD (100%) FAD (100%)
2 1 2 2 10 10 1 - 50 100 1 - 50 100 1 - 50 20,000 10,00 1 - - 50 20,000 10,00 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1	1 1 2 2 2 2 1 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 2 1 2 1 2 1	75 50 50 11 150 11 1 1 3 3 37,500 72	100 1,000 20,000 20,000 2,000 500 500 0.45	1,812 18,116 127 362,319 362,319 36,232 9,058 8 8	200 1.000 3.380 3.3745 3.3745 1.000 1.500 20,000 20,000 20,000 20,000 - - - - - - - - - - - - -	1,000 4,250 4,475 200 200 200 700 1,000 55,188 18,028 3,680 93,435 93,435	1,000 4,280 4,280 200 200 200 200 200 200 200 200 0 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 20	1,000 4,250 4,250 	1,000 4,250 4,250 200 200 200 1,000 1,600 1,600	3,050 3,050 200 200 25,000 1,000 27,600	Scool OKRESHOP DA 54.020 OKRESHOP DA 54.020 Scool Scool 1000 DNSULTANCES DA 1000 Scool Scool 1000	FAD (100%) FAD (100%)
1 	2 11 2 12 2 12 2 12 2 12 2 12 2 12 2 12	4 24 0 120		50 1 1 50 1 1 1 1 3 3 4 4 37,500	100 1,000 20,000 20,000 2,000 500 500 0.45	1,812 18,116 127 362,319 362,319 36,232 9,058 8 8	200 1.000 3.380 3.3745 3.3745 1.000 1.500 20,000 20,000 20,000 20,000 - - - - - - - - - - - - -	1,000 4,250 4,475 200 200 200 700 1,000 55,188 18,028 3,680 93,435 93,435	1,000 4,280 4,280 200 200 200 200 200 200 200 200 0 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 20	1,000 4,250 4,250 	1,000 4,250 4,250 200 200 200 1,000 1,600 1,600	3,050 3,050 200 200 25,000 1,000 27,600	Scool OKRESHOP DA 54.020 OKRESHOP DA 54.020 Scool Scool 1000 DNSULTANCES DA 1000 Scool Scool 1000	FAD (100%) FAD (100%)
1 	2 11 2 12 2 12 2 12 2 12 2 12 2 12 2 12	4 24 0 120		1 150 1 1 1 3 4 37,500	100 1,000 20,000 20,000 2,000 500 500 0.45	1,812 18,116 127 362,319 362,319 36,232 9,058 8 8	1,000 1,500 350 20,000 - - - - - - - - - - - - - - - - -	1,000 4,250 4,475 200 200 200 700 1,000 55,188 18,028 3,680 93,435 93,435	1,000 4,280 4,280 200 200 200 200 200 200 200 200 0 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 200 20	1,000 4,250 4,250 	1,000 4,250 4,250 200 200 200 1,000 1,600 1,600	200 200 25,000 1,000 27,600 27,600	Scool OKRESHOP DA 54.020 OKRESHOP DA 54.020 Scool Scool 1000 DNSULTANCES DA 1000 Scool Scool 1000	FAD (100%) FAD (100%)
1 	2 11 2 12 2 12 2 12 2 12 2 12 2 12 2 12	4 24 0 120		1 1 1 3 3 37,500	7 20,000 25,000 2,000 500 0.45	127 362.319 362.319 452.899 36,232 9.058 8 8	1,000 1,500 350 20,000 - - - - - - - - - - - - - - - - -	200 200 700 1,000 552 2,652 9,000 55,188 413,028 413 3,680 93,435 93,435 93,435 93,435	- 200 200 20,000 - 300 - 3000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,0000 1,000 1,0000 1,0000 1,00000000	200 200 - - - 1,000 1,650 - - - - - - - - - - - - - - - - - - -	200 200 1,000 <u>200</u> 1,600 	200 200 25,000 1,000 27,600 27,600	1.000 NULLTANCES L 1.000 EQUIPMENT DA 1.000 COODS DA 1.000 NEULTANCES L 2.000 NULTANCES L 2.000 DISULTANCES L 2.000 DISULTANCES L 2.000 COODS DA 2.000 DISULTANCES L 2.000 DISULTANCES L 2.0	FAD (100%)
1 	2 11 2 12 2 12 2 12 2 12 2 12 2 12 2 12	4 24 0 120		1 1 1 3 3 37,500	7 20,000 25,000 2,000 500 0.45	127 362.319 362.319 452.899 36,232 9.058 8 8	200 350 20,000 - - - - - - - - - - - - - - - - -	200 700 	200 20,000 6,000 1,000 28,952 4,500 18,028 413 18,440 3,680 3,680 55,572 59,822	200 - - - - - - - - - - - - - - - - - -	200 - - - - - - - - - - - - - - - - - -	200 25,000 1,000 27,600 	1,200 DNSULTANCES.C. 1,050 EQUIPMENT DA 20,000 DNSULTANCES.C. 25,000 DNSULTANCES.C. 25,000 DNSULTANCES.C. 5,000 GOODS DA 2,000 DNSULTANCES.C. 86,055 16,875 GOODS DA 55,188 DNSULTANCES.C.	IFAD (100%)
1 	2 11 2 12 2 12 2 12 2 12 2 12 2 12 2 12	4 24 0 120		1 1 1 3 3 37,500	25,000 2,000 500 0.45	362,319 362,319 452,899 36,232 9.058 8 8	200 350 20,000 - - - - - - - - - - - - - - - - -	200 700 	200 20,000 6,000 1,000 28,952 4,500 18,028 413 18,440 3,680 3,680 55,572 59,822	200 - - - - - - - - - - - - - - - - - -	200 - - - - - - - - - - - - - - - - - -	200 25,000 1,000 27,600 	1,200 DNSULTANCES.C. 1,050 EQUIPMENT DA 20,000 DNSULTANCES.C. 25,000 DNSULTANCES.C. 25,000 DNSULTANCES.C. 5,000 GOODS DA 2,000 DNSULTANCES.C. 86,055 16,875 GOODS DA 55,188 DNSULTANCES.C.	IFAD (100%)
1 	2 11 2 12 2 12 2 12 2 12 2 12 2 12 2 12	4 24 0 120		1 1 1 3 3 37,500	25,000 2,000 500 0.45	362,319 362,319 452,899 36,232 9.058 8 8		- - - - - - - - - - - - - - - - - - -	20,000 6,000 1,000 552 28,952 4,500 18,028 413 18,440 3,680 55,572 59,822 59,822	1,000 250 1,650 18,028 413 18,440 20,090 24,340	1,000 1,600 1,600 413 413	25,000 1,000 1,000 200 27,600	20,000 DNSULTANCES, L 20,000 DNSULTANCES, L 6,000 DNSULTANCES, L 6,000 DNSULTANCES, L 2,000 DNSULTANCES, L 2,000 DNSULTANCES, L 86,056 16,875 GOOD_DA 56,188 DNSULTANCES, L	IFAD (100%)
500 20,000 10,00 12 12 1 12 12 1 22 24 2 20 120 12 150 156 156 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 13 12 1 13 12 1	2 11 2 12 2 12 2 12 2 12 2 12 2 12 2 12	4 24 0 120		37,500	25,000 2,000 500 0.45	452,899 36,232 9,058 8 8		552 2,652 9,000 55,188 18,028 413 73,628 3,680 93,435 480 720	6,000 1,000 552 28,952 4,500 18,028 413 18,440 3,680 55,572 59,822 480 720	250 1,650 - - - - - - - - - - - - - - - - - - -	200 1,600 - - - - - - - - - - - - - - - - - -	1,000 1,000 200 27,600	25,000 DNSULTANCES_C 6,000 DNSULTANCES_C 5,000 GOODS_DA 2,000 DNSULTANCES_C 2,060 DNSULTANCES_C 86,056 16,875 GOODS_DA 55,188 DNSULTANCES_C	IFAD (100%) IFAD (100%) IFAD (100%) IFAD (100%) IFAD (100%)
500 20,000 10,00 12 12 1 12 12 1 22 24 2 20 120 12 150 156 5,895 156 156 15 12 12 1 12 12 1 12 12 1 12 12 1 13 12 1 12 12 1 13 12 1 13 12 1	2 11 2 12 2 12 2 12 2 12 2 12 2 12 2 12	4 24 0 120		37,500	500 0.45 40	9.058	- 	552 2,652 9,000 55,188 18,028 413 73,628 3,680 93,435 480 720	1,000 552 28,952 4,500 18,028 413 18,440 3,680 3,680 55,572 59,822 59,822 480 720	250 1,650 - - - - - - - - - - - - - - - - - - -	200 1,600 - - - - - - - - - - - - - - - - - -	1.000 200 27,600 - - - - - - - - - - - - - - - - - -	16,875 GOODS_DA 55,188 DNSULTANCIES_E	IFAD (100%)
500 20,000 10,00 12 12 1 12 12 1 22 24 2 20 120 12 150 156 5,895 156 156 15 12 12 1 12 12 1 12 12 1 12 12 1 13 12 1 12 12 1 13 12 1 13 12 1	2 11 2 12 2 12 2 12 2 12 2 12 2 12 2 12	4 24 0 120		37,500	0.45	725	- 	9,000 55,188 18,028 413 73,628 3,680 93,435 480 720	552 28,952 4,500 18,028 413 18,440 3,680 55,572 59,822 480 720	- 18,028 413 18,440 20,090 24,340	- 413 413	200 27,600 - - - - - - - - - - - - - - - - -	16,875 GOODS_DA 55,188 DNSULTANCIES_E	IFAD (100%)
12 12 1 24 24 2 26 24 2 26 120 12 150 156 156 156 156 15 12 12 1 12 12 1 13 12 1 12 12 1 13 12 1 12 12 1	2 12 2 12 2 12 0 12 0 12 0 5 5,899 66 156	4 24 0 120		72	40	8 725 543 362	- 	9,000 55,188 18,028 413 73,628 3,680 93,435 480 720	4,500 18,028 413 18,440 3,680 55,572 59,822 480 720	- 18,028 413 18,440 20,090 24,340	- 413 413		16,875 GOODS_DA 55,188 DNSULTANCIES_E	IFAD (100%)
244 224 22 120 120 12 120 120 120 12 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120	24 22 20 120 25 5,899 36 156	4 24 0 120				725 543 362	64,402 480 720	413 73,628 3,680 93,435 480 720	413 18,440 3,680 55,572 59,822 480 720	413 18,440 20,090 24,340		27,600	55,188 DNSULTANCIES_0 54,084 TRAINING_DA 1,650 GOODS_DA	IFAD (100%) IFAD (100%)
244 224 22 120 120 12 120 120 120 12 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120	24 22 20 120 25 5,899 36 156	4 24 0 120				725 543 362	64,402 480 720	413 73,628 3,680 93,435 480 720	413 18,440 3,680 55,572 59,822 480 720	413 18,440 20,090 24,340		27,600	1,650 GOODS_DA	
244 224 22 120 120 12 120 120 120 12 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120	24 22 20 120 25 5,899 36 156	4 24 0 120				725 543 362	64,402 480 720	3,680 88,960 93,435 480 720	55,572 59,822 480 720	20,090 24,340		27,600	 A set problem. 	
244 224 22 120 120 12 120 120 120 12 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120	24 22 20 120 25 5,899 36 156	4 24 0 120				725 543 362	480	480	480 720		6,263	30.650	11,040 TRAINING_DA 224,893 278,913	IFAD (100%)
244 224 22 120 120 12 120 120 120 12 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120	24 22 20 120 25 5,899 36 156	4 24 0 120				725 543 362	720	720	720	480		30,650	278,913	
12 12 1 12 12 1	2 11	5 5,895		144 720	20	362	2,400 3,600	2,400	2 400	700	480	480	2,880 ERATING_COSTS	GOVT
156 156 15 12 12 1 12 12 1	12 12		6.77				2,000	3,600	2,400	720 2,400 3,600	2,400 3,600	720 2,400 3,600	2,880 RATING COSTS 4,320 RATING COSTS 14,400 RATING COSTS 21,600	GOVT GOVT
156 156 15 12 12 1 12 12 1	12 12		6.775				100		100	100	01000			GOVT
156 156 15 12 12 1 12 12 1	12 12		6 775				100 2,500 2,700	100 100 2,500 2,700	100 2,500 2,700	100 2,500 2,700	100 100 2,500	100 100 2,500 2,700	600 RATING_COSTS 600 RATING_COSTS 15,000 RATING_COSTS 16,200	GOVT
156 156 15 12 12 1 12 12 1	12 12		6 777				2,700	2,700	2,700	2,700	2,700	2,700	16,200	
12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1 12 12 1	12 12	3 156	D,//D	35,205	1	18	5,850	5,895	5,895	5,895	5,895	5,775	35,205 FRATING_COSTS_	IFAD (50%)
12 12 1 12 12 1	2 13		156	936	10	181	1,560 7,410	1,560 7,455	1,560	1,560 7,455	1,560	1,560	35,205 RATING_COSTS 9,360 RATING_COSTS 44,565	IFAD (50%)
12 12 1 12 12 1	2 13						19,028	5,785	5,556	5,928	5,704	5,783	47,785 ERATING_COSTS_	IFAD (100%)
12 12 1 12 12 1	- 14	2 12	12	72	47.9	857	568	568	568	568	568	568	3.406 SALARIES DA	GOVT
12 12 1 12 12 1	2 12	2 12 2 12 2 12	12	72 72 72	47.3 5.8 4.4	105	70 53	70 53	70 53	70 53	70 53	70 53	3,406 SALARIES_DA 418 SALARIES_DA 317 SALARIES_DA 4,140	GOVT GOVT
							690	690	690	690	690	690	4,140	
12 12 1 12 12 1 6 3	2 12	2 12 2 12	12 12	72 72	140 85	2,536 1,540	1,680 1,020	1,680	1,680	1,680 1,020	1,680 1,020	1,680 1,020	10,080 SALARIES_DA 6,120 SALARIES_DA	IFAD (100%) IFAD (100%)
	2 12	2 12	- 12 3	60 72 21 48	85 85 85 60	1,540 1,540 1,540 1,087	1,020 1,020 510	1,020	1,020	1,020	1,020	1,020 255	6,120 SALARIES_DA 5,100 SALARIES_DA 6,120 SALARIES_DA 1,785 SALARIES_DA 2,880 SALARIES_DA 1,800 SALARIES_DA 1,800 SALARIES_DA	IFAD (100%) IFAD (100%) IFAD (100%) IFAD (100%)
- 12 1 12 12 1	2 12	3 3 2 12	-	48	85 60	1,540	510 - 300	255 720 300	255 720 300	255 720 300	255	255 - 300	2,880 SALARIES_DA	IFAD (100%)
12 12 1 12 12 1	2 12	2 12	12 12	72 72	25 25	453 453	300 300 5,850	300 300 6,315	300 300 6,315	300 300 6,315	255 720 300 6,315	300 300 4,575	1,800 SALARIES_DA 1,800 SALARIES_DA 35,685	IFAD (100%) IFAD (100%)
24 24 2	24 24	4 24	24	144	37	670				888		888	5,328 SALARIES_DA	GOVT
24 24 2 24 24 2 24 24 2 24 24 2	4 24 4 24 24 24	4 24 4 24 4 24	24 24 24	144 144 144	37 5.8 4.4	670 105 80	139	139 106	139 106	139 106	139 106	139	5,328 SALARIES_DA 835 SALARIES_DA 634 SALARIES_DA	GOVT GOVT GOVT
												1,133	6,797	
24 24 2 24 24 2 24 24 2	4 24 24 24 24 24	4 24 4 24	24	144	100	1,812	2,400	2,400	2,400	2,400 1,200	2,400	2,400	14,400 SALARIES_DA 7,200 SALARIES_DA 7,200 SALARIES_DA	IFAD (100%) IFAD (100%) IFAD (100%)
24 24 2 24 24 2 24 24 2	4 24	4 24 4 24 4 24	24 24 24	144	50	906	1,200	1,200	1,200	1,200	1,200	1,200	7,200 SALARIES_DA 7,200 SALARIES_DA 7,200 SALARIES_DA	IFAD (100%) IFAD (100%)
24 24 2 24 24 2	24 24	1 24 1 24	24	144	25 25	453 453	600 600	600	600 600	600 600	600 600	600	3,600 SALARIES_DA 3,600 SALARIES_DA 3,600 SALARIES_DA	IFAD (100%) IFAD (100%)
							8,400		8,400	8,400	8,400	8,400	50,400	
120 120 12 120 120 12	20 120	0 120 0 120	120 120	720 720	29 5.8	525 105	696	696	696	696	696	696	4,176 SALARIES_DA	GOVT GOVT
120 120 12 120 120 12	20 120) 120) 120	120 120	720 720	5.8 4.4	105 80	696 528	696 528		696 528	696 528	696 528	4,176 SALARIES_DA 3,168 SALARIES_DA	GOVT GOVT
120 120 12	20 1.2	120	120	720	50	0.06				6,000		6,000		IEAD (100%)
120 120 12 120 120 12 120 120 12	20 120	0 120	120	720	25	453		3,000	3,000	3,000	3,000	3,000	18,000 SALARIES DA 21,600 SALARIES DA	IFAD (100%) IFAD (100%) IFAD (100%)
							34,073	34,538	12,600	12,600 34,538	12,600 34,538	12,600	205,022	,
							66,811 131,213	54,078 147,513	53,849 113,671	54,221 78,562	53,997 60,259	52,215 82,865	335,171 614,084	
24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24	13 13 13 13 13	24 2- 24	24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 26 24 24 26 24 24 26 24 24 26 24 24 27 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120	24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 20 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120 120	24 24 24 24 24 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34 34<	24 24 24 24 24 144 100 24 24 24 144 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 50 5	24 24 24 24 144 100 1.812 24 24 24 144 60 906 24 24 24 144 60 906 24 24 24 144 60 906 24 24 24 144 60 906 24 24 24 144 60 906 24 24 24 144 50 906 24 24 24 144 25 453 24 24 24 144 25 453 120 120 120 720 53 526 120 120 120 120 720 54 106 120 120 120 120 720 50 96 120 120 120 720 50 96 120 120 120 720 50 643	24 24 24 24 144 100 1,812 2,400 24 24 24 144 50 906 1,200 24 24 24 144 50 906 1,200 24 24 24 144 50 906 1,200 24 24 24 144 50 906 1,200 24 24 24 144 50 906 1,200 24 24 24 144 50 906 1,200 24 24 24 144 25 463 600 24 24 24 144 25 463 600 24 24 24 144 25 463 600 20 120 120 120 720 28 525 3,460 120 120 120 120 720 50 906 6,000	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24<	24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 144 66 966 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 1.200 <t< td=""><td>24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 <th24< th=""> 25 26 26<!--</td--><td>24 24 24 24 141 100 1132 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133</td></th24<></td></t<>	24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 24 <th24< th=""> 25 26 26<!--</td--><td>24 24 24 24 141 100 1132 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133</td></th24<>	24 24 24 24 141 100 1132 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133 1133



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex 4: Economic and Financial Analysis

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

ANNEX 4: ECONOMIC AND FINANCIAL ANALYSIS

1. INTRODUCTION AND METHODOLOGY

1. The design mission for the VISTA project carried out the Economic and Financial Analysis (EFA) to asses the financial and economic viabilities of investments assisted by VISTA. The project has three components: Component 1 – Ecosystem Planning, Protection and Enhancement; Component 2 – Sustainable Value Chain Development; and Component 3 – Programme management The VISTA project will directly reach an estimated 70,000 households. The distribution of the beneficiaries by type of enterprises are presented in Table 1.

2. Methodology, information sources and Approach of EFA: The representative gross margin (GM) models were developed based on the relevant information received from various sources. The sources of data (EFA excel sheets presents specific references that were used to derive GM models) include the following. Project documents of the Convergence on Value Chains for Rural Growth and Empowerment in the Philippines; Rural Agro-Enterprise Partnership and Inclusive Development Project (RAPID) in the Philippines; Cordillera Coffee Industry Development Plan: 2016-2022 prepared by the Cordillera Administrative Region (CAR) administration: Department of Agriculture. Philippines 2022. National Agriculture and Fisheries Modernization and Industrialization Plan 2021-2030: Transforming the Philippine Food System Together, Philippines: DA; Department of Agriculture, Philippine Cocoa Industry Road Map: 2021-2025. High Value Crops Development Program: Department of Agriculture. Philippine Coffee Industry Road Map: 2021-2025, High Value Crops Development Program; Department of Agriculture, Philippine Vegetable Industry Road Map: 2021-2025, High Value Crops Development Program; Department of Agriculture, Philippine Banana Industry Road Map: 2019-2022, High Value Crops Development Program; Midsayap-Datu Piang National Highway Upgrading (Midsayap Section), Municipality of Midsayap, Province of Cotabato1; Warehouse and Distribution Management of National Food Authority (NFA), Rice in the Philippines: Best Practices²; and market data collection undertaken by the in-country design mission. Field data collection for building required gross margin models, mainly for coffee, cocoa, banana and vegetable was undertaken mainly in Region 12. A list of the prices of relevant inputs and outputs was based on this information. Other sources of information include Philippine National Bank and World Bank Commodity Forecast.

3. The main types of data that were used for the FEA include (i) crop production data; (ii) market prices; (iii) capital and working capital expenditure of on-farm and off-farm enterprise; (iv) cost of farm tools and machineries; (v) international prices for computing parity prices of tradable commodities; (v) cost of fertiliser and other agro-chemicals; (vi) cost and income of fuelwood production; (vii) vehicle maintenance cost; and (viii) farm to market road and other infrastructure maintenance cost. The EFA follows the IFAD EFA Guidelines while NEDA guidelines also were considered. The benefit flows of all models are net of relevant taxes as detailed in EFA Excel sheets.

4. Table 1 summarises the number of beneficiaries and that gross margin models and enterprise models that VISTA would be supporting. Table 1 also summarises the type of project support and investment provided to each model and the benefits generated.

5. The VISTA project will generate multiple social, environmental, nutritional, financial, economic and institutional benefits. The beneficiaries of VISTA in the EFA represented coffee and cocoa as the anchor crops value chains. In addition, agroforestry beneficiaries and their income has been included where the products are coffee (representing anchor crops), banana (representing fruits), and fuelwood (representing non-timber forest products). The intercropping of coffee and cocoa with coconut is common specially in Region 12. Therefore, such intercropping under coconut was also considered as EFA models. The Communal Irrigation Systems and CIP systems that will be established would benefit heirloom/upland rice.

¹ Roberto Ma. R. Arquiza (2010), Midsayap-Datu Piang National Highway Upgrading (Midsayap Section), Municipality of Midsayap, Province of Cotabato, U.S. Agency for International Development.

² Allan F. Galvez (2019), Warehouse and Distribution Management of National Food Authority (NFA) Rice in the Philippines: Best Practices, IOER International Multidisciplinary Research Journal, Volume 1, Issue 2, June 2019, pp 10 -19.

As such paddy has been included in estimating the benefits of these irrigation systems. Table 2 summarises these benefits and detailed in Table 3.

			VISTA Support	Benefits to the	Nb HH	
		Total	(attribution)	VISTA target group	Benefited	Nb HH
Enterprises / Gross margin models	Units	targets			/Unit	Benefited
Cocoa Processing: Solar Dryer	Units	20	Establishment cost	Processed beans	50	1,000
Coffee processing: Solar tuner dryer	Units	20	Establishment cost	Processed beans	50	1,000
Forestry		-			-	-
Water source protection through			Establish & initial	Productivity		
SALT/Agroforestry/EP	ha	10,587	maintenance	improve of VC crops	-	-
Forest ecosystem and conserving			Establish & initial	Productivity		
biodiversity within the sub-			maintenance	improve of VC crops		
catchments	ha	11,352		& environment	-	-
Reforestation with Assisted Natural			Establish & initial	Fuelwood output &		
Regeneration and Enrichment Planting	ha	1,000	maintenance	environment	-	-
			Establish & initial	Productivity		
Enrichment Planting with coffee,			maintenance	improve of VC crops		
cacao and others	ha	1,000		& environment	-	-
Total Forest RH	ha	13,352			1.22	16,289
			Partial initial cost	Planting material		
Nurseries	Nb	30	Defunkishing east	for VC crops	3	90
Warehouse	Units	40	Refurbishing cost	Better storage for increased prices	100	4,000
Warehouse	Units	40	Improvement and	Time saving in farm	100	4,000
			initial maintenance	output transport		
Trails (Foot, Animal, Sledge)	km	30 km	cost		-	-
Hanging Foot Bridge	km	850 lm	Same as above	Same as above	-	-
			Same as above	Time saving,		
				reduced vehicle		
				maint. Cost, travel		
Standard FMR (PCCP)	km	80 km		cost saving	-	-
Tire Tracks / Motorcycle or Tricycle			Same as above	Same as above		
roads	km	30 km		Duran and further	-	-
Green Coffee Processing and	Units	10	Partial initial cost	Processed / value added coffee beans	50	500
Packaging - processing building Rainwater Capture Tank (500 Liter/PE	Units	10	Initial cost	Time saving in	50	500
pipes)	Units	850	initial cost	water collection	1	850
p.p.c.)	onics	000	Initial cost	Vegetable	-	000
				production with		
Greenhouse Drip Irrigation (200 sqm)	Units	10		high tech	20	200
			Refurbishing cost	Upland rice		
CIS Rehabilitation	ha	640		production	1	640
CIP Construction	ha	450	Same as above	Same as above	1	450
			Matching grants &	Increased		
Total extent: Coffee	ha	15,750	extension	production	1	31,500
Total extent: Cocoa (ha)	ha	5,400	Same as above	Same as above	1	13,500
Banana (avg extent 1 ha/HH)	ha	27,000	Extension	Same as above	-	-
Total	нн					70,019

Table 1: Enterprises, project level targets and number of beneficiaries benefited

6. Table 2 summarises the beneficiary distribution. Since there is a strong project attribution, as described below, in generating benefits, the phasing of the project beneficiaries was designed in parallel to the yearly distribution of the project budget. The percentage distributions of HHs and the budget are close to each other as shown in the Table below and mostly middle-loaded.

Table 2: Enterprises	. project level target	s and target distribution	over project period
	, project iever taiget		

Enterprises / Gross margin models	Units	Total targets	Project Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Cocoa Processing: Solar Dryer	Units	20	11 1	0	10	10	11.5
Coffee processing: Solar tuner dryer	Units	20		0	10	10	
Forestry	Units	20		0	10	10	
Water source protection through							
SALT/Agroforestry/EP	ha	10,587	2,245	6,597	1,745		
Forest ecosystem and conserving							
biodiversity within the sub-catchments	ha	11,352	-	2,500	6,852	2,000	
Reforestation with Assisted Natural							
Regeneration and Enrichment Planting	ha	1,000	-	200	400	400	
Enrichment Planting with coffee, cacao and							
others	ha	1,000	-	200	200	400	200
Total Forest RH	ha	13,352	-	2,900	7,452	2,800	200
Nurseries	Nb	20		6	14		
Warehouse	Units	40			40		
Trails (Foot, Animal, Sledge)	km	30 km		20	10		
Hanging Foot Bridge	km	850 lm		700	150		
Standard FMR (PCCP)	km	80 km		60	20		
Tire Tracks / Motorcycle or Tricycle roads	km	30 km		20	10		
Green Coffee Processing and Packaging -				2	6	2	
processing building	Units	10			Ū		
Rainwater Capture Tank (500 Liter/PE pipes)	Units	850	200	500		150	
Greenhouse Drip Irrigation (200 sqm)	Units	10		8	2		
CIS Rehabilitation	ha	640		500	140		
CIP Construction	ha	450		350	100		
Total extent: Coffee	ha	15,750	350	5,250	4,900	5,250	
Total extent: Cocoa (ha)	ha	5,400	120	1,800	1,680	1,800	
Total VC Crops Extent	ha	21,150	470	7,050	6,580	7,050	
Banan (avg extent 1 ha/HH)	ha	27,000	10,800	16,200	-	-	

7. In order to represent these sectors and crops and to capture the benefits of the VISTA, several gross margin modes were included in the EFA. These gross margin models were derived from the perspective of beneficiary producers and from the country perspective. Table 3 summarises the GM models that are farm-based models, and Agrarian Reform Beneficiary organization (ARBO) / Producers Organizations based models (processing enterprises), and small enterprise models. The assumptions used to build up the GM models were presented with details in the EFA excel sheets.

Crops / products	Typical VISTA investments	GM Models used for the EFA and remarks			
Private beneficiary and/or ARBO management models – conducted from the individual beneficiary perspective and included in both the financial and economic analyses:					
Coffee and cocoa	Nurseries, performance-based grants, extension, demonstrations, training, pipe irrigation (water would be provided during dry spells), Small Farm Reservoir (SFR/interceptor canal which will provide water during dry spells), input and output marketing will be provided	Robusta coffee new planting; Robusta coffee rehabilitation; Robusta coffee new planting under coconut; Robusta coffee rehabilitation under coconut; Arabica coffee new planting; Arabica coffee rehabilitation. Cocoa new planting, and cocoa rehabilitation. (The incidence of cocoa intercropping is relatively low and as such intercropping was not considered for cocoa). Productivity improvement was the benefit in the model.			

Coffee and cocoa processing	Under post-harvest infrastructure facilities, solar drying facilities, warehouses, processing building will be provided	Processed beans of coffee and cocoa would-be value- added products. Increased prices of the processed products were the benefits.
Greenhouse vegetable managed by ARBO	Greenhouse with drip irrigation, water management, post-harvest handling.	Drip irrigated vegetable (farms) model. Land use factor increased by 300% with the facility and the viability was estimated with that increase.
Warehouse managed by ARBO	Design and construction of the building with required facilities	Warehouses are used to store coffee, cocoa, and paddy during the processing. Through storage the quality of these commodities can be maintained and thus there is a slight increase in the prices in comparison to the un- stored commodities. Using the price increment as the benefits, financial and economic viabilities were estimated.
Agroforestry	Same intervention as in reforestation, Streambank Stabilization and additionally beneficiaries will have coffee, banana, and maize and cash and food crops	Agroforestry model with other crops – fuelwood production and production of other crops were the benefits.
<mark>Natural resource mar</mark>	nagement models – conducted from the co	untry perspective and included in the economic analysis:
Reforestation	Nursery establishment and associated facilities, Plantation establishment/Out-planting, Maintenance & protection and TA/replacement planting & M&E, Streambank Stabilization	Fuelwood production model. Reforestation would bring about several environmental benefits such as reducing Green House Gas (CO_2 sequestration) and cleaning the environment. Although these externalities could be estimated using valuation techniques, EFA analysis of VISTA recognizes these benefits and provides a qualitative description.
Infrastructure models	- conducted from the country perspective	and included in the economic analysis:
Paddy production under CIS and CIP irrigation	CIS and CIP irrigation facilities provided for upland paddy and paddy was used to estimate the economic viability of these irrigation systems.	Upland paddy production under irrigation. Paddy is not a crop that would receive investment assistance from VISTA. CIS and CIP have however been requested by the project beneficiaries in the targeted ARCs. The productivity of coffee and cocoa would be enhanced with such irrigation. The viability of these investments was however estimated using paddy as a benefited commodity as it is the most prevalent crop under CIS and CIP.
Standard Farm to Market Roads (FMR) Tire Tracks /	Survey and designing of the roads, road construction and maintenance Survey and designing of the tracks,	The economic viability of the investments in FMR was estimated using reduction of vehicle operating costs, passengers' time saving benefits, reduction of passengers' travel costs, and reduction in the transport costs of good. Same benefit estimation method used for roads have
Motorcycle or Tricycle roads	construction and maintenance	been used for the tracks as well.
Trails and Foot Bridge	Survey and designing of the structures, construction and maintenance	Time saving benefits for households and time saving for hauling along the trails and bridges.

8. Table 4 presents a few of the key references that were used to build the GM models. The data provided by the design team further validated and improved the WOP and the WP scenarios.

Table 4: Data sources used for the estimation of cost and benefits of the EFA

GM Model	Data sources to build WOP situation	Data sources to build WP situation
Coffee and cocoa	RAPID project data, coffee and cocoa Road Map data, mission field data	Expected productivity in the cocoa and coffee Road Map report
Coffee and cocoa processing	Same as above	Data collected from current processors during the mission
Greenhouse vegetable managed by ARBO	Discussion with DAR and DA staff during mission and the exit conference	Expected productivity in the vegetable Road Map report
Warehouse managed by ARBO	New	Convergence on Value Chains for Rural Growth and Empowerment project reports, Warehouse and Distribution Management of National Food Authority (NFA), Rice in the Philippines: Best Practices
Agroforestry	Forestry expert of the design Mission	Calora et.al. (1998), yield of fuel wood per hectare in Besao / Sagada, Regional wood energy development programme in Asia GCP/RAS/154/NET, Wood fuel in the Philippines - production and marketing - teacher's camp, Baguio city, Philippines ³ for forestry, same reference sources listed above for coffee
Reforestation	Forestry expert of the design Mission	Same reference sources listed above for fuelwood production and data from the mission.
Paddy production under CIS and CIP irrigation	Converg data sources	Converg data sources
Standard Farm to Market Roads (FMR)	Converg data sources	Converg data sources

2. PROJECT COST, BENEFICIARIES AND ASSUMPTIONS

9. **Costs.** The estimated cost of the VISTA, generated from COSTAB, was used as the project cost with the following adjustment. The VISTA would provide establishment and initial maintenance cost of all forestry related activities, all infrastructure and postharvest enterprises that are maintained by the producer organizations and ARBOs. For the value chain crops (coffee and cocoa) matching grants would be provided to finance planting material and other farm inputs such as fertiliser. These costs in the components 1 and component 2 of the cost tables were deducted from the project cost in the EFA since these would be a component of the production cost of the enterprise models including farm models. The production cost of all GM models was included in the computation of the gross margins. The VISTA project cost net of these costs mentioned above, thus formed the cost of the project for the EFA (see EFA excel sheets for details).

10. **Beneficiaries.** Table 1 summarised the total direct beneficiary households of project activities by the enterprises and Table 2 by the project years. The EFA used these beneficiary households and their distribution for the estimation of project benefits.

11. **Gender.** The enterprises that VISTA is supporting have adequate gender focus. Enterprises such as banana, upland rice and vegetable production, etc are operated predominantly by women.

- 12. The EFA was based on the following **general assumptions**:
 - (a) The VC crops, coffee and cocoa, fuelwood and banana included in the EFA are already in production and they would improve the productivity by establishing soil and water conservation methods, irrigation structures (for upland rice), better planting material (coffee and cocoa), and replanting or rehabilitation (cocoa and coffee). The ARBOs level enterprises and SMEs are mostly new activities and they would start the operation as new

³ Regional wood energy development programme in Asia GCP/RAS/154/NET, Woodfuel in the Philippines - production and marketing - teacher's camp, Baguio city, Philippines

enterprises. Both sets (farms and enterprises) would be able to access loans and also matching grants.

- (b) All benefits were estimated using 2023 constant prices. The incremental costs and benefits of the project supported enterprises will continue for a 20-year period which include the 6year VISTA project implementation period. It is assumed that the general inflation will have a similar impact on cost and benefits flows at an equal rate and hence the price escalation on costs and benefits have not been adjusted.
- (c) For all activities which used labour, a financial rural daily wage rate of Peso 365 personday for unskilled labour and Peso 450-500 per person-day for skilled labour who work in technology demanded enterprises such as processing and warehouses etc were used. The wage rate was not differentiated by gender, and the same rate was paid to female labour. The same unskilled wage rate was used to value household family labour too because of the availability of wage labour opportunities in the project areas.
- (d) Each household could have more than one farm enterprise or income generating activities, for example banana and coffee, fuel wood collection and upland rice. However, the aggregation of benefits to derive project level benefits was done on the basis of households by taking the average land size for each crop and type of cultivation such as coffee rehabilitation etc. The assumed average land sizes were 0.50 ha for all types of coffee cultivations (observation from the mission field work), 0.4 ha for cocoa, 1 ha for banana, 1 ha for upland rice under irrigation, 200 sq mt for intensive vegetable under greenhouses, 1.22 ha for agroforestry and 1 ha for fuelwood representing non-timber forest products. The EFA excel sheets presents the details of the farm models.
- (e) The EFA estimated the projected cash flow of all the farm models and enterprise covering the entire project life for 20 years including the 1st year of the project.

3. FINANCIAL ANALYSIS

Enterprise Budgets

13. The financial profitability parameters of all GM models are presented in **Error! Reference source not found.** The following specific assumptions were used in estimating the indicators:

- (a) The land size under each crop was used for farm modeling which is summarised above. The average size of the crops in the farms were obtained during the design field visits;
- (b) It is assumed that the size of the farms would remain unchanged, but the productivity improvements would be brought about by providing better management practices and better inputs such as planting material, and credit to cover capital expenditure and working capital;
- (c) For all farm models, the cash flows were generated for 1 ha unit and thereafter the cash flows were scaled down to represent the cultivation sizes of the crops in the farm. The scaled down extents were used in the project level aggregated analysis;
- (d) The discount rate of 7% was used for the computation of financial profitability indicators which is the current lending rate reported by Financial Market Operations Sub-Sector, Bangko Sentral ng Pilipinas, January 2023 and represent the weighted average cost of capital in the Philippines;
- (e) The beneficiaries will use a portion of the production of vegetables for domestic consumption. However, the total production has been valued and included in the analysis;

Without Project (WOP) GM parameters were obtained from the reference sources listed in

(f) Table 4 above. The WP productivity levels were assumed to be of 30-40% higher than the WOP levels which is considered as feasible as per reference sources and the country team;

- (g) The technology adoption rate was assumed at 50% in year 1 (which means 50% of the beneficiaries will apply the full package of technology and obtained the expected increased production), 60% in year 2, 70% in year 3 and 90% in year 4 onwards. The rates, particularly in the first two years, are conservative. On the basis of the current technology situation in the project target group, a gradual increase in the rates are to be expected;
- (h) All the crop models would use family labour for all operations and some hired labour for post-harvest processing activities. Such labour differentiation has been maintained in the GM models. All SMEs, nurseries have both skilled and unskilled labour. Such labour was accounted for accordingly and valued at different wage rates that were presented above; and
- (i) For the new SME enterprises, the WOP scenarios were assumed as the value of a proportion of labour, both skilled and unskilled, that is used in the enterprise. The logic is that this proportion of labour was employed elsewhere before the project, and the enterprise has replaced that labour income by employing them.

	Net	Net		Incremental			Incremental		
	Income:wop	Income:wp	Total cost	NPV (Peso):			Return to Labour	Switching	Switching
Gross margin Model	(Peso/ha)	(Peso/ha)[b]	(Peso/ha)[b]	7% DR	IRR	B/C ratio	(Peso/md)	value: Ben	value: Cost
Reforestation: Non-Timber			ĺ	ĺ					
forest products (fuelwood)	722,872	748,294	13,411	162,621	21%	1.57	1,500	-36%	57%
Agro forestry			255,730	428,454	43%	1.33	1,021	-25%	33%
Cocoa: Rehabilitation	33,291	55,523	47,777	458,545	23%	1.61	79	-38%	61%
Cocoa: New Planting[a]	13,433	105,344	55,630	672,625	35%	4.50	717	-78%	350%
Rehab Robusta Coffee under									
coconut	1,088	15,023	46,545	106,626	38%	1.54	1,799	-35%	54%
Rehab Robusta Coffee	36,793	16,568	17,433	96,271	24%	1.48	1,859	-32%	48%
New Robusta Coffee under									
coconut	[c]	34,473	34,590	211,984	26%	1.54	2,417	-35%	54%
New Robusta Coffee	13,433	57,792	71,225	366,019	28%	1.80	3,329	-44%	80%
New Arabica Coffee	13,433	145,467	31,479	887,773	31%	3.36	1,577	-70%	1,577
Rehab Arabica Coffee	80,147	95,938	54,750	70,547	18%	1.25	523	-20%	25%
Banana	-6,836	27,429	78,935	208,474	47%	1.25	243	-20%	25%
Paddy: CIS	71,502	96,358	74,881	89,400	17%	1.28	622	-22%	28%
Cocoa Nursery	3,150	430,575	3,069,425	885,444	17%	1.04	619	-4%	4%
Cocoa process: Fermented,									
dried cocoa beans [g]	17,176	304,629	4,166,571	2,099,598	29%	1.05	3,602	-5%	5%
Coffee process: Dried beans[g]	37,376	205,290	11,695,830	1,336,057	28%	1.01	1,434	-1%	1%
Green Coffee Processing and									
Packaging (per unit, '000)[g]	2,434	287,778	280,524	52,123	48%	1.02		-2%	2%
Drinking water[d]	14,988	8,327		48,892	74%	3.76		-73%	276%
Vegetable with drip irrigation	243,864	513,662	59,677	3,663,712	43%	2.63	5,740	-62%	163%
Warehouse Model[e]		818,620	1,636,965	8,243,888	15%	1.14	706	-12%	14%
Foot Bridges[d]	2,719,049	1,359,525		4,353,476	70%	4.44		-78%	344%
Farm-to-Market Roads[f]				4,118,418	47%	2.84		-65%	184%
[a]: Replace maize									
[b] At full development									
[c] Coconut income removed as it is	the same WOP a	nd WP							
[d] Total cost saving and other indic	ators per tank. Co	onstruction cost i	n the EFA tables						
[e] Per warehouse									
[f] Per km. Viability is based on IRR	etc								
[g] Labour opportunity cost									

The net benefits, estimated as the net present value (NPV: at 7% financial DR and for 20-year period) 14. and financial internal rate of return of all the models have increased with the help of VISTA interventions (WP case). Error! Reference source not found. summarises the results. The same parameters for enterprises are presented in the table. All models have positive indicator levels and the return to family labour which is higher than the current wage rate in the project area. The indicators of all models suggest the financial worthiness of investing beneficiaries' assets and public funds in these models.

Employment generation

15. The EFA excel sheet estimated the employment generation, by way of labour use, as a result of undertaking project supported farm activities and enterprises. The incremental total employment creation is 2,406,546 labour days per year. On the basis of the assumption that 220 days per year as labour-year, i.e. one-person work for 220 days in one year, the total labour days indicates that there is 10,939 additional employment generated owing to the project.

Sustainability analysis

16. As mentioned above, the project would facilitate obtaining credit from main-stream banks. The EFA estimated the capacity of the farm models and all other enterprise models to repay the loans that were estimated and also estimated the remaining cash flow to be used for livelihood. It is assumed that 50% of the capital cost would be financed by a loan and the balance by a matching grant. The details are in the EFA excel sheets. The estimation shows that almost all the models have a positive cash flow from 2nd year onwards to support the livelihood after repayment of capital and the interest of credit. The terms of the credit were assumed as 7% annual interest and 1-3 years repayment period. Other family income sources such as wage labour etc have not been used for this analysis.

Poverty impact

17. The total beneficiary households, estimated at 77,000 will be benefited by one or a combination of project supported activities. Table 1 summarised the distribution of households that would be benefit by the project supported activities. However, the information is insufficient to estimate the household who would benefit by different combinations of these activities (see Table 1). Therefore, in order to estimate the impact of project benefits on household income increase, which is directly relevant to poverty impact, the weighted average of income from income generating activities that the beneficiary households would be engaged in was estimated and presented in Table 6 (EFA excel sheet has details).

		Nb HH	Net income at full development		Weighted avg income /HH
Enterprises / Gross margin models	Units	Benefited	(Peso/Unit or farm)		(peso/Yr)
Cocoa Processing: Solar Dryer	Units	1,000	304,629		3,140
Coffee processing: Solar tuner dryer	Units	1,000	205,290	1.03%	2,116
Total Forest RH including agro-forestry & fuelwood	ha	16,289	748,294	16.79%	125,638
Nurseries	Nb	90	430,575	0.09%	399
Warehouse	Units	4,000	818,620	4.12%	33,751
Green Coffee Processing and Packaging - processing building	Units	500	287,778	0.52%	1,483
Rainwater Capture Tank (500 Liter/PE pipes)	Units	850	8,327	0.88%	73
Greenhouse Drip Irrigation (200 sqm)	Units	200	513,662	0.21%	1,059
CIS Rehabilitation	ha	640	96,358	0.66%	636
CIP Construction	ha	450	96,358	0.46%	447
Coffee - New: Robusta	ha	4500	28,896	4.64%	1,340
Coffee - New: Robusta under coconut	ha	4500	17,236	4.64%	799
Coffee - RH: Robusta under coconut	ha	4500	7,511	4.64%	348
Coffee - RH: Robusta	ha	9000	8,284	9.28%	768
Coffee - New: Arabica	ha	4500	72,734	4.64%	3,374
Coffee - RH: Arabica	ha	4500	47,969	4.64%	2,225
Cocoa Rehabilitation	ha	9000	22,209	9.28%	2,060
Cocoa New planting	ha	4500	42,138	4.64%	1,954
Banana (avg extent 1 ha/HH)	ha	27,000	27,429	27.83%	7,633
Total HHs including Banana (Banana is intercropped)		97,019		100.00%	
Weighted average HH income per year	Peso/HH				189,244
Weighted average HH income per month	Peso/HH				518
Weighted average HH income per day	US \$/day				9.43
Poverty Line: CAR (HH = family of five)	Peso/Yr/HH				141,520
Poverty Line: Region 12 (HH = family of five)	Peso/Yr/HH				132,215

Table 6: Number of HHs benefited by each income generating activity, activity income at full development and the weighted average Income

18. Among the activities, banana as observed during the design field visits is cultivated in most of the lands as an intercrop. It is assumed about 27,000 HHs would have banana and would also have increased income. These households too were added to the total HHs in order to estimate the weighted average income (these 27,000 were not counted in the total outreach as it is a double counting). The weighted average annual income per household of five members at full development of the project was estimated at Peso 189,244. The current poverty line of CAR and Region 12 is Peso 141,520 and 132,215 respectively⁴ for a family of five members. This indicates that the project is capable of generating additional income (all income estimates are incremental income) that is over 34% and 43% higher than the poverty lines of CAR and Region 12 respectively.

Overall Financial Analysis

19. The cashflows of all the enterprise models populated with appropriate targets over the 6-year VISTA project period were aggregated to compute the total gross benefit flow of the VISTA project. The total cost is comprised of (i) the VISTA project cost, based on 2023 prices, net of all infrastructure cost and grants provided; and (ii) the incremental cost of all farm models and enterprises. The incremental benefits of all farm and enterprise's models provided the benefit flow. The EFA excel sheets presents the details. The Financial Internal Rate of Return (FIRR) is 30% with Net Present Value (NPV) of USD 203 million (Peso 11,182 mn) at 7% financial DR5 and the financial benefit cost ratio is 1.19. As a sensitivity test, the NPV and the benefit flow was discounted at 7% to ascertain the break-even point of the project cash flows. At the 7th year (2031), the project will be able to breakeven the total project investment and the beneficiaries' investment during the project period and start generating a positive net benefit flow.

4. ECONOMIC ANALYSIS

20. The economic analysis was carried out by adjusting the cost and benefits flows that were used in the financial analysis of the VISTA project to reflect economic values. In addition to the assumptions made in the financial analysis, the following assumptions were used in the economic analysis.

- (a) The economic investment cost is based on the project cost net of financing for all infrastructure cost, forestry establishment and matching grants during the 6-year implementation period generated by COSTAB programme. It deducts the amounts payable for taxes and provisions for price contingencies from the financial costs.
- (b) The following procedure was used to convert all prices of farm, and micro-enterprises to economic prices:

(i) using border prices, import parity prices were estimated to value tradable goods (all fertilisers), the computation is presented in the EFA excel sheets;

(ii) for all non-tradable goods, standard conversion factor (SCF) of 0.944 was used to adjust the prices – the market distortion includes some degree of protection and overvaluation of Peso in terms of the US dollar – the SCF was computed taking the ratio between Official Exchange Rate (OER)⁶ and Estimated Shadow Exchange Rate (SER)⁷ [SCF=ER/SER]; EFA excel sheets presents details; and

(iii) VAT rate of 12% was used to remove the tax portion of the prices of the locally traded and tradable goods.

⁴ Source: Philippine Statistics Authority 2022; <u>https://rssoarmm.psa.gov.ph/sites/default/files/Preliminary%202021</u> %20Full% 20Year%20Poverty%20Statistics%20Publication_25Aug2022_1.pdf

⁵ The central bank of the Philippines held its benchmark interest rate for the second straight meeting at 6.25% in June 2023, in line with market expectations, as inflation continued on an easing trend.

⁶ Official Exchange Rate (ER) Jan 2023] IMF rates

⁷ Computed: SER = $[[b+(b^*c)] + [a-(a^*d)]/[b+a]]^*e$: a = average export value; b = average import values; c = Import Tariff (the average Most Favored Nation tariff rate: MFN is the relevant rate); d = Export duties (export of all business items); and e = Official (or market) Exchange Rate.

- (c) Shadow wage rate factor is assumed at 0.944, which is the SCF, to account some outmigration, seasonal labour shortages, and semi-urban labour demand. Labour is idle during some periods of the year indicating full employment point has not been reached.
- (d) The economic discount rate (EDR) of 4.58%, which is Scheduled Banks Weighted Fixed Deposit Rate⁸, was used to represent the Opportunity Cost of Capital.

After making the required adjustments to the cash flows of the financial analysis on the basis of the above assumptions, the economic analysis for the VISTA was carried out. The Economic Internal Rate of Return (EIRR) is 29.4% and the economic benefit cost ratio is 1.20 with the economic discount rate of 5.5%. The project earns an Economic Net Present Value (ENPV) of USD 225 million (Peso 12,405 million) for the 20-year period with 4.58% discount rate.

21. Table 7 presents the results. As a sensitivity test to the EDR, the analysis was carried out with 10% economic discount rate. The ENPV and the economic benefit cost ratio are USD 107 million and 1.16 respectively indicating the project is economically viable at a higher opportunity cost of capital.

22. In addition to the quantified economic benefits, VISTA project will generate economic multiplier effects across the rural economy. The enterprises that were expanded in scale or with enhanced productivity would demand for inputs which will create multiplier effects. In addition, some of these enterprises will be graduated to access credit from mainstream financial institutions with low interest rates but with collateral requirement which those enterprise will be able to provide. Such increase in the credit demand would further enhance the broad multiplier effects in the rural economy. Further, VISTA would generate climate benefits through reforestation, soil management, other conservation activities and carbon sequestration. Health benefits attributed better quality drinking water is non-quantified additional benefit. Also, through VISTA, there will be increased tax income to the government, better capacities of the government staff,

23. **Sensitivity analyses** were carried out to assess whether the project is economically robust in light of potential risks that could increase cost of production of enterprise, decrease benefits or delay in realising benefits. The risk factors that have been identified in the project Integrated Risk Matrix were used as the basis to rationalise the sensitivity scenarios.

24. Table 7 presents the risk factors considered and the results of the sensitivity analyses. The project generates EIRRs that are higher than the opportunity cost of capital under all sensitivity scenarios except two – 20% reduction in all benefits, and both cost increase and benefit decrease taking place simultaneously. The analyses indicate therefore that the enterprise models and the overall VISTA project are both financially and economically justifiable even under most of the adverse risky environments. The two extreme conditions mentioned above alarm the project to monitor for cost escalations and keep adequate controls to maintain the cost as estimated, and undertake training and other capacity building activities for the producers to maintain the productivity level as expected.

25. **Switching value analysis.** This is considered as the percentage change in a variable required to reduce the economic net present value (ENPV) to 'zero' at an economic discount rate of 4.58%. The chosen variables for the analysis are: total economic benefits flow and the total economic cost flow (EFA excel sheets have the analysis). The switching value of the total benefits is -16.7% (reduced) and total cost is +20% (increased), where the ENPV becomes zero. The results indicate that the project becomes unviable when the farmer producers and enterprises benefits drop by 16.7%, and total costs, of which 27% is the project cost, increase by 20%, which is quite sensitive. Regular monitoring and quickly resolving implementation issues when they are flagged are therefore important to maintain the project viability.

26. **Conclusion**. The EFA analyses indicate that the project is adequately viable in financial and economic terms and also has the capacity to face many risk factors while being viable. The project therefore is suitable for receiving public funds for investments.

⁸ As of June 2023, the highest bank interest rates in Philippines are offered by SeaBank and GoTyme Bank, which is 5% per year.

			NPV (USD	NPV (Reils	
Sensitivity Analyses	EIRR	B/C Ratio	mn)	Billion)	Risk Factor
Base Case	29.4%	1.20	12,405	225	
All cost increase by 10%	17%	1.09	6,339	115	Public sector investments financed by the project not sustainable because of lack of
All cost increase by 20%	5%	1.00	272	5	institutional plans, priorities and delays Agriculture sector severely impacted by macroeconomic instability and market
All benefits decrease by 10%	16%	1.08	5,098	92	volatility
All benefits decrease by 20% Cost increase by 10% and	-1%	0.96	(2,209)	-40	Project vulnerability to environmental conditions Financing instruments are not attractive for
benefits decrease by 10%	2%	0.99	(968)	-18	partner financial institutions to deliver
1 year delay in getting benefits	12%	1.15	6,144	111	Private agribusiness unwilling to invest because of governance concerns

Table 7: Results of the Economic Analysis and the Sensitivity analyses

27. The EFA excel sheets, both for financial and economic values, provide the detail tables listed below.

Country	Philippines				
Value Chain Innovation for Sustainable Transfo	rmation in Agrarian Reform Communities (VISTA)				
Design EFA					
PriceConversion_FinPack	PriceConversion_FinPack!A1				
Prices	Prices!A1				
Targets	Targets!A1				
Model Results: Financial					
Fin+Economic analysis	Fin+EcoAnalysis'!A1				
Targets	Targets!A1				
Reforestation	Reforest!A1				
Agroforestry	AgroForestry!A1				
Cocoa processing	CocoaFermented_Dry!A1				
Cocoa Nursery	CacaoNursery!A1				
Cocoa Rehabilitation	RHCocoa!A1				
Cocoa New planting	NewCocoa!A1				
Coffee processing	CoffeeProcessing!A1				
Coffee packaging	Coffee Process Pack!A1				
Rehabilitation of Robusta Coffee under coconut	RHRobCF_CN!A1				
New Planting of Robusta Coffee under coconut	NewRobCF_CN!A1				
Rehabilitation of Robusta Coffee	RHRobCF!A1				
New Planting of Robusta Coffee	NewRobCF!A1				
New Planting of Arabica Coffee	NewArbCF!A1				
Rehabilitation of Arabica Coffee	RHArbCF!A1				
Banana	Banana!A1				
Maize	Maize!A1				
Paddy under irrigation	Paddy_CIS!A1				
Drinking water	DrinkingWater!A1				
Green House veg	Veg_GreenHouse!A1				
Warehouse model	GodownModel!A1				
FootBridge&Trail_Fin	FootBridge&Trail_Fin'!A1				
FootBridge&Trail_Economic	FootBridge&Trail_Eco'!A1				
Road_Fin	Road_Financial!A1				
Road_Eco	Road_Economic!A1				
ARC Selection	ARC selection !! A1				



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities Project Design Report

Annex 5: Social Environment and Climate Assessment (SECAP) Review Note

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

The SECAP Review note should build on the preliminary note mentioned above, draw on the results of the screening exercise and be informed by the issues raised during the design mission, the stakeholders interviews, publicly available tools and dataset, and environmental, social or climate-related studies that inform on the characteristics of the project location. The SECAP review note includes the revised ESMP and should be attached to the Project Design Report, integrated in Draft Project Implementation Manual (PIM) and COSTAB and shall be submitted to Design Review Meeting (DRM) or IRC (for NSOs).

1. Introduction

- 1. The latest version of the IFAD Social, Environmental, and Climate Assessment Procedure (SECAP) is the SECAP 2021 that applies to all new IFAD-supported projects entering the pipeline after 1 August 2021. It that lays out an improved framework and process for managing risks and impacts, and integrating mainstreaming priorities into new IFAD- supported investments. The procedures strengthen the Fund's relationships with: (i) the countries, rural communities and private companies it aims to support; (ii) stakeholders in development initiatives; and (iii) the broader development cooperation and donor community. It sets out the mandatory requirements that must be adhered to throughout the project cycle.
- 2. Objective of the SECAP Review Note. The objective of this SECAP Review Note is for the project to take into account social, environmental and climate change issues hence this Note provides the summaries of the development context, identifies potential project impacts that impinge on IFAD's mainstreaming themes of gender, youth, nutrition, indigenous peoples, climate and environment. This Review Note provides specific recommendations on risk mitigation and incorporate social and environmental concerns at implementation.
- 3. Project Objective and Components. The VISTA project will focus on two target "anchor crops," coffee and cocoa, within the broader integrated cropping systems to catalyze transformation in the food systems in a nature-positive and resilient manner. The project will reduce environmental degradation and negative externalities in The project will also support upland rice varieties, including indigenous varieties as a means to contribute towards food security and household livelihood. food production systems on the demand side and across supply chains. The VISTA project development objective therefore is "increase income and employment of target groups in fragile upland areas, including women, youth and IPs, through the strengthening of inclusive value chains with conservation and sustainable use of the natural resources and climate resilient practices." The Project has three components: Component 1 Sustainable Protection and Enhancement of Natural Resources at Sub-Watershed Level, Component 2 Value Chain Development and Rural Finance, and Component 3 Project Management.
- 4. Project Location and Covered Areas. The project will cover 10 provinces of two regions: 6 provinces in the Cordillera Administrative Region (CAR: Abra, Apayao, Benguet, Ifugao, Kalinga, Mt. Province), and four provinces in Region XII -SOCCSKSARGEN (North Cotabato, Sarangani, South Cotabato, and Sultan Kudarat). The Project will also include support for SIKAME[1]. This may include a small number of IP communities in Ilocos Sur.
- 5. Methodology and Consultation Process. A field mission was conducted from 27 February to 12 March 2023 that allowed for the collection of available secondary information, rapid site assessment of field conditions, and the conduct of consultations with potential key stakeholders across the two regions. Consultations with national government agencies in Manila were made after the field mission. Other interviews were conducted virtually and by telephone. Appendix 5c – Stakeholder Engagement Plan provides the details.
- [1] SIKAME is an innovative Integrated Watershed Management Plan (IWMP) covering 3 mountain ranges (Sisipitan (SI), Kaman-ingel (KA), and Mengmeng (ME)) that brings together 3 provinces (Mountain, Abra and Ilocos Sur), 18 barangays/tribal communities in 5 participating ancestral domains in 5 municipalities, <u>https://www.ifad.org/en/-/document/philippines-1100001395-charm-ii-supervision-report-february-2021</u>

2. Situational analysis and potential project impacts

7. Below

2.1 Socio-economic assessment

a. Overall poverty situation

- 8. The project goal is to achieve reduced poverty, strengthened livelihoods, and increased resilience of targeted poor communities in the Philippines. The CAR population houses 1.6% of the Philippine population with a population density of 90.71 people per square kilometer. In 2021, the region's current poverty incidence among families is at 6.9%, ranking 16th out of the 17 regions of the country with the municipality of Benguet having the least poverty incidence (6.2%, Baguio City at 1%) and Abra having the highest (15.8%)[1]. The per capita poverty threshold of CAR is estimated at PhP 28,304.00, thus the 6.9% poverty incidence translates to an estimated 30,740 families living below the poverty threshold wherein the amount is not sufficient to meet their basic food and non-food needs. The region's main source of livelihood is agriculture with an agricultural land of about 250 hectares of crops like rice, corn, vegetables, tubers, and perennials and trees like mango, citrus, banana, and coffee[2]. Most of the agricultural lands are inherited from ancestors with some still practicing traditional agricultural practices and livestock farming.
- 9. Region XII or SOCCSKSARGEN is home to 4.5% of the Philippine population. Its population density is 215.11 people per square kilometer. The region's poverty incidence among families in 21.4% translated to about 300,000 poor families (PSA 2022). The proportion of food poor in the region declined to 12.5% in 2021 from 13.7% in 2018. In the same period of 2021, a family of five in SOCCSKSARGEN needs an income of around 11,081.90 to be able to meet its food and non-basic need. First semester per capita threshold was recorded at 13,298 in 2021. This implies that in the first semester of 2021, a family of five must have at least 7,711.34 per month to meet its basic food needs. The 2021 first semester per capita food threshold was recorded at 9,254.60. SOCCSKSARGEN is one of the country's leading producers of palay, corn and high-value crops like coffee, banana, pineapple, and oil palm[3]. It also is host to 80% of the country's tuna industry therefore also known as the tuna capital of the Philippines.
- [1] Philippine Statistics Authority. (2021). First Semester 2021 Official Poverty Statistics of the Philippines. East Avenue, Diliman, Quezon City, Philippines. Retrieved from: <u>https://psa.gov.ph/sites/default/files/2021-</u> <u>1st Poverty Stats Full%20Publication 17Dec2021.pdf</u>
- 11. [2] Paing, J. N., van Bussel, L. G., Gomez Jr, R. A., & Hein, L. G. (2022). Ecosystem services through the lens of indigenous people in the highlands of Cordillera Region, Northern Philippines. Journal of Environmental Management, 308, 114597.
- 12. [3] SOCCSKSARGEN Regional Development Plan 2017-2022. Retrieved from: <u>https://nro12.neda.gov.ph/wp-content/uploads/2018/08/RDP-Chapter-2.pdf</u>

b. Gender

- 13. There are 53.6 million Filipino women in the country, 2% are in CAR and 4% in SOCCSKSARGEN. An estimated 1.8% of women are in the labor force for CAR employed in wholesale and retail trade.[1] Labor force participation by women is about 4.1% in SOCCSKSARGEN who are mostly employed in the agriculture, hunting, and forestry sector[2]. Far fewer females join the country's workforce: only 50.1% of working-age females are part of the labor force compared to 77.3% among males in 2015. Lower participation is attributed to getting discouraged from looking for employment as women and girls tend to bear the larger burden of unpaid care and domestic work, which includes cooking and cleaning in the household's dwelling, person-to-person care activities, as well as transporting water from safe sources to the home.[3] The range of household, child and elderly care and unpaid work in farms done especially by women that goes unremunerated in society is undoubtedly a compelling reason why many women are invisible and excluded from their local and national economies.[4]
- 14. [1] PSA. (2019). Women and Men in CAR. Retrieved from: <u>http://rssocar.psa.gov.ph/sites/default/files/2019-WAM-7th-Edition.pdf</u>
- 15. [2] PSA. (2021). Women and Men in SOCCSKSARGEN. Retrieved from: https://drive.google.com/file/d/1QeEjCgcqIGhIXPQ6298hSEjYzfYU8REP/view
- 16. [3] Hirway, I. 2016. Unpaid Work An Obstacle to Gender Equality and Economic Empowerment including Women's Labour Force Participation. Presentation at UN ESCAP Meeting on Sex- disaggregated data for the SDG Indicators in Asia and the Pacific Bangkok, May 25-27 2016.
- 17. [4] Clarissa C. David, etal. (2017) Sustainable Development Goal 5: How Does the Philippines Fare on Gender Equality? Discussion Paper Series No. 2017-45. Philippine Institute for Development Studies

c. Youth

- 18. Based on the Labor Force Survey conducted by the Philippine Statistics Authority (PSA) in June 2022, youth employment rate increased to 88.2 percent from 87.9 percent in May 2022. The survey also reported that underemployed youth decreased to 653,000 in June 2022 from 745,000 in May 2022. According to PSA[1], the labor force participation for the Filipino youth is 63.4%, with CAR (66.2%) and SOCCSKSARGEN (67.8%) having higher rates compared to the national data. Both regions (CAR-4.4% and XII-5.4%) have an unemployment rate lower than the national record of 5.7%.
- 19. The National Youth Assessment Study (NYAS) 2015 served as basis for the Youth Development Plan: 2017-2022. The study reveals that significant portions of Filipino youth lived in households with monthly incomes of less than P10,000: these include 75% of rural and 68% of urban youth, 76% of unemployed and 64% of employed youth, and 77% of OSY. Nearly a third (32%) of OSY said they had to stop schooling to take up a job or help their parents with their work. Urban and rural respondents significantly differed from each other. More fathers in rural (66%) than in urban (59%) households were employed. Conversely, more mothers in urban (38%) than in rural (31%) households had work. Over three-quarters (76%) of rural youth had household incomes less than PhP10,000 a month compared to 68% of urban youth. Across industries, only 15% of respondents worked in the agriculture sector, but 85% believed agriculture could be a viable means of livelihood. More urban than rural youth planned to work abroad in the next five years (44% against 40%) and had taken technical-vocational courses (17%) against 13%.
- 20. [1] Philippine Statistics Authority. (2021). Total Population 15 Years Old and Over and Rates of Labor Force Participation, Employment. Retrieved from: <u>https://psa.gov.ph/statistics/survey/labor-and-employment/labor-force-</u> survey/title/Employment%20Rate%20in%20April%202022%20is%20Estimated%20at%2094.3%20Percent

d. Indigenous peoples

- 21. Republic Act No. 8371, otherwise known as the Indigenous Peoples Rights Act of 1997 (IPRA) is the most important legal and regulatory framework for the protection of IP rights in the Philippines, including the rights of indigenous peoples to their ancestral domains. IPRA also created the National Commission for Indigenous Peoples (NCIP) to safeguard the rights and welfare of indigenous peoples. About 10-15% of the population in the Philippines is considered as ICCs/IPs. Majority of the IP population are found in Mindanao (61%), 33% in Luzon, and 6% in Visayas[1]. CAR is home to about 1.2 million indigenous people, collectively known as Igorots composed of various ethno-linguistic groups, mostly Bontok, Kankanaey, Ibaloy, Kalinga, Tinggiuan, and Isneg[2]. ForRegion XII, IPs are the Manobo, B'laan, T'boli, and Teduray.
- 22. As of 31 March 2018, the NCIP reported that there were 221 ancestral domains with Certificates of Ancestral Domain Titles (CADT) in the country covering a total area of 5,411,798.9257 hectares. Region 12 has the greatest number of CADTs with 29 (590,098.65 ha) and CAR with 21 (350,786.91 ha). Only 37 percent of CADTs have Ancestral Domain Sustainable Development and Protection Plans (ADSDPP) with CAR having the greatest number (31%). ADSDPP as "the consolidation of the plans of ICCs/IPs within an ancestral domain for the sustainable management and development of their land and natural resources as well as the development of human and cultural resources based on their indigenous knowledge, systems, and practices". Access to basic services among IPs falls far behind the national average with the largest disparity is in terms of access to safe drinking water, sanitation, electricity. One major reason for this disparity is remoteness.[3]
- 23. IPs are dependent on land and natural resources to support their livelihood and nutritional needs, mostly employed in the agriforestry sector. Natural calamities, displacement as well as environmental degradation weaken food security among IPs (IFAD 2012). Climate change threatens the existing nutritional shortfalls, with more extreme climate variability. Undernutrition increases mortality and morbidity among children, which could result in lasting consequences on their health and development. Along with levels of education that are far lower than the national average as well as the lack of access to basic services, undernutrition and the lack of food security further impedes prospects for economic mobility among IPs.
- 24. [1] Cariño, J. K. (2012). Country technical notes on Indigenous peoples' issues: Republic of the Philippines. International Fund for Agricultural Development.
- 25. [2] Molintas, J. M. (2004). The Philippine indigenous peoples' struggle for land and life: challenging legal texts. Ariz. J. Int'l & Comp. L., 21, 269.
- 26. [3] Reyes et al (2017) based on 2010 Census of Population and Housing.

e. Marginalised groups

27. n/a

f. Nutrition

- 28. In 2021, the Cordillera region overall have good data in relation to malnutrition of under five children, equal or lower than the regional targets, 8.58% stunting, 1.47% wasting, 2.63% overweight and obesity, except for underweight prevalence which is higher than the regional target—3.19%[1]. Out of all the provinces in the Cordillera region, Abra is lagging behind with 9.37% underweight, 16.95% stunting, 4.28% wasting, and 4.81% overweight and obesity. According to the National Nutrition Council (NNC) in 2018, highest cases of underweight children in SOCCSKSARGEN are from the provinces of Cotabato City (7.89%), Sultan Kudarat (6.07%), and Sarangani (5.15%). Highest rates of stunting are in Cotabato (20.45%), Kidapawan (16.69%), and Sultan Kudarat (10.33%). Cotabato City was also recorded to have high rates of wasting, at 11.50% followed by the provinces of Kidapawan (6.82%) and Sultan Kudarat (4.53%). Overall, malnutrition is high in the provinces of Cotabato, Kidapawan, and Sultan Kudarat. In 2017, with the alarming high rates of malnutrition cases in the region, all provinces and one highly urbanized city were included in the PPAN focus areas.
- 29. The NNC identified the underlying and basic causes of malnutrition[2] to be (i) insufficient access and unaffordable nutritious foodthroughout the year, (ii) poor care for mothers and children and support for parents on appropriate child feeding practices, and (iii) insufficient access to health sanitation and clean water services. The identified causes are deemed rooted in (i) the political and cultural environment, (ii) poverty, (iii) disempowerment of women, and (iv) environmental degradation. Agriculture is one of the most important sectors in the country as it is essential for the country's food security, poverty reduction, and agrifood systems. However, the Philippine agricultural sector is experiencing slow and low output, productivity, and trade growth and limited structural and technological change. The Total Growth Output for the Philippines is lower, 32%, than neighboring countries like Vietnam (73%), Thailand (67%), and Indonesia (50%). Domestic rice production also cannot compete with imports even with significant support from policies. This state of the agricultural sector in the country were coupled by the multiple natural disasters, COVID-19 pandemic, African Swine Fever, and ongoing war between Ukraine and Russia[3]. More so that heirloom rice has smaller markets, usually confined only within the regions they are produced. Coffee and cacao, as anchor crops of VISTA, have been identified as having high national and global market demand, and are suitable for upland agriculture in small land holdings. Coffee and cacao have potential to significantly contribute to poverty alleviation and inclusive growth through livelihood and job generation in the upland areas. These crops have potential for integration in sustainable farming systems (root crops, vegetables, sayote, fruit and nut trees) that can contribute to food security, improved nutrition and livelihood resilience. The two anchor crops have low barriers to investment for small farmers and high potential engagement of IPs, women and young people in all stages of the value chain.
- 30. Given that the country is an archipelago, there are constraints experienced by farming when it comes to trading. The Philippines has the lowest ranking in logistical performance in relation to lowest shipping connections and trading across borders. Poor transport connectivity poses as a challenge to fruits, meat and high value crop producers because of higher logistic costs. Farm lands are being broken down into smaller holdings thus agricultural households would mostly rely on income outside their farms because productions are low because of their small farm lots. There is also an aging population within agricultural operators, males with a median age of 46 and females with a median age of 52. The higher precipitation during wet and sometimes even dry seasons caused by climate change contributes to further soil erosion of the sloping agricultural land and the rainfall surface run-off are just flowing downhill carrying the surface soil causing siltation in natural waterways.
- 31. [1] National Nutrition Council. (2021). 2021 Color Coded Prevalence of Malnutrition among 0-59 Months in CAR. Retrieved from: https://www.nnc.gov.ph/component/phocadownload/category/19-car-facts-figures?download=3394:2021-color-codedprevalence-of-malnutrition-among-0-59-months-in-car
- 32. [2] Scaling Up Nutrition Movement, 2013. National Nutrition Council.
- 33. [3] https://www.da.gov.ph/facing-the-big-challenges-in-philippine-agriculture/

2.2 Environment and climate context, trends and implications

34. The two regions have diverse environments and will require different approaches. However, common features are fragile upland environs and remote terrain. The following paragraphs highlight the distinct features of each region.

a. Environmental assessment

35. *The Cordilleras.* The Cordillera Mountain range includes Pulag, the highest mountain in Luzon (Appendix 5j-1). The mountain range is 320 km (198 miles) long north to south and 118 km (73 miles) wide from east to west. The mountain range terminates at the northern shores of Luzon along the Babuyan Channelin Ilocos Norte and Cagayan provinces. The south-eastern part is linked to the Sierra Madre Mountains through the Caraballo Mountains in Nueva Vizcaya. Maximum elevation is 2,000 meters above sea level, with 30% having an elevation of less than 500 meters above sea level. Steep slopes of more than 30%, comprise 70% of total land area. CAR contains 11% of the total area of agricultural rice fields, orchards, pig farms and pasture lands. 60% of the country's temperate vegetables are produced in the region. Some 80% of the total Philippine gold production

comes from the Cordillera (Habana, O. M. 2000). The range is also home to the headwaters of the major rivers in Northern Luzon, with several dams that include the Ambuklao and Binga Dams in Benguet.[1]

- 36. The CAR has four (4) priority critical watershed reserves supporting national irrigation systems aggregating into 977,829 ha which is 6.87% of the total area of watersheds in the country. These are the Abra River Watershed, the Abulug River Watershed, the Bayogao River Watershed and the Pamplona River Watershed. The Cordilleras also hosts 9 proclaimed watershed forest reserves with an aggregate area of 398,191.02 ha. The CAR also contains the SIKAME Watershed, the target of the IWMP developed through a previous IFAD Project. The Plan developed, contextualized in IP settings and indigenous knowledge systems and practices and is gender sensitive, was envisaged to be an innovative watershed mechanism within the region as it triggers policy dialogue given the cross-cutting nature to address regional development.[2] However, following the development of the Plan, lack of resources and capacity constraints have limited action.
- 37. Forest lands cover 44.6% of the region and 11.46% of the national figure. These are further divided into six groups: (1) Forest, classified into Closed-forest and Open-forest (832,335 ha); (2) Other Wooded Land, composed of wooded grassland, shrubs and fallow (520,503 ha); (3) Agricultural, comprised of annual and perennial crop (250,242 ha); (4) Other Natural Land, in which barren land and grassland belong to (214,545 ha); (5) Inland water, that included fishpond and other inland waters (24,225 ha); and (6) Built-up area (23,80 ha). The area of natural forests is largest in the province of Apayao both in closed and open forests at 110,356 hectares and 146,808 hectares, respectively. Benguet had the smallest area of natural closed forest at 7,670 hectares while Kalinga had the smallest area of open forests at 50,042 ha. Over 35% of the region's total forestlands are tenured. Certificate of Ancestral Domain Titles (CADTs), or Certificate of Ancestral Land Titles (CALTs), cover the largest portion of these (about 78%) followed by CBFMAs (around 8%). A variety of other tenurial instruments make up the balance. (Phil. Statistics Authority CAR, May 2020).
- ^{38.} rBased on the Philippine Forestry Statistics (2021), of the 16 regions in the country, CAR ranks 3rd in terms of total forest area (828,727 ha) and 4th with respect to open forest areas (564,087 ha), meaning that 64.95% is in a state of deforestation. Of the six provinces, Abra is highest with 98%, followed by Benguet (97%), and Ifugao at 79%. The least disturbed is Kalinga with 51% followed by Apayao with 56% and Mt. Province at 67%.
- 39. In 2002 the Cordillera forests was ranked as "Extremely High", and the level of priority for conservation ranked "Extremely High-Urgent" to "Extremely High-Critical."[3] These designations applied specifically to biodiversity resources found within Balbalasang-Balbalan National Park, and on and around the peaks of the Central Cordillera higher than 1,000 meters above sea level. The Abra River and the Agno/Amburayan River system were also noted for the importance of the biodiversity resources that they support.[4] The Cordillera also occupies one of the main "biodiversity corridors" along which animals move and which provide pathways for dispersal of seeds.
- 40. A UNESCO World Heritage Site in Ifugao, the Banaue Rice Terraces, "Eighth Wonder of the World," are 2,000 year-old terraces carved into the mountains of Ifugao by ancestors of the Batad people. The terraces cover a vast area and are approximately 1,500 meters (5,000 feet) above sea level. They are fed by an ancient irrigation system sourced from the upper rainforests above the terraces. The Municipalities of Mayoyao and Hungduan are within the UNESCO heritage area.
- 41. **Region XII.** The region has a total land area of 19,165.87 sq. km., which is about 17% that of Mindanao[5] and is located on the southwestern part of Mindanao covering the provinces of South Cotabato, Cotabato, Sultan Kudarat and Sarangani that has extensive coastlines, valleys and mountain ranges. North Cotabato has the biggest area at 6,019.78 sq. km. (30.4% of the region's area). The smallest among the provinces is Sultan Kudarat with an area of 4,401.06 sq. km. The Cotabato Basin is the drainage basin of Mindanao surrounded by mountain ranges on three sides with the Rio Grande de Mindanao, the longest river in Mindanao and the second longest in the Philippines running through it.[6] The City of General Santos is a major urban center in the region.
- 42. The soil topography of Cotabato's terrain varies from flat, fertile plains to irregular landscape of wide valleys, scattered hills and extensive mountain ranges such as the Kitubod Range, Mt. Apo which forms the natural boundary between North Cotabato Province and Davao City, and Davao del Sur Province and the Tuael Range. Most of North Cotabato province is upland with a varied topography.[7] Sultan Kudarat ranges from plain and rolling to hilly and mountainous. Prominent peaks are Mt. Matutum near the General Santos area that is a dormant volcano that is a major watershed suppling water to 25% of the SOCCSKSARGEN Growth Area and home to approximately 7,200 settlers of which 41% are IP.
- 43. The Philippine Forestry Statistics (2021) reveals that in terms of forest cover, Region XII ranks 10th compared to the other 15 regions with 293,682 ha. Open forest is 65.43% (192,150 ha). Of the four provinces, Sultan Kudarat has the largest open forest (74%), followed by Sarangani (72%), North Cotabato (60%) and South Cotabato (53%).
- 44. Land use/land classification,[8] is agricultural lands made up of annual and perennial croplands are 49.4% while the forestlands (closed, open, mangrove) cover only 15%. The region is called the food basket of Mindanao especially Cotabato. It is a major producer of cereals, tropical fruits, vegetables, sugarcane, coconut, coffee, freshwater fish and livestock. It is a leading producer of raw and semi-processed rubber, with markets in Asia and Europe, and industrial trees. The region produces chicken, hogs, ducks, goats, carabaos and cows. Coconuts are the major crop of Sarangani Province. Copra and coconut oil are commercial crops. Other major crops are palay, corn, banana, sugarcane, pineapple and mango. Brushlands and shrublands with open and barren lands make up 20% of the land cover area.
- 45. Liguasan Marsh, at 288,000 hectares (712,000 acres)remains the country's largest intact wetland, relatively undisturbed largely due to the war waged by the MILF since the late 1970s, and is home to diverse fauna and flora as well as thousands of ethnic Moro, or Bangsamoro, families whose livelihoods depend largely on fishing and farming in the marsh.[9] In 1979, about 30,000 hectares of the marsh was declared a Game Refuge and Bird Sanctuary[10], with an inventory carried out to ensure the preservation of wildlife and aquatic resources.

46. At least 92 species of birds, dozens of fish species, six species of reptiles and five species of amphibians are recorded to live in the area. The marshland is the only area in the Philippines where the Comb-crested Jacana can be sighted. There are populations of the Philippine crocodile and the Estuarine crocodile, and in the forested area of the marsh, the Philippine

eagle.[11][,] [12] Other fauna species present in the region are Tarictic hornbill (endangered), flying fox (vulnerable), Philippine Eagle (critically endangered), wild deer, Wild pig, owl, monkey and Philippine Crocodile and the Estuarine or Salt water Crocodile. There are also observed cases where small non-volant mammals threaten the environment mainly damaging the crops due to fast reproduction.[13] Plant species that could be found in the region as per BMB Documentation Report 2018 are Molave (vulnerable), *Toona calantas* (vulnerable), Narra (vulnerable) and agricultural crops such as rubber, coconut, cacao, coffee, corn rice vegetables, strawberry and wild cavendish.

- 47. [1]https://www.chanrobles.com/legal3car.html#.YTMM_I4zY2w
- 48. [2] https://www.ifad.org/en/-/document/philippines-1100001395-charm-ii-supervision-report-february-2021
- 49. [3] Ong et al. (eds.) 2002. Philippine Biodiversity Conservation Priorities: A Second Iteration of the NBSAP. DENR-PAWB, C.I. Phis., BCP-UPCIDS, and FPE. Quezon City Philippines.
- 50. [4] Areas included here are Balbalasang-Balbalan National Park; Saitan River Valley (Budabosa Area, Abra)-Mt.Ticma area; Otip River Valley upslope to Kamin-Ingel Ridge and Busuao Watershed; the border area between Abra, Mountain Province and Ilocos Sur; Mt. Amuyao; Mt. Polis; Mt. Data National Park; and Hungduan-Kiangan-Banawe area.
- 51. [5]https://kapuluanngpilipinas.wordpress.com/2016/05/16/region-xii-soccsksargen/
- 52. [6] Wernstedt, Frederick L.; Spencer, Joseph Earl (1978). <u>The Philippine Island World: A Physical, Cultural, and Regional</u> <u>Geography</u>. Berkeley: University of California Press. pp. <u>32</u>-37. <u>ISBN9780520035133</u>.
- 53. [7]https://fpa.da.gov.ph/NW/index.php/information-resources/regional-profile/region-xii
- 54. [8] PSA Compendium 2010-2019
- 55. [9]https://news.mongabay.com/2021/10/philippine-wetland-oil-riches-untouched-by-war-now-up-for-grabs-in-peacetime/
- 56. [10]https://www.philstar.com/business/2022/03/07/2165343/sklogc-explore-develop-liguasan-marsh
- 57. [11] Sarmiento, Romer (14 May 2012
- 58. [12]"Liguasan Marsh eyed as freshwater fish biodiversity center in Mindanao". BusinessWorld.)
- 59. [13]Mary Celman P. Guaza, Kristine Mae L. Yap, Sunshine Gay T. Singson, Shahida P. Nor, Relaine L. Amado, Mark Anthony J. Torres, Maria Luisa Non-Cabrera, Elani A. Requieron. 2016. Comparative diversity and composition of small non-volant mammals in areas found on Soccsksargen Region, Philippines. Journal of Biodiversity and Environmental Sciences (JBES) ISSN: 2220-6663 (Print) 2222-3045 (Online) Vol. 8, No. 2, p. 255-264, 2016 <u>http://www.innspub.net</u>

b. Climate trends and impacts

- 60. *The Cordilleras*. CAR is the coldest region in the country, especially from November to February, with temperatures reaching as low as 15° C. The dry and wet seasons vary by province, but generally, the dry season starts in about November and lasts up to April.[1] The Cordilleras contributed about 30-50% of total rainfall in the country. Mean annual rainfall at higher elevations is over 3,800 mm per year, while mean monthly rainfall ranges from as low as about 8 mm in February to as high as 900 mm in August.[2] Within the Cordillera Region, the 21-yr curve of rainfall shows high rainfall ranging from 2000 mm to 8000 mm but with a decreasing trend in rainfall despite a slow increasing trend for the Philippine average rainfall from 1998 2016. Observations in recent years have shown some shifting in the arrival and occurrence of typhoons and even of the wet and dry seasons. Local sources claim that these changes could be effects of the region's slowly disappearing forests. In 2020, of the 42 tropical cyclones in the Philippines 4 passed through CAR.[3]
- 61. From 1901 to 2021 the temperature trend in the Cordilleras shows a steadily increasing rise [4] From 23.4 ⁰C in 1901, the temperature in 2021 is now about 24.7 ⁰ Although data shows that there are fluctuations in temperature, the steady rise suggests an increasing trend. The 2020 seasonal temperature medium range scenario, in CAR is only in the 0.5 1.0^oC range. By 2050, this temperature scenario has increased to 1.5-2.5^oC range.[5]
- 62. Region 12. In Region 12, all months have mean precipitation values of at least 60 mm. There is no pronounced summer or winter and is typically hot and wet throughout the year. The average annual temperature is 27.2° The highest recorded temperature as of 2016 is 37.2°C in March and the lowest is 16.1°C in January. For rainfall, the normal rainfall for 1991-2020 is 100 200 mm. However, actual rainfall as recorded in December 2022 is now at 50 100 mm. This is about 40 80% below the normal.[6] The month with the least amount of rainfall is January with 63.5 mm.[7]
- 63. PAGASA in 2020, recorded the climatological normal for a period of 1991-2020. The climatological normal is the averages of a period computed for a uniform and relatively long period of at least 3 consecutive 10-year period. June is the month with the highest recorded rainfall with 101.9 mm while February has the lowest average of rainfall at 53 mm. As for the temperature, April recorded the maximum at 34.3°C while the minimum is shared by July and August with 22.6° Temperature trend is shown to have a rise in temperature over a 120 year period of recorded temperature in the region. From 1901, the recorded temperature was about 25.4°C and this fluctuated through the years but in an increasing fashion to 2021 where the temperature reached about 26.2°C. However, the temperature for the period peaked in 2017 reaching a high of 26.4°C.[8] Projecting to 2050, the temperature range would increase by 1.5 2.4°C, which would impact on agricultural production especially in the lowland plains and the higher elevations of the region. Appendix 5j-2 provides the details.
- 64. Earthquake is the prevailing natural hazard in the region.[9] There is 83.7% of the share of natural hazard on ground shaking and liquefaction caused by earthquakes. Tsunamis rarely occur but they do occur especially if the earthquake epicenter is in the sea. The majority of the 1,195 barangays in Region 12 (Soccsksargen) are considered highly prone to flooding and landslides based on the assessment of the Mines and Geosciences Bureau (MGB). Karst subsidence is an emerging hazard in the region and the vulnerability of the region's localities are presently being studied. Karst subsidence is characterized by sinkholes that usually occur in areas underlain by limestone. Region 12 is considered typhoon-free. [10] There are four volcanoes that were identified by the PhiVolcs for Region 12:[11] Mt Blit 1,198m extinct, Mt Quezon 652m extinct; Mt Matutum 2,286m dormant, and Mt Parker 1,824m dormant.
- 65. [1]www.car.denr.gov.phindex.phpcar-gis-maps
- 66. [2] CHARMP Scale-Up Baseline Study Report.
- 67. [3] Dela Cruz-Santos, Gemma. 2021. 2020 Tropical Cyclones in the Philippines: A Review. Tropical Cyclones Research and Review. Vol 10:3 pp. 191-199. <u>https://www.sciencedirect.com/science/article/pii</u>, accessed 17 October 2021.
- 68. [4] WBG ADB CC Knowledge Portal, 2022
- 69. [5] REECS Report 2016. Conduct of Monitoring and Evaluation of CHARMP2: Reforestation and Agroforestry, Final Report.
- 70. [6] DOST PAGASA, 2020 https://pagasa.gov.ph
- 71. [7]https://kapuluanngpilipinas.wordpress.com/2016/05/16/region-xii-soccsksargen/
- 72. [8] WB ADB CC Knowledge Portal, 2022
- 73. [9] Statista 2022. https://www.statista.com/statistics/1092008/philippines-earthquake-hazard-region-12-soccsksargen-bytype/#statisticContainer
- 74. [10]https://www.pna.gov.ph/articles/1147174 Most barangays in Soccsksargen prone to flooding, landslides By Allen Estabillo July 15, 2021
- 75. [11] Volcanoes of Region 12 Mt Blit 1,198m extinct, Mt Quezon 652m extinct (black triangle); Mt matutum 2,286m dormant, Mt Parker 1,824m dormant (green triangle): source <u>https://www.volcanodiscovery.com/mindanao.html</u>

c. Climate change mitigation

76. Both the Cordilleras and Region XII possess common general geophysical features, i.e., mountainous and uplands / highlands, that experience similar climatic impacts. CAR and Region XII are inhabited by Indigenous Peoples. Mitigation measures are also basically similar although details in implementation may vary because of differences in culture and indigenous knowledge systems.

77. Potential Risks and Suggested Mitigating Measures

Impacts / Risks	Management Measures
S Substandard design coupled with increased rainfall trigger landslides & flooding; Earthquake induced landslides damage infra along sloping areas/ farmlands	Climate proof infra design Increase disaster preparedness of beneficiaries; conduct drills on disaster preparedness; Avoid siting of rural infra along fault lines, & landslide & flood prone areas
Construction disturbs soil exposing these to rainfall & erosion	Conduct reforestation activities on bare slopes & open canopy forest areas
Species selection for reforestation and other agroforest crops may challenge the biodiversity structure of the area	Use indigenous and/or commonly found tree-crop species to be planted. Select species that are able to adapt to the projected climate conditions of the project site.
Physical & economic displacement may occur with investments requiring space or restricting access to formerly utilized areas	Uphold the Abbreviated Resettlement Framework (Abbr. Resettlement Framework; See Social, Environment, and Climate Assessment Procedure (SECAP) Review Note (SRN) Appendix 5f) & prepare an Abbreviated Resettlement Action Plan (Abbr. RAP) Install a grievance redress mechanism (GRM) as avenue for information disclosure & serve as feedback loop for appropriate action
Investments may impinge on tenure arrangements of IPs along with social & institutional arrangements around customary use of land and natural resources.	Observe Indigenous Peoples Planning Framework (IPPF; See SRN Appendix 5e) & Free and Prior Informed Consent Implementation Plan (FPIC-IP; See SRN Appendix 5d) & prepare an Indigenous Peoples Plan (IPP). Meaningful consultations will be conducted Install GRM as avenue for information disclosure & serve as feedback loop for appropriate action
Exclusion of women including young women and indigenous women from community decision making for project investments	Community sensitization, adopting quota for women's participation in local decision making (through ARBOs/ARCs); Develop gender and social inclusion checklist for community level trainings/ meetings/workshops/decision making forums (logistical arrangements, facilitation, training/meeting materials used, special measures to ensure women and other marginalised groups' participation etc.).
Unregulated pesticide use & fertilizers would pollute water sources, expose women (of child bearing age) to health risks, reduce population of beneficial insects thereby reducing crop yield & eventually the income of beneficiaries	Strictly implement the provisions of PD 1144 governing the sale & use, storage of fertilizers & pesticides

Impacts / Risks	Management Measures
Crop failure due to increased frequency & duration of extreme climatic events (rainfall and drought/El Nino)	Provide "umbrella" shelter for crops Establish nurseries to ensure adequate supply of planting materials to replace damaged crops Provide technical assistance to farmers & other beneficiaries Anticipate such occurrence through disaster preparedness Protect water sources and ensure efficient distribution to farm lots and rice paddies especially during ENSO (El Niño Southern Oscillation) events Promote indigenous seed storage practices for rice and other crops
Agri & nursery waste management is non-existent or is minimal - pollutes waterways & bodies of water	Support local government initiatives on waste management Provide trainings on organic agriculture - Convert agri-wastes into organic fertilizer
Women farmers increased exposure to health hazards due to women more likely to grow crops on contaminated land[1]	Promote integrated pest management (IPM) Promote organic farming practices
Resistance within community towards women's empowerment and gender transformative actions	Involve men & community leaders throughout the process of gender transformative actions, invest in shifting perceptions & practices around the recognition & promotion of women's empowerment to the whole community; community awareness raising on Gender Equality and Women Empowerment (GEWE) (incl. on gender-based violence)
Typhoons damage farm lands, induces crop failure	Climate – proof storage facilities, roads and other infrastructure Prepare for such events by having a ready supply of planting materials to replace damaged crops
Generally weak capacities of Local Government Units (LGUs) & other partners to implement the Project will cause challenges in Project implementation	Conduct trainings on Project mgt & implementation, Monitoring and Evaluation (M&E), & governance to LGUs & ARC/ARBs
Target communities have low adaptive capacities to climate change impacts	Apply SECAP measures especially on Targeted Climate Adaptation Strategies
Financial intermediaries are not equipped with environmental & social management systems (ESMS) to properly service beneficiaries	Ensure financial intermediaries prepare & install ESMS prior to onlending activities

78. [1]https://vc.bridgew.edu/cgi/viewcontent.cgi?article=1199&context=jiws

2.3 Target group profiles

- 79. Upland Farmers and Agrarian Reform Beneficiaries (ARBs). According to the 2015 Survey of Agrarian Reform Beneficiaries, the estimated number of ARB households is around 1.78 million. From the total ARB households, 13.15% are female-headed households. About 82.8% of household head with CARP beneficiaries were economically active in which 71% of them are farmers, forestry workers, and/or fishers, 7% were laborers and unskilled workers, 5% are plant and machine operators, and assemblers, and 4.5% are traders and related workers. Non-ARB households have better living conditions compared to ARBs.
- 80. Project VISTA will initially target ARCs in the target regions and expand to similar adjacent poor communities, expanded ARC Clusters (EARCCs) that also have potential to engage in the targeted anchor crops. The selected upland areas in the regions are major watersheds with high levels of fragility, experiencing environmental protection and degradation issues. As in the case of CAR, part of the EARCC falls within the SIKAME watershed (comprising the mountains of Sisipitan, Kaman-Ingel, and Mengmeng covering about 79,000 has). Only a selected portion thereof will be included in the project as EARCCs.
- 81. Smallholders are non-ARB farmers or tenants in upland and lowland areas, usually owning less than five hectares of landholding. Small farm holders are commonly vegetable farmers because of the short growing period, labor intensive, and high land productivity which can fit with rotation crops[1]. Benguet is the lead vegetable producer in CAR and for the rest of the country with 292,535.11 MT from an area harvested of 6,249.00 hectares PSA, 2022). SOCCSKARGEN had biggest planting area for coffee (26,731 ha) in 2015 accounting for 24% of total production area in the country (113, 738 ha. Smallholders are the most vulnerable to hardships due to environmental degradation and climate variances since they are usually cultivating marginal lands, lack technical knowledge, and have small to no financial support. Smallholders that also engage in livestock are observed to experience low productivity due to poor livestock performance and low quality and quantity of feeds[2].
- 82. Their lands comprise mostly of steep slopes and rugged terrain with the ground highly susceptible to loss of nutrient-rich top soil and sedimentation of waterways caused by fast-flowing waters during heavy rainfalls. Most of the land parcels in these areas have long been occupied and subjected to cultivation and prone to long-term soil erosion and land degradation. even before they had been transferred/awarded to ARBs. Currently these lands are planted with food and cash crops such as corn, banana, upland rice varieties and sugarcane, and perennial crops such as coconut, rubber, coffee and cacao. However, some portions in these areas still contain small thickets in gullies that provide natural habitats and waterways that are critical components of micro watersheds.
- 83. **Indigenous Peoples**. IFAD's Country Technical Note on Indigenous Peoples' Issues (2012) identifies that indigenous peoples are among the poorest and most marginalized sectors of Philippine society. They experience neglect and discrimination in the provision of basic social services by the Government. They are found in the forests, mountains, lowlands and coastal areas of the country and are in varied levels of socio-economic development.
- 84. The IPs of CAR are collectively called Igorot which means "people from the mountains" which are composed of tribes[3]. This collective term is not always accepted, especially in the provinces of Ifugao, Kalinga, and Apayao, due to colonial history[4]. Major ethno-linguistic groups in CAR are the Kankanaey, Bontoc, Ifugao, Kalinga, Ibaloy, Isneg, and Tingguian. Cordilleran IPs has a strong concept of *ili* or a 'community's claim to a territory'. These territorial boundaries are usually communal and are marked by geophysical features[5]. In CAR, IP upland farming has been a practice for about 10 to 50 years whose crop is typically related to their identity as a tribe and are managed through traditional agricultural practices[6]. Mindanao's IPs are known as Lumads which means "of the land".[7]In Northern Mindanao, farms are generally managed by husband and wife, hedgerow system increased agroforestry and corn yields, and agroforestry increased benefits compared to monocropping[8].
- 85. Agrarian Reform Beneficiary Organizations.[9] DAR introduced the creation of farmers' organizations known as ARBOs to serve as channels for the provision of support services to ARBs. ARBOs were organized nationwide in identified ARCs or clusters where there is concentration of ARBs or lands distributed through the land reform program. The collective coordination of small farmers through cooperatives or farmers' associations has become critical for increased productivity and incomes of the farm sector. Organizations are comprised of community of members with recognized social interactions through time yet smallholders rarely self-organize in a formal way due to lack of resources (ie, capital, technology, facilities), limited leadership skills, weak organizational capacity (Markelova, et al 2009).
- 86. A study[10] on organizational maturity of ARBOs reveal that the maturity index score is 34.3 equivalent to Level 3 organizational maturity. The region with the highest average maturity index score is CAR with 44.92 while ARMM has the lowest with 20.12. ARMM has no ARBO that has reached level 5 maturity. Eight (8) regions have average maturity index scores less than the national average: ARMM, Regions V, VI, VIII, XII, and the IFAD ConVERGE sites of Regions IX, X, and XIII.
- 87. Business Development Partners. These include eligible farmers' cooperatives and associations (People's Organisations or POs) which can have a leading role as innovators in improving the returns from the existing and emerging value-chains in an enterprise-oriented development approach. Formal and informal partnerships can be built with private sectors or companies like Nestle for coffee, San Miguel breweries for cassava, and Ching Bee Trading for abaca. Financial institutions can also be tapped to provide financial assistance to ARBOs. Public institutions like the Philippines Fiber Industry and Development Authority and NGOs could also offer services of sharing their experience and expertise to provide services along the value chains.
- 88. [1] Dejarme-Calalang, G. M., Bock, L., & Colinet, G. (2015). Crop production of Northern Mindanao, Philippines: Its contribution to the regional economy and food security. Tropicultura, 33(2), 77-90.
- [2] Lapar, M. L. A., & Ehui, S. K. (2004). Factors affecting adoption of dual-purpose forages in the Philippine uplands. Agricultural Systems, 81(2), 95-114.

- 90. [3] Cariño, J. K. (2012). Country technical notes on Indigenous peoples' issues: Republic of the Philippines. IFAD.
- 91. [4] McKay, D. (2006). Rethinking indigenous place: Igorot identity and locality. Australian Journal of Anthropology, 17(3), 291-306.
- 92. [5] Molintas, J. M. (2004). The Philippine indigenous peoples' struggle for land and life: challenging legal texts. Ariz. J. Int'l & Comp. L., 21, 269.
- [6] Portilla, J. C., & Mirandilla, J. R. F. (2013). Documentation of indigenous practices in upland (traditional) rice production areas and site characterization in CAR [Cordillera Administrative Region, Philippines]. Philippine Journal of Crop Science (Philippines).
- 94. [7] Tanalgo, K. C. (2017). Wildlife hunting by indigenous people in a Philippine protected area: a perspective from Mt. Apo National Park, Mindanao Island. Journal of Threatened Taxa, 9(6), 10307-10313.
- 95. [8] Magcale-Macandog, D. B., Rañola, F. M., Rañola, R. F., Ani, P. A. B., & Vidal, N. B. (2010). Enhancing the food security of upland farming households through agroforestry in Claveria, Misamis Oriental, Philippines. Agroforestry systems, 79(3), 327-342.
- 96. [9] Ballesteros, M.M. and Ancheta, J.A. (2020) The Role of Agrarian Reform Beneficiaries Organizations (ARBOs) in Agriculture Value Chain. Philippine Institute for Development Studies. Discussion Paper Series No. 2020-24. Quezon City, Philippines. https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps2024.pdf
- 97. [10] Ibid.

3. Institutional analysis

- 98. DAR with its past experience with IFAD projects has proven to be a capable institution with direct linkages at the grass roots level with its agrarian reform communities, POs, and local governments. DAR is the primary implementing agency for VISTA. The DENR as the lead government entity for natural resources, biodiversity conservation, and climate change has worked with DAR through the Government convergence initiative. Similarly, the DA as the collaborating agency of VISTA through its BSWM, ATI, and RFO, is a member of the convergence group and provides the necessary technical support to DAR plans, programs, and projects. Both DENR and DA will largely contribute to local planning and ensure the imperatives for ecosystems-based value chain are achieved. All these agencies have limited capacities on SECAP despite national laws that complement SECAP standards. Pertinent laws that impinge on the project are provided in Appendix 5j-3.
- 99. DAR stands on the powers vested under RA 6657 (1988) or otherwise known as the Comprehensive Agrarian Reform Law (CARL) to lead in the implementation of the Comprehensive Agrarian Reform Program (CARP) through Land Tenure Improvement (LTI), Agrarian Justice and Coordinated delivery of essential Support Services to client beneficiaries. As such, it has a functional organizational structure with mechanisms at the national, regional, provincial and municipal levels. It has strong partnership and coordination with partner agencies, LGUs, CSOs, POs and other stakeholders. The agency has the capability to organize and mobilize ARBs with a clear ARC development strategy with established performance-related organization and management systems. Staff complement is visible across levels from the national down to municipal offices. Past engagements with IFAD has been through the WMCIP, NMCIREMP, and CONVERGE.
- 100. The DENR is the primary agency responsible for governing and supervising the exploration, development, utilization, and conservation of the country's natural resources. It is one of the largest government agencies with presence down to the community level though parallel to its structure has been devolved to local government units thus based on stakeholder consultations, is not as visible at the site level. DENR has past experience with IFAD through CHARMP and INREMP.
- 101.As DA is the collaborating agency of VISTA with BSWM, ATI, and RFO as its lead implementing arms, it is responsible for the promotion of agricultural development by providing the policy framework, public investments, and support services needed for domestic and export-oriented business enterprises. The agency has a training and extension arm with available training centers in every region. It has expertise in agribusiness land investment promotion, servicing project and business development, trade marketing, contract facilitation and project negotiation. The agency has been an IFAD development partner through past projects like HADP, CHARMP and FishCORAL. DA contains several specialised Bureaus and Institutes, including the Bureau of Soil and Water Management (BSWM) and the Agricultural Training Institute (ATI) which will both play key roles in VISTA implementation.
- 102. Within government, the DTI is tasked as the main economic catalyst that enables innovative, competitive, job generating, inclusive business, and empowers consumers. It acts as a catalyst for intensified private sector activity in order to accelerate and sustain economic growth through comprehensive industrial growth strategy, progressive and socially responsible trade liberalizationand deregulation programs and policymaking designed for the expansion and diversification of Philippine trade both domestic and foreign. RAPID is an ongoing IFAD supported project under DTI.
- 103. The NCIP is responsible for protecting and promoting the interest and well-being of the Indigenous Cultural Communities/Indigenous Peoples with due regard to their beliefs, customs, traditions, and institutions. It serves as channel for IPs to seek government assistance and subject to existing laws, can enter into contracts, agreements, or arrangement, with government agencies or private Its organizational structure is down to the community level with 110 Community Service Centers all over the country. Parallel to the structure of local government units, the agency by virtue of IPRA, is fortified with the presence of IP Mandatory Representatives across levels.
- 104.Local Government Units The country is divided into units known as political subdivisions such as provinces, municipalities, cities, and barangays. These political subdivisions enjoy autonomy, especially in local affairs. But, they are also under the general supervision of the Chief Executive, through the Secretary of the Department of Interior and Local Government (DILG). These local governments are agencies of the national government in the matter of collection of taxes, law enforcement, and other governmental functions, which may be delegated by the national government to these local governments. Local governments constitute the foundation of the entire structure of the government and its staffing mirror those of the national government.

4. Environmental and social category

- The Project is classified as inherently Substantial (See Appendix 5j 4a for the offline screening checklist) primarily due to its location in upland areas considered to be within forestlands and protected areas (e.g. National Park, Nature Conservancy, Indigenous Community Conserved Area, (ICCA), etc.). Of the 142 ARCs in the list provided by DAR for assessment for the two regions during the mission, 70% are known to have IP communities within ancestral domains. In the sustainable use of resources, indigenous forest management systems of the IP communities will be packaged and disseminated across project sites within the region, subject to a FPIC. While application of their traditional knowledge and practices will be replicated to highlight recognition of their sustainable relations with the environs, these are not however subject to commercialization, rather to promote sustainable and resilient management of resources and adaptation to extreme climatic events.
 - 2. It must be underscored that the project overall supports biodiversity conservation in these areas and promote livelihoods that reduce pressure and impacts on the ecosystems. The project will apply Good Agricultural Practices and ensure nature-based developments with minimal impacts on ecosystems and vulnerable sectors like indigenous peoples. The project is targeted towards the protection and conservation of soil, water, biodiversity, and forest resources and climate change initiatives including identification of sustainable inputs and technologies, land tenure boundary support, best fit crop matching in ecosystems and waste minimization approaches. It would cover protection of soil, water, biodiversity, forestry and climate change initiatives including identification of sustainable inputs and technologies, and land tenure boundary support.

5. Climate risk category

- 105. The Project is classified Substantial for climate risk classification. The project areas are inherently impacted by extreme climatic events such as flooding, tropical storms/typhoons and drought but it is not expected that these will have a major impact on project activities since the project is focused on enhancing resilience to climate change with special mention to agrobiodiversity documentation and mainstreaming of indigenous knowledge systems and practices. Appendix 4b provides the details through the offline screening checklist.
- 106. The project will include capacity building activities for government institutions, local governments, private sector as well as local communities and will apply Good Agricultural Practices.

6. Recommendations for project design and implementation

- 107. Adoption of SECAP documents and instruments. Based on the environment, social and climate screening, it is determined that all nine SECAP Standards apply to VISTA with varying levels of applicability. As such, a VISTA-IFAD Environmental and Social Exclusion List (Appendix 5j 5) and VISTA Safeguards Screening Checklist has been prepared (Appendix 5j 6) to be utilized at implementation specifically under Component 1. Screening VISTA investments shall result to: (i) an assessment of the environmental and social risks; (ii) identification of required permits and clearances prior to project implementation; and (iii) identification of applicable SECAP management plans to avoid, mitigate and minimize the identified environmental and social risks. The screening process further determines possible documents and instruments, e.g., ESCMP and ESIA, to be applied during Project implementation, based on subproject typology.
- 108. The following SECAP documents have been prepared, ready for review and adoption by the DAR as executing agency: (i) Abbreviated Environment, Social, and Climate Management Framework (ESCMF) as provided in Appendix 5b, (ii) Annotated Outline of a Pest Management Plan (PMP) in Appendix 5h, (iii) Guidance for Subprojects affecting Tangible and Intangible Cultural Heritage (Appendix 5i) (iv) Stakeholder Engagement Plan (SEP) that includes for the project Grievance Redress Mechanism (GRM), see Appendix 5c, (v) Free and Prior Informed Consent (FPIC) Implementation Plan (Appendix 5d), (iv) IP Plan/Framework in Appendix 5e, (v) Abbreviated Resettlement Framework found in Appendix 5f, and (vi) Targeted Adaptation Assessment (Appendix 5g).
- 109. <u>Risk assessment and management</u>. SECAP is built onto the whole project design. The approach to the VISTA recognizes that in the rural-urban spectrum, poverty incidence is aggravated by lack of diversity in sources of income, thereby increasing susceptibility to shocks that affect nutrition household income is correlated with household dietary diversity where most female-headed households allocate income with focus on dietary diversity (Danton, 2016). Low population density rural clusters manifest high poverty and high prevalence of stunting and wasting and those in dense urban clusters are similarly though at a lesser degree, vulnerable to high poverty, stunting, and wasting.[1] The proposed project will be cognizant of ecosystems being inter-related and interconnected in terms of their functional relationships such that perturbations in one would affect the other. Hence, while investments will focus on an ecosystem for VCD purposes, SECAP 2021 assessment and risk management shall take into account the whole continuum ridge to reef, or upland-coastal/island with due concerns on the poverty and socioeconomics aspects that include gender and nutrition-sensitive assessment and programming within that ecosystem. It is with these in perspective that the Abbreviated ESCMF has been prepared. It underscores that SECAP goes beyond compliance, avoiding risks and impacts to identify opportunities for maximizing development gains by mainstreaming environmental, social and climate issues throughout the project cycle and thematic concerns on target groups (IPs, women, youth, and nutrition). DAR and DA, as lead and co-lead respectively, will have the main responsibility of coordinating with the LGUs, DENR, NCIPs and other stakeholders, where applicable.
- 110. Pest Management Plan (PMP). An annotated outline of a PMP is provided that extends guidance towards the preparation of a concise implementation plan for the pest management aspects of the various crops covered by VISTA, such as coffee, cacao,

rice, reforestation and agroforestry tree-crop species. The PMP guides relevant stakeholders on the details of the pest management strategy and to which a feedback loop is provided for consideration by project management. The PMP is anchored upon the ESCMF matrix and describes the full rationale of, and justification for, the application of biocides or other pest management techniques, and the respective institutional and regulatory framework. It further provides a description of the proposed strategies, associated risks and appropriate measures to manage risks.

- 111. The PMP shall be disclosed and discussed to stakeholders: in draft form and the final version prior to subproject approval. It is suggested that the PMP be in a form and language understandable to stakeholders and their views taken into consideration during the revision of the draft.
- 112. <u>Guidance for Subprojects affecting Tangible and Intangible Cultural Heritage</u>. A guidance note has been prepared (see SRN Annex 9) that includes the list of the UNESCO declared sites along with the national list of tentative/proposed UNESCO sites. Declared heritage sites are considered critical areas that require compliance certificates from the DENR prior to subproject implementation.Referencing cultural heritage to local/indigenous knowledge, innovations or practices of local communities, for the benefit of the project or for commercial purposes, will require linking to the VISTA FPIC-IP, IPPF and SEP in order to obtain the FPIC to allow for fair and equitable sharing of benefits. The guidance note likewise provides a Chance Find Procedure in the event physical culture traits are encountered.
- 113. <u>Stakeholder Engagement and Grievance Redress</u>. Meaningful consultation and participation leading to FPIC are necessary to ensure the projects builds on the strengths of the local communities, while addressing issues, concerns and voices of affected households in project preparation, implementation, monitoring and reporting. Stakeholder engagement shall be undertaken in an atmosphere free of intimidation or coercion, gender and youth inclusive and responsive, tailored to the needs of disadvantaged and vulnerable groups. Timely disclosure of relevant and adequate information, preferably in the local language, will be provided to stakeholders and made readily accessible. Documentation of stakeholder engagement and FPIC processes will form part of project report submissions. Action plans (ESCMP, SEP, GAP) per project site shall be prepared, to incorporate stakeholder feedback. The documents will be included as materials for periodic monitoring. For this to be realized DAR / DA and the LGUs will have to be well coordinated.
- 114.All SECAP project/subproject documents shall be made available for public review at a place accessible to local people, and in a form, manner, and language they can understand. Before a subproject is approved, the applicable documents (Abbr. ESCMP, SEP with GRM) must be disclosed to the public. The process of preparing the Abbr. RAP and IPP and compliance to NCIP-FPIC will continue after the completion of the SP/BP as long as the scope of impacts have been determined and disclosed. A website dedicated to project implementation will be made and all subproject information and action plans shall similarly be uploaded to the project website.
- 115.A Project grievance mechanism is drafted and will require disclosure and feedback from stakeholders prior to IFAD has an established complaints procedure for its supported projects to receive and facilitate resolution of concerns and grievances as regards alleged non-compliance of its environmental and social policies and the mandatory aspects of SECAP. If despite an official project GRM, stakeholders still need their concerns to be resolved in a fair and timely manner through an independent process, IFAD may be contacted by e-mail at <u>SECAPcomplaints@ifad.org</u>.
- 116. <u>Free and Prior Informed Consent (FPIC) Amongst Indigenous Peoples</u>. FPIC is a mandatory requirement under both IFAD and the country system through the NCIP subject to compliance, most significantly if projects potentially affect indigenous peoples, their customary lands or access to natural and cultural resources. The IPRA-required FPIC will be adhered to. As such, for VISTA investments located within Ancestral Domains or located near IP communities and/or have IP beneficiaries, the Proponent may already start the process prescribed under the FPIC Implementation Plan and IPP and engage with the NCIP and IP Mandatory Representative.
- 117. <u>Physical and Economic Displacement</u>. For investments that require land acquisition or encounter economic displacement temporary or otherwise, the project may commence with the process of preparing a Resettlement Action Plan as prescribed under the Abbreviated RF concurrent with FS preparation under Component 1.
- 118. **Procurement considerations.** Due to the substantial nature of risks, procurement guidelines for Contractor engagement will have to be compliant to SECAP. The Contractor is obliged to prepare a Contractor's ESCMP (CESCMP) compliant with the overall project ESCMP. A Contractor's staff code of conduct will similarly have to be prepared by the Contractor, as well as the Contractor's Health and Safety Management Plan (HSMP). These documents shall be annexed to the bidding documents as per monetary thresholds prescribed in the IFAD Procurement Manual and Procurement Handbook.
- 119. In project sites with IPs, previous work experience by the Contractor in similar environments with indigenous communities will be a key qualification. Further, that the Contractor has no record of previous convictions for infringement of labour laws. Civil works shall not commence in areas where there are resettlement issues until satisfactory implementation of the RAP by the Proponent is certified by the supervision engineer.

120. With respect to shortlisting of potential FIs, the following shall be ensured:

- Quality of their ESMS for screening financial intermediation services to demonstrate their capacity for assuming delegated responsibility for environmental and social assessment, risk management and monitoring, and overall portfolio management;
- Fls' capacity to continuously monitor on-lending and respond to accidental and emergency situations in their operations;
 Submission by Fls, in a form acceptable to IFAD, of annual environmental and social reports on the implementation of the ESMS and on-lending operations.

- 121. Designating VISTA SECAP focals at the national and regional levels. In order to fully implement SECAP-related activities, the project shall hire 2 SECAP Specialists, a Senior SECAP Specialist at the CPMO level to oversee and coordinate, monitor and evaluate project compliance to SECAP and country system requirements and a SECAP Specialist (2) at the RPMO level to monitor and evaluate project activities on social, environment and climate change assessment. The Senior Specialist liaises and regularly consults with national regulatory bodies to achieve satisfactory compliance status for VISTA. During the Field Mission, it was noted that the DAR has inadequate staff with background in the social sciences, hence the need that the Specialists have the social lens for projects with experience in community development work. The Specialists will be assisted by RPMO Foresters (2 to handle ENR & CC) and Senior Engineers (2 to handle SALT eng'g measures, infra, others) to cover the biophysical requirements of SECAP. The CPMO and RPMO SECAP Specialists, along with the RPMO Foresters and Engineers shall be capacitated on the SECAP instruments, especially the checklist as they interphase with communities and Consultants. DAR regular staff (2) shall be hired to liaise and coordinate with the RPMO and CPMO and also the VISTA as a whole to ensure smooth implementation and monitoring.
- 122. The DA as collaborating agency shall designate staff to provide technical support and assistance to DAR for the implementation of Component 1.2, and Component 2.1 and pest management.
- 123.[1] Alliance of Biodiversity International and CIAT & World Food Programme. (2021). *Philippine climate change and food security analysis*. Manila, Philippines.

7. Further studies needed

124. Components 1 & 2 activities/subprojects will be screened accordingly through the Philippine EIA System and the necessary environmental permits or licenses for subproject will be secured that includes those within cultural heritage sites. Per screening results, a IPMP shall be developed specific to the pest-crop associated with a project site. Should the social analysis determine that physical and/or economic displacement will be triggered by a subproject, the required Abbr. RAP will be prepared. Should the subproject impinge on IP culture and lifeways, an IPP will be prepared. Considering the climate risk of the project as determined by the climate risk screening, a more detailed climate risk assessment should be prepared.

8. Monitoring and evaluation

125. Monitoring of SECAP performance assessment will be conducted by PMU on a semi-annual basis. Results of monitoring shall be disclosed to stakeholders and their feedback recorded and acted upon.

126. Materials to be prepared and assessed are:

- Records of Consultations and FPIC
- Records of community participation during project planning and implementation phases, including issues raised by target group, how addressed, use of local languages where appropriate, and the like.
- Proof of environmental permit compliance on relevant activities.
- Reports on environmental and social management and monitoring activities.
- Reports on the monitoring and evaluation of private sector participation.
- Records of grievances received and the management process to completion, along with analysis of the grievance trends.
- Feedback from local stakeholders about the results of mitigation measures as reflected in the Abbr. ESCMP.
- · Occurrence of climate extremes and associated disaster/risk measures.
- Disaggregated records on the participation of women in all activities (ie, training/capacity building, consultations, and others).

9. References

- 127. Agricultural Training Institute. (Undated) Integrated Pest Management (IPM). ATI Building, Elliptical Road, Diliman, Quezon City.
- 128. Arceo, Carlo John. (2018). Situation of the Filipino Youth and Students. 10.13140/RG.2.2.24863.46247.
- 129.ASEAN Centre for Biodiversity. (https://asean.chm-cbd.net/mt-kitanglad-range-national-park.)
- 130. Ballesteros, M.M. and Ancheta, J.A. (2020) The Role of Agrarian Reform Beneficiaries Organizations (ARBOs) in Agriculture Value Chain. Philippine Institute for Development Studies. Discussion Paper Series No. 2020-24. Quezon City, Philippines. https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps2024.pdf
- 131. <u>Braganza, Lauro. (2023).</u> Integrated Pest Management in the Philippines: How it Works in https://www.pinoyfoodsecurity.com/agriculture/integrated-pest-management-in-the-philippines-how-it-works/
- 132. Cariño, J. K. (2012). Country technical notes on Indigenous peoples' issues: Republic of the Philippines. International Fund for Agricultural Development.
- 133. CHARMP. 2021. Project Completion Report. IFAD
- 134.Dejarme-Calalang, G. M., Bock, L., & Colinet, G. (2015). Crop production of Northern Mindanao, Philippines: Its contribution to the regional economy and food security. Tropicultura, 33(2), 77-90.
- 135.DENR-FMB. 2021. Philippine Forestry Statistics 2021. DENR FMB Quezon City DOST-PAGASA. 2011. Climate Change in the Philippines. DOST-PAGASA, Quezon City
- 136. Habana, O. M. 2001. Gold Mining in Benguet. Ateneo de Manila University Philippine Studies Vol 49 No. 1 (2001); 3-41
- 137. IFAD-SECAP 2021 Volumes 1 to 3.
- 138. Isaha, S. A. A., & Baseb, R. L. (2022). Gross Regional Domestic Product, Population and Employment as Predictors of Poverty Incidence in Northern Mindanao Region: A Prospective Study Using Path Analysis. Gross Regional Domestic Product, Population and Employment as Predictors of Poverty Incidence in Northern Mindanao Region: A Prospective Study Using Path Analysis, 94(1), 9-9.
- 139. Molintas, J. M. (2004). The Philippine indigenous peoples' struggle for land and life: challenging legal texts. Ariz. J. Int'l & Comp. L., 21, 269.
- 140. <u>National Nutrition Council. (2018)</u>. Winning the Malnutrition War: A Round-Table Experience on Nutrition: Documentation Report. Retrieved from: https://www.nnc.gov.ph/downloads/category/143-documentation-reports?download=2106:roundtablediscussion-on-nutrition-documentation-report
- 141. <u>National Nutrition Council. (2021). 2021 Color Coded Prevalence of Malnutrition among 0-59 Months in CAR. Retrieved from:</u> <u>https://www.nnc.gov.ph/component/phocadownload/category/19-car-facts-figures?download=3394:2021-color-coded-</u> prevalence-of-malnutrition-among-0-59-months-in-car
- 142.Paing, J. N., van Bussel, L. G., Gomez Jr, R. A., & Hein, L. G. (2022). Ecosystem services through the lens of indigenous people in the highlands of Cordillera Region, Northern Philippines. Journal of Environmental Management, 308, 114597.
- 143. <u>Philippine Statistics Authority. (2021). First Semester 2021 Official Poverty Statistics of the Philippines. East Avenue, Diliman, Quezon City, Philippines. Retrieved from: https://psa.gov.ph/sites/default/files/2021-1st Poverty Stats Full%20Publication 17Dec2021.pdf</u>
- 144. Philippine Statistics Authority. (2021). Total Population 15 Years Old and Over and Rates of Labor Force Participation, Employment. Retrieved from: https://psa.gov.ph/statistics/survey/labor-and-employment/labor-forcesurvey/title/Employment%20Rate%20in%20April%202022%20is%20Estimated%20at%2094.3%20Percent
- 145. Philippine Statistics Authority CAR, May 2020 https://psa.gov.ph/content/2020-census-population-and-housing-2020-cphpopulation-counts-declared-official-president
- 146. PSA. (2019). Women and Men in CAR. Retrieved from: http://rssocar.psa.gov.ph/sites/default/files/2019-WAM-7th-Edition.pdf
- 147. PSA. (2021). Women and Men in Davao. Retrieved from: http://rsso11.psa.gov.ph/sites/default/files/attachments/2021%20WAM%20Davao%20Region.pdf
- 148.PSA. (2021). Women and Men in Northern Mindanao. Retrieved from: ttp://rsso10.psa.gov.ph/article/2021-women-and-men
- 149.<u>PSA. (2021). Women and Men in SOCCSKSARGEN. Retrieved from:</u> https://drive.google.com/file/d/1QeEjCgcqIGhIXPQ6298hSEjYzfYU8REP/view
- 150. <u>SOCCSKSARGEN Regional Development Plan 2017-2022. Retrieved from: https://nro12.neda.gov.ph/wp-content/uploads/2018/08/RDP-Chapter-2.pdf</u>
- 151.WBG ADB CC Knowledge Portal, 2022. https://climateknowledgeportal.worldbank.org/

ESCMP Matrix

						,			
Environmental/ Social and climate Impacts	Recommended Mitigation/ Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate			
Biodiversity	Biodiversity								
Conversion of biodiversity, ecosystems, and services.	 Apply precautionary 		DAR/DA, LGU-		Bi-annual				
Project sites involve habitats that are legally protected, officially proposed for protection, or recognized as protected by traditional local communities and/or authoritative sources (i.e.		Stakeholder Consultation Meeting (SCM), FPIC	IPMR, PPMO, PO / IPO, NCIP, Council of Elders (COE) in CAR, Primary Elder in Region XII	 Monitoring Reports Annual reports 	Annual	In-house			
Conflict with wildlife. Wildlife invading smallholder farms and damaging crops.	Participatory land use planning/zoning for protection of soil, water, biodiversity, forestry and climate change initiatives	Stakeholder Consultation Meeting (SCM), KII	LGU, PMO, DENR, DAR, DA, PO / IPO	 Annual Reports Activity Reports 	Bi-Annual	Lodged with LGU (Comprehe nsive Land Use Plan)			
Project may impact a critically endangered animal since project areas (CAR and Region 12) have sightings of the Philippine Eagle, a Critically Endangered animal.	Engage and consult a species specialist to evaluate species in target areas.	SCM, Key Informant interviews (KII)	PMO, LGU, PO / IPO	Activity/ accomplishment reports Monitoring reports, Annual Reports	Bi-annual	300,000 (for both regions)			
Existing or target farms utilize GMOs	 Research on long term effects of GMO utilization Awareness campaign on GMO utilization 	SCM, KII	DA, PMO, PO / IPO,	 IEC materials Research articles Monitoring reports 	Annual	300,000 (for both regions)			

						· · · · ·
Environmental/ Social and climate Impacts	Recommended Mitigation/ Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
Project requires procurement of natural resources through primary suppliers, and resource extraction	 Procure natural- resource commodities certified under appropriate certification and verification systems accepted for sustainable management of living natural resources in the Philippines Extraction of construction aggregates only from approved quarry sites Limit to suppliers that can demonstrate that they are not contributing to significant conversion or degradation of natural or critical habitats 	SCMs	PMO, DAR, DENR, Private sector, LGU	 Annual Reports Activity Reports 	Quarterly	Lodged with Contractor
Genetic erosion of traditional crop varieties due to introduction of exotic crops, hybrids and entry of invasive species	Prepare a Regulatory Framework or Risk Assessment of Invasive Species and incorporate in the implementation plans	KII, Focus Group Discussions (FGDs)	PMO, DENR, LGU, DA, DAR	 Abbr. ESCMP Activity and Annual Reports MAO monitoring reports 	annual	300,000 (for both regions)
Resource Efficiency and F	Pollution Prevention					
There are farmers who intensively use agri- chemicals (fertilizers and pesticides) in sensitive areas like the case in the Cordilleras	 Prepare Pest Management Plan Provide training or capacity-building on proper selection, distribution, storage, application, and disposal of pesticides and fertilizers Promote rational use of fertilizers and better management of organic alternatives 	SCMs,	PMO, DAR, DA, DENR	 Activity Reports Management Plan 	annual	Lodged in Comp 2 FFS under IPM Module

Environmental/ Social and climate Impacts	Recommended Mitigation/ Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification (Monitoring and	Frequency of Verification	Cost Estimate
Project is dependent on reforestation and plantation development	Carefully select the locations and tree species to be planted Avoid monoculture forestation efforts and selection of species that are able to adapt to the projected climate contexts of the project site	SCMs, FGD / KII	DENR, DAR, PMO, LGU, ARBs	 reporting) ESIA Abbr. ESCMP Activity Reports Annual reports IEC materials 	annual	Lodged in Comp 1 Refo
The project will require consumption of raw materials, energy, and/or water	Prepare Abbr. ESCMP	SCM, FGDs / KII	DAR, PMO, DA, LGU, NCIP	 ESIA Abbr. ESCMP Activity Reports 	annual	In-house
Rehabilitation of communal irrigation systems and construction of small farm reservoirs to intercept overland flow will be done to address water shortage may contribute to extraction, diversion, or contamination of ground water.	 Conduct participatory water needs audit to determine, in consultation with relevant stakeholders, who depends on surface and underground water resources for various needs. Conduct review of the design, construction, operation and decommissioning of RIs. Apply GRM 	Participatory water needs assessment	PMO, DAR, DA LGU, PO / IPO	 Consultation Reports RI assessment GRM Reports Accomplishment reports / annual reports Monitoring reports 	Bi-annual	Lodged in Comp 1 SP/BP and DED activities; GRM install'n lodged in Comp 3. Project Mgt Costs
The project requires use of fertilizers & pesticides	 Provide training or capacity-building on proper selection, distribution, storage, application, and disposal of fertilizers Promotion on rational use of fertilizers and better management of organic alternatives Develop Management Plan 	SCM, FGDs/ KII	PMO, DAR, ARBs, DA-FPA, LGU	 Activity Reports Management Plan Monitoring reports Annual Reports 	Bi-annual	Lodged in Comp 2 FFS under IPM Module

Ition E	Cost Estimate Part of Phi EIA system cost charged to Mining firms
	EIA system cost charged to
(600,000 (for both regions)
	· See FPIC-IP & IPF budget
F	As above

Environmental/ Social and climate Impacts	Recommended Mitigation/ Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
Project may result in temporary impacts on rights of IPs with regards to their lands, territories, and resources, especially during constructions of rural infrastructure.	· Implement SEP & FPIC-IP	FPIC	NCIP, RPMO, LGU (national, municipal,	 SEP Monitoring Reports FPIC-IP IP Plan 	quarterly	· See SEP, FPIC-IP & IPF budget
Project component is dependent on the utilization or commercialization of natural resources including resources, lands, territories claimed by IPs.	· Prepare IP Plan		barangay),	Annual reports Accomplishment reports	Bi-annual	nrr nudðer
Project will promote sustainable management practices of farms and agro-forestry which includes IPs' traditional knowledge and practices.					Bi-annual	
Temporary loss of indigenous people's rights to land, natural resources, territories, and livelihood due to rural infrastructure construction					annual	
Labor and Working Condi	tions					
Project operate in sectors or value chains that are characterized by working conditions that do not meet national labor laws or international commitments (e.g. discriminatory practices)	 Apply the precautionary principle and mitigation hierarchy TP to prepare and implement 					
Instances forced labor in project areas	appropriately scaled labour management procedures to ensure labour-management	SCM, FGDs,	RPMO, DAR, Monitoring team,	 SECAP Monitoring Reports 	1. Bi-	150,000
Instances child labor in project areas	practices that meet KII SECAP standard 5 (labour and working		LGU, DSŴD / DOLE	 Activity Reports Accomplishment reports Annual reports 	annual	(for both regions)
	 Monitor all management and 					

	mitigation measures.							
Environmental/ Social and climate Impacts	Recommended Mitigation/ Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate		
Farmers in project areas are known to operate with no protective gears when using agri-chemical and machines which may negatively affect their health and safety when working.	 Provide training or capacity-building on proper selection, distribution, storage, application, and disposal of pesticides and fertilizers Promotion on rational use of fertilizers and better management of organic alternatives Prepare Management Plan 	SCM, KII	DAR, DA-FPA, LGU	 Management Plan Activity Reports Accomplishment reports Annual reports 	Annual	Lodged in Comp 2 FFS under IPM Module		
Community Health, Safety	Community Health, Safety and Security							
Project may be at risk from vector-borne (ie malaria), water-borne (ie hepatitis) and other communicable diseases (i.e. Covid, AIDS)	Prepare Abbr. ESCMP that reflects relevant requirements of SECAP standard 6 (Community Health and Safety)	SCM, KII	RPMO, LGU- RHU,	SECAP, Annual reports, RHU advisories · Accomplishment reports	Bi-annual	In-house		
Crop suggestions for agro-forestry may impact stakeholders, especially IPs, nutrition.	Assess potential risks to nutrition during project planning and development in order to avoid or mitigate them.	SCM, FPIC, KII	RPMO, DAR, DA	Abbr. ESCMP	One time only	Lodged in Comp 1 Planning		
Rehabilitation of rural farm roads may increase or alter traffic in the project area and neighboring areas.	 Road safety assessment Contractors to establish traffic management system during construction Establish GRM 	SCM, KII	RPMO, PNP, LGU	 Road Safety Assessment Consultation Documentation Annual reports 	annual	Lodged with Contractor		

Environmental/ Social and climate Impacts	Recommended Mitigation/ Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
There may be an influx of project workers during project implementation that could impinge on gender-related risks and other community health issues.	 Disseminate clear employment and contracting requirements to manage expectations. Contractors to comply with R.A. 6685 Adopt clear policies for hiring away from the project site (no hiring at the gate). Increase local sourcing for direct employment and the provision of goods and services, thus reducing influx into the project area. Establish exclusion zones Institute policies restricting worker contact with the community. 	SCM, KII, FGD	RPMO, LGU, DAR, DA	 Accomplishment reports Annual reports LGU ordinances 	quarterly	Lodged with Contractor
Resettlement						
Project may contribute to temporary and partial physical and economic displacement of project stakeholders during infrastructure construction	 Prepare Abbr. RAP Install GRM at project start. Implement Monitoring and Reporting System 	SCM	RPMO, DSWD, DAR, LGU,	 Abbr. RAP Monitoring Reports Accomplishment reports Annual reports 	Bi-annual	See Abbr RF & SEP Costs
Conflicting priorities & approaches to spatial planning, resource utilization, investment & management among and between local, national government agencies, and communities	 Make use of latest satellite imageries using expertise from national / regional offices, geo- spatial service providers Implement SEP and GRM 	Meetings, SCM, participatory planning	RPMO, DAR, DENR, LGUs, National Mapping and Resource Information Authority (NAMRIA), COE, Primary leader in Region XII, ARBs	 Accomplishment reports Annual reports, Meeting reports, Annual reports 	Annual	See SEP cost
Varying management capacities might affect project implementation	 Capacity-building of project hired staff for implementing trainings, workshops, and other project-related activities 	Meetings, Seminars, Trainings	DAR, DA, NCIP, LGU	Activity Reports Accomplishment reports / annual reports	annual	See SECAP cost for capacity bldg

Environmental/ Social and climate Impacts	Recommended Mitigation/ Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate			
Financial intermediaries									
Financial intermediaries are not equipped with environmental & social management systems (ESMS) to properly service beneficiaries	 Ensure financial intermediaries prepare & install ESMS prior to onlending activities 	Meetings, Seminars, Trainings	RPMO, DAR, LGUs	 Activity Reports Management Plan Monitoring reports 	Bi-annual				
Others	Others								
 Lack of active participation from vulnerable groups 	Establish accessible and culturally and socially appropriate consultations and GRM in SEP	SCMs, meetings, FFS	RPMO, DAR, DA	 IEC Reports GRM Reports IEC materials Meeting reports Accomplishment reports / annual Reports 	Bi-annual	See SEP cost			
 Lack of active participation from vulnerable groups 	Establish accessible and culturally and socially appropriate consultations and GRM in SEP	SCMs, meetings, FFS	RPMO, DAR,DA	 IEC Reports GRM Reports IEC materials Meeting reports Accomplishment reports / annual Reports 	Bi-annual	See SEP cost			
Elite capture on infrastructures and access to services	Intensify disclosure efforts monitoring of access to benefits generated through the project Apply appropriate criteria in selecting infra sub-projects under VISTA	meetings	RPMO, DAR, DA	Accomplishment reports / annual Reports, meeting reports, BAC reports, Procurement documents	annual	As above			

152.[1] The mitigation hierarchy is applied by (a) anticipating and avoiding risks and impacts; (b) where avoidance is not possible, minimizing or reducing risks and impacts; (c) once risks and impacts have been minimized or reduced, mitigating them; and (d) where residual adverse impacts remain, compensating for or offsetting them, where technically and financially feasible.

F391 P45 S e a component of the overall environmental management plan for the program /project) that includes (i) measures for avoiding, minimizing or mitigating any adverse impacts on the cultural heritage; (ii) provisions for managing "chance finds" of cultural heritage during implementation; (iii) necessary measures for strengthening institutional capacity with respect to (within dett) of the cultural heritage; and (iv) a monitoring system to track the progress of these activities.

Environmental and Social Safeguards Classification: Substantial

Environmental and Social	Environmental and Social Safeguards					
Biodiversity conservation	Yes/No	Likelihood	Consequence	Risk Rating		
1.1 Could the project potentially involve or lead to conversion or degradation of biodiversity, habitats (including modified habitat, natural habitat and critical natural habitat) and/or ecosystems and ecosystem services?	Yes	Possible	Moderate Project will significantly affect modified habitat, but will not impinge on natural habitat or critical natural habitat.	Moderate		
1.2 Could the project involve or potentially lead to activities involving habitats that are legally protected, officially proposed for protection, or recognized as protected by traditional local communities and/or authoritative sources (e.g. National Park, Nature Conservancy, Indigenous Community Conserved Area, ICCA, etc.)?	Yes	Possible	Moderate Project is close to a protected area, and associated facilities will have a direct impact, unless the project is modified	Moderate		
1.3 Could the project potentially involve or lead to an increase in the chance of human-wildlife encounters/conflict?	Yes	Possible	Moderate Conflict leads to some loss of livelihood or threat to wildlife, but this is not catastrophic	Moderate		
1.4 Could the project potentially involve or lead to risks to endangered species (e.g. reduction, encroachment on habitat)?	Yes	Possible	Moderate Net loss in biodiversity with a status of Endangered, or status change to Edangered due to project impacts.	Moderate		
1.5 Could the project potentially involve or lead to impacts/risks to migratory wildlife?	No			Low		
1.6 Could the project potentially involve or lead to introduction or utilization of any invasive alien species of flora and fauna, whether accidental or intentional?	No			Low		
1.7 Could the project involve or lead to the handling or utilization of genetically modified organisms?	Yes	Possible	Minor Possible introduction of genetically modified organisms, but the project can be modified to exclude them if stakeholder concerns are high.	Moderate		

Environmental and Social S	afeguard	s		
1.8 Could the project involve or lead to procurement through primary suppliers of natural resource materials?	Yes	Possible	Moderate Poject requires procurement of natural resources through primary suppliers, and resource extraction is tightly regulated	Moderate
Resource Efficiency and Pollution Prevention	Yes/No	Likelihood	Consequence	Risk Rating
2.1 Could the project involve or lead to the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	Yes	Possible	Moderate Pollutants may possibly be released, either routinely or by accident, but treatment systems are proven and verified. Receiving environment is highly senstive.	Moderate
2.2 Could the project involve or lead to primary not environmentally sustainable production of living natural resources? (Note: this includes the cultivation or rearing of plants or animals, including annual and perennial crop farming, animal husbandry (including livestock), aquaculture, plantation forestry, etc.)	No			Low
2.3 Could the project involve or lead to engagement in areas of forestry, including the harvesting of natural forests, plantation development, and/or reforestation?	Yes	Possible	Moderate A significant component of the project is focused on forestry, and this aspect is well regulated.	Moderate
2.4 Could the project involve or lead to significant consumption of raw materials, energy, and/or water?	Yes	Likely	Minor The project will require consumption of raw materias, energy, and/or water, but this will be a small component of the project, and impacts can be appropriately managed.	Moderate
2.5 Could the project involve or lead to significant extraction, diversion or containment of surface or ground water (e.g. construction of dams, reservoirs, river basin developments, groundwater extraction)?	Yes	Likely	Minor The project only needs a minimal amount of water. This can be obtained from existing sources, without the need for extension.	Moderate

Environmental and Social S	afeguard	ls		
2.6 Could the project involve inputs of fertilizers and other modifying agents?	Yes	Likely	Minor The project only requires minimal amounts of fertilizer	Moderate
2.7 Could the project involve or lead to procurement, supply and/or result in the use of pesticides on crops, livestock, aquaculture or forestry?	Yes	Possible	Moderate The project requires use of pesticides, but options are available to replace potentially polluting pesticides with alternatives.	Moderate
2.8 Could the project be located in an area which is being, or has been, polluted by an external source (e.g. a mine, smelter, industry)?	Yes	Possible	Moderate The project is located in an area of previous pollution, but only partial decontamination has been undertaken.	Moderate
2.9 Could the project involve livestock – extensive and intensive systems and animal products (dairy, skins, meat, etc.)?	No			Low
Cultural Heritage	Yes/No	Likelihood	Consequence	Risk Rating
3.1 Could the project be located in areas that are considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage?	Yes	Possible	Minor The project is thought to be close to an area that is considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage. The site has been comprehensively surveyed, and all tanglible and intangible cultural heritage is well known.	Moderate

Environmental and Social S	Safeguard	ls		
3.2 Could the project directly or indirectly affect indigenous peoples' rights, lands, natural resources, territories, livelihoods, knowledge, social fabric, traditions, governance systems, and culture or heritage (tangible and intangible)?	Yes	Unlikely	Minor Minor impact to indigenous population. No damage to/or loss of access to indigenous land, assets, resources, and/or cultural heritage.	Low
3.3 Could the project involve or lead to significant excavations, demolitions, movement of earth, flooding or other environmental changes?	No			Low
3.4 Could the project involve or lead to adverse impacts to sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	Yes	Unlikely	Minor The project is thought to be close to an area that is considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage. The site has been comprehensively surveyed, and all tanglible and intangible cultural heritage is well known.	Low
3.5 Could the project involve or lead to alterations to landscapes and natural features with cultural significance?	Yes	Unlikely	Minor Short-term alterations to landscapes. No damage to/or loss of access to indigenous land, assets, resources, and/or cultural heritage. Rehabiliation is straightforward.	Low
3.6 Could the project involve or lead to utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?	Yes	Unlikely	Moderate The project would be more profitable if it had a commercial component, but this is not necessary.	Moderate
indigenous peoples	Yes/No	Likelihood	Consequence	Risk Rating

Environmental and Social S	Safeguard	ls		
4.1 Could the project be sited in areas where indigenous peoples are present (including the project area of influence)?	Yes	Almost certain	Moderate The project may have a moderate impact on indigenous people, because it is sited within commuting distance of indigenous communities, and because it offers employment to indigenous people.	Substantial
4.2 Could the project result in activities located on lands and territories claimed by indigenous peoples?	No			Low
4.3 Could the project result in impacts on the rights of indigenous peoples or to the lands, territories and resources claimed by them?	No			Low
4.4 Could the project result in the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	Yes	Possible	Major A significant component of the project involves use of natural resources for commercial purposes. The project could possibly be redesigned to exclude the commercial component, if stakeholder objections were strong.	Substantial
4.5 Could the project lead to impacts on the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	Yes	Unlikely	Major A significant component of the project involves use of cultural heritage for commercial purposes. The project could possibly be redesigned to exclude the commercial component, if stakeholder objections were strong.	Moderate
Labour and Working Conditions	Yes/No	Likelihood	Consequence	Risk Rating

Environmental and Social S	Safeguard	ls		
5.1 Could the project operate in sectors or value chains that are characterized by working conditions that do not meet national labour laws or international commitments? (Note: this may include discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants)	Yes	Possible	Minor The project operates in sectors or value chains that have, in the past, not met national labour laws, or international commitments, but is now adequately nationally regulated, and is part of international value chains that are subject to regular environmental and social auditing.	Moderate
5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced labour may be increased for projects located in remote places or where the status of migrant workers is uncertain)	Yes	Possible	Moderate The project does not operate in sectors or value chains where forced labour was evident in the past. The status of forced labour regulation is currently unclear.	Moderate
5.3 Could the project involve children (a) below the nationally-defined minimum employment age (usually 15 years old) or (b) above the nationally-defined minimum employment age but below the age of 18 in supported activities or in value chains?	Yes	Possible	Moderate The project does not operate in sectors or value chains where child labour was evident in the past. The status of forced labour regulation is currently unclear.	Moderate
5.4 Could the project: (a) operate in a sector, area or value chain where producers and other agricultural workers are typically exposed to significant occupational and safety risks, and/or (b) promote or use technologies or practices that pose occupational safety and health (OSH) risks for farmers, other rural workers or rural populations in general? (Note: OSH risks in agriculture might include: dangerous machinery and tools; hazardous chemicals; toxic or allergenic agents; carcinogenic substances or agents; parasitic diseases; transmissible animal diseases; confined spaces; ergonomic hazards; extreme temperatures; and contact with dangerous and poisonous animals, reptiles and insects. Psychosocial hazards might include violence and harassment.)	Yes	Possible	Moderate The project operates in a sector, area, or value chain where workers are occasionally exposed to significant OSH risks, and where regulation is known to be weak or non- existent.	Moderate
Community Health, Safety and Security	Yes/No	Likelihood	Consequence	Risk Rating

Environmental and Social S	afeguar	ds		
6.1 Could the project be at risk from water-borne or other vector-borne diseases (e.g. temporary breeding habitats), and/or communicable and non-communicable diseases?	Yes	Possible	Moderate The project is situated in an area where there is past evidence of negative impacts from water-borne or other vector- borne diseases, or communicable/non- communicable/non- communicable diseases, but where regulation or containment of these impacts has been shown to be effective.	Moderate
6.2 Could the project lead to unintended negative impacts on nutrition?	Yes	Possible	Minor Minor impact on customary or traditional diet, resulting in occasional individual health problems.	Moderate
6.3 Is there a possibility of harm or losses due to failure of structural elements of the project (e.g. collapse of buildings or infrastructure)?	Yes	Highly unlikely	Moderate The project has significant reliance on buildings or infrastructure. Risk of failure is unlikely to lead to loss of life or significant environmental damage. The structural integrity of the required infrastructure has been independently verified.	Low
6.4 Could the project involve or lead to the construction or rehabilitation of dams?	No			Low
6.5 Could the project involve or lead to transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No			Low
6.6 Could the project lead to adverse impacts on ecosystems and ecosystem services relevant to communities' health (e.g. food, surface water purification, natural buffers from flooding)?	No			Low
6.7 Could the project lead to the potential for gender-based violence, including sexual harassment, exploitation and abuse, as a result of labour influx, land redistribution, or other actions that alter community dynamics?	No			Low

Environmental and Social S	afeguard	ls		
6.8 Could the project lead to increases in traffic or alteration in traffic flow?	Yes	Almost certain	Minor The project will result in minor increases to traffic volume. Only minor increase in risk of injury or death.	Moderate
6.9 Could the project lead to an influx of project workers?	No			Low
6.10 Could the project involve or lead to the engagement of security personnel to protect facilities and property or to support project activities?	No			Low
Physical and economic resettlement	Yes/No	Likelihood	Consequence	Risk Rating
7.1 Could the project result in temporary or permanent and full or partial physical displacement (including people without legally recognizable claims to land)?	Yes	Possible	Moderate >5<20 households/ businesses displaced.	Moderate
7.2 Could the project result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	Yes	Possible	Moderate Loss of assets or resources is possible, but would be less than 10% of a communityassets, or a farmer assets.	Moderate
7.3 Could the project present a risk of forced evictions?	No			Low
7.4 Could the project result in impacts on or changes to land tenure arrangements and/or community-based property rights/customary rights to land, territories and/or resources?	No			Low
Financial intermediaries and direct investments	Yes/No	Likelihood	Consequence	Risk Rating
8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)?	Yes	Possible	Moderate The institution does not have an ESMS in place, but several individual E&S policies. The policies are therefore not considered as transparent. The reporting on E&S is available upon request.	Moderate
8.2 Could the investment be granted to an institution with insufficient capacities (i.e. unqualified personnel e.g. ES Officer) to implement the ESMS?	Yes	Possible	Moderate The institution does not employ an ES Officer, but has sufficiently trained field staff available to monitor the impact of the operations of the institution.	Moderate

Environmental and Social S	afeguar	ds		
8.3 Could the investment be granted to an institution that does not have an Exclusion List?		Possible	Moderate The institution has an Exclusion List that differentiates substantially from IFAD standards	Moderate
gal framework?	Yes	Possible	Moderate The portfolio classification is very broad, and detailed information is not available. The institution invests a small portion of funds in high-risk projects.	Moderate
8.5 Is there evidence that the institution does not comply with the local legal framework?	Yes	Unlikely	Minor	Low
8.6 Does the institution provide a stable communication channel with stakeholders and local communities (e.g. a Grievance Redress Mechanism)?	Yes	Unlikely	Moderate Stakeholders and local communities can get in contact with the institution, and a process is in place, but staff is not qualified/trained to deal with grievances and bring claims to the attention of management.	Moderate
8.7 Does the organization provide auxiliary or capacity building support services.	Yes	Possible	Moderate The institution offers some services for customers directly or through third- party providers.	Moderate

Climate Risk Classification: Substantial

Step 1: Hazard identification	
What are the expected hazards in the project intervention area?	No, Yes, TBD
River flood	Yes
Costal Flood	Yes
Urban Flood	Yes
Landslide	Yes
Cyclone	Yes
Water Scarcity (agricultural droughts and/or dry spells)	No
Extreme Heat	Yes
Wildfires	Yes
Future climate scenarios foreseen (period 2040-2059) - Change in frequency and intensity	No, Yes, TBD
Change in temperature (increase or decrease)	Yes
Change in rainfall (increase or decrease)	Yes
Climate variability (larger or smaller)	Yes
Intensity and frequency of extreme events (larger or smaller)	Yes
Is the project expected to have an impact on climate?	No, Yes, TBD
Is the project expected to be a significant emitter of greenhouse gases?	No
Step 2: Exposure Assessment	•
Is the project located in exposed areas to weather-related natural hazards?	No, Yes, TBD
Low-lying areas (valleys, coastal zones, and small islands)	No
Very warm areas (subtropical)	Yes
Tropical areas (rainforests)	Yes
Arid and semi-arid areas (deserts)	No
Mountains zones and permafrost areas (tundra)	Yes
River banks	No
Does the project target agricultural systems, ecosystems or livelihoods exposed to weather-related hazards?	No, Yes, TBD
Is crop production frequently affected by rainfall variability, prolonged droughts, changes in temperature or pests and diseases?	Yes
Is livestock productivity frequently affected by rainfall variability, prolonged droughts, changes in temperature or diseases?	Yes
Are fisheries frequently affected by ocean acidification, water salinity and changes in sea surface temperature due to ocean-atmospheric oscillations or climate change?	No
Is forest productivity frequently affected by wildfires, diseases, rainfall variability, prolonged droughts, or changes in temperature?	Yes
Is the biodiversity in the project area likely to be affected by changes in climate variables?	Yes
Is any stage of the agricultural value chain (production, storage, processing and marketing) exposed to climate related hazards?	Yes
Is any rural infrastructure likely to be affected by flooding, landslides, changes in temperatures, and extreme winds.	Yes
Step 3: Sensitivity Assessment	-
What are key sensitivities for the populations in the project's areas of intervention?	No, Yes, TBD
Is conflict exacerbating the population's sensitivity to weather related hazards?	Yes
Is population displacement being exacerbated by climate change impacts?	Yes

Are diseases (e.g. COVID-19, malaria, cholera) increasing the population's vulnerability and affecting their capacity to address potential weather-related hazards?	No
Is the income of the target population predominately coming from agriculture?	Yes
Are social inequalities (e.g. based on gender, youth, indigenous persons and other marginalized groups) being exacerbated by climate change?	Yes
Is the Human Development Index (HDI) equal to or below 0.6?	No
Is the Multidimensional Poverty Index (MPI) equal to or above 0.1?	Yes
Step 4: Adaptive capacity and climate resilience	
What are key adaptive capacities in the areas of project intervention?	No, Yes, TBD
Is the country well ranked in the Disaster risk reduction progress score?	Yes
Are climate and weather information services (real-time weather data, seasonal forecasts etc.) effectively being delivered (through radio, TV, SMS, extension services etc.) to farmers, rural dwellers, and end users?	Yes
Does the project country have an early action plan (preparedness and emergency response) to mitigate the impacts of weather-related hazards once the shock occurs?	Yes
Does the government or other institutions support the target population/communities with the necessary social and economic resources to prepare for or respond to climate-related events?	Yes
Is the target community carrying out (using their own means) agricultural adaptation?	Yes
Does the target population have the economic means or support to adjust or adapt their activities in response to weather related shocks?	No
Do policies/mechanisms exist that make financial credit, loans, and agricultural insurance available?	No
Are rural infrastructures effectively delivering services to farmers and rural dwellers?	No
	1



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex 6: First Annual Work Plan and Budget (AWPB)

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

12012024 Annex 6. AWPB 2025.xlsx

Philippines															-				
Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communi	ities (VISTA)																		
Annual Work Plan and the Budget: 2025																			
AWPB Activities	Unit	Total Design Estimates Physical	Total Design Estimate Base costs financial (US \$ 1000)	AWPB 2025 Physical Units Planned	Unit Cost (Peso 1000)	Unit Cost (US\$)	Budget planned for 2025 (Peso 1000)	Budget planned for 2025 (USD 1000)	Budget planned for 2025 (USD 1000): IFAD	Budget planned for 2025 (USD 1000): GOP	Budget planned for 2025 (USD 1000): LGU	Budget planned for 2025 (USD 1000): Ben	Disb. Acct.	Fin. Rule	Agency IF	AD GOP	LG	iu B	3en
Component 1: Ecosystem Planning, Protection and Enhancement A. Identify and prioritize sustainable investments 1. Hiring a Technical Partner (TP) /a	month	24	87	8	200	3,623	1 600	29	29				NAT_CONSULTANCIES_DA	IFAD (100%)	DAR	100%			
 Capacity Building of DAR and other Agencies for Ecosystem planning /b Supporting studies for Integrated planning, feasibility assessment and priorit Thermatic technical workshops /d 	Sessions	85 180 80	539	15 20	350 200 135	6,341 3,623 2,446	5 250 4 000 675	29 95 72	29 76 72 12	19 -	-		TRAINING_DA NAT_CONSULTANCIES_DA WORKSHOP_DA	IFAD (80%) IFAD (100%) IFAD (100%)	DAR DAR DAR	80% 100% 100%	20%		
5. Community training and awareness /e 7. Generate geospatial maps and database: Cost of Maps /g	Sessions Set	360 100	196 196 877	20 10	30 484.3	2,440 543 8,774	600 4 843	11 88	9	2			TRAINING_DA GOODS_DA	IFAD (80%) IFAD (100%)	DAR DAR	80% 100%	20%		
B. Enhance Natural resources for value chains and resilience 1. Water source protection through SALT/Agroforestry/EP Nursery establishment and associated facilities /h Plantation establishment/Out-planting /n Maintenance & protection /j	Hectare Hectare Lump Sum	4 237 10 587	499 1 675 580	50 2 245	6.5 8.732	118 158	325 19 603 10 000	6 355 181	6 355 181	-			GOODS_DA GOODS_DA GOODS_DA	IFAD (100%) IFAD (100%) IFAD (100%)	DAR DAR DAR	100% 100% 100%			
2. Forest ecosystem and conserving biodiversity within the sub-catchine Nursery establishment and associated facilities Methods and the sub-catchine in t	Hectare	12 352	1 925 543	2 270	8.603	156	19 529	354 181	354 181	-	-		GOODS_DA GOODS_DA	IFAD (100%) IFAD (100%)	DAR	100%			
Maintenance & protection /k 5. NRM Related Infrastructure Farm Slope Protection Works: Feasibility Study & Designing /m Farm Slope Protection Works (grouted riprap) /n	Lump Sum LM	3 400	7	100	-	91	10 000 200 500	4	-	-	4	0.45	GOODS_DA GOODS_DA WORKS_DA	LGU (100%) LGU (100%) IFAD (60%) LGU (15%) BEN (5%)	DAR	60%	20%	100% 15%	
Failt Sope Protection Works (grouped print) Small Farm Reservoir: Feasibility Study and Designing Rainwater Capture Tank (500 Liter/PE pipes) /q	Lump Sum LM	850	4	50	15	272	200 750	9 4 14	- 8	- 3	4	0.43	GOODS_DA WORKS_DA	LGU (100%) LGU (100%) IFAD (60%), LGU (15%), BEN (5%)	DAR	60%	20%	100% 15%	5%
6. Small Scale Irrigation (upland rice) /r 7. Estimated Capacity Building Cost for Rural Infrastructure /s	Lump Sum		894				49 360	894	894	-	-		TRAINING_DA	IFAD (100%)	DAR	100%			
F. Collaborating agency providing technical assistance /y 1. DA Technical assistance and support Total Investment Costs: Component 1	Lump Sum		1 615				27 661 155 095	501 2 810	501.10				NAT_CONSULTANCIES_DA	IFAD (100%)	DAR	100%			
II. Recurrent Costs A. National Project Management Office PCO (1)																			
I. Sr. SECAP Specialist /y B. Regional PMO (2): Hired Staff	month	132	203	12	85	1,540	1 020	18	18		-		SALARIES_DA	IFAD (100%)	DAR	100%			
1. SECAP Specialist	month	42	38	6	50	906	300	5	5		-		SALARIES_DA	IFAD (100%)	DAR	100%			
2. Sr Forester 3. Agricultural Engineer /z	month month	84 84	76 76	12 12	50 50	906 906	600 600	11 11	11 11		-		SALARIES_DA SALARIES_DA	IFAD (100%) IFAD (100%)	DAR DAR	100% 100%			
C. Regional PMO (2): Regular Staff /aa 1. Agrarian Reform Program Officer /bb	month	540	57	60	5.8	105	348	6	6	-	-		SALARIES_DA	IFAD (100%)	DAR	100%			
Total Recurrent Costs						- 1	2 868	52							1 E				
Component 2: Sustainable Value Chain Development 1. FBS Design and Implementation Administration Fee /a	month	12	217	6	1,000	18,116	6 000	109	109	-	-		NAT_CONSULTANCIES_DA	IFAD (100%)	DAR	100%			
2. LARBO and FBS facilitator recruitment /b 3. FBS Trainor's' Training	Person-Month	32	3	32	5	91	160	3	3	-	-		NAT_CONSULTANCIES_DA	IFAD (100%)	DAR	100%			
Trainor's Training Kts Trainor's training facilitator Fees /c Trainor's Training Travel, Board and Lodging	Each Person-days Person-days	130 79 79	3 34 200	16 13 13	1.4 24 140	25 435 2,536	22 312 1 820	0 6 33	0 6 33	-	-		TRAINING_DA TRAINING_DA TRAINING_DA	IFAD (100%) IFAD (100%) IFAD (100%)	DAR DAR DAR	100% 100% 100%			
4. FBS Implementation Members' Training materials/e	Sessions	65 000	277	6 500	0.235	4	1 528	28	28				TRAINING_DA	IFAD (100%)	DAR	100%			
Farmer Leader Transportation Allowance/g /e	Leaders	100 750	913	3 250	0.5	9	1 625	29	29		-		TRAINING_DA	IFAD (100%)	DAR	100%			
Assessment and inventory of seedling sources and nurseries Performance-based grants to ARBO's members /g	Province Ha	10 19 200	45 8 534	10 512	250 24.536	4,529 444	2 500 12 562	45 228	45 228	-	-		GRANTS_DA GRANTS_DA	IFAD (100%) IFAD (100%)	DAR	100%			
Operational Support - Agri Extension Regional Specialist /h Operational Support - Agri Extension Regional Specialist transportation allow	Person-Month	114 365	145 9	512 6 19	70 1.4	1,268 25	420	8	8				NAT_CONSULTANCIES_DA NAT_CONSULTANCIES_DA	IFAD (100%) IFAD (100%) IFAD (100%)	DAR DAR DAR	100 % 100% 100%			
B. Capacity Building for VPOs 1. VPO Capacity Building including GESI Capacity building (VPO Cap Bui VPO Cap Build Design (Training and Mentoring) and Admin fee	Lump Sum	2.95	206	1	3,850	69,746	3 850	70	69.75				TRAINING_DA	IFAD (100%)	DAR	100%			
VPO Cap Build Training facilitator's Fees /i	Days	77.6		25.6	25 124.8	453 2,261	640 1 622	12 29	11.59	-	-	-	TRAINING_DA TRAINING_DA	IFAD (100%) IFAD (100%)	DAR DAR	100% 100%			
VPO Cap Build Training Travel, Board and Lodging /j VPO Cap Build Business Plan Preparation /k	Events Nb plans	52 165	224	13	75	1,359	1 125	20	29.39 20.38	-	-		NAT_CONSULTANCIES_DA	IFAD (100%)	DAR	100%			
VPO Cap Build Mentoring /I Transportation Allowance for VPO Cap Build Mentoring	Person-days Visits	2 880 2 880	261 6	576 576	5 0.124	91 2	2 880 71	52 1	52.17 1.29	-	-		TRAINING_DA TRAINING_DA	IFAD (100%) IFAD (100%)	DAR DAR	100% 100%			
2. VPO Systems Design and Installation/p VPO Performance Information System Needs Assessment and Solutions Ma	Lump Sum	1	97	0.5	1,500	27,174	750	14	13.59	_			NAT_CONSULTANCIES_DA	IFAD (100%)	DAR	100%			
Operations Systems Needs Assessment and Solutions Matching	Lump Sum	1	27	0.5	1,500	27,174	750 750	14	13.59	-	-		NAT_CONSULTANCIES_DA	IFAD (100%)	DAR	100%			
On-going Systems Advisory	Unit	96	174	16	100	1,812	1 600	29	28.99	-			EQUIPMENT_DA	IFAD (100%)	DAR	100%		<u> </u>	
C. VC Commercialization and Rural Finance 1. VC Planning															+				
Value Chain Inventory and Mapping 2. VC Financing	month	20	174	4	480	8,696	1 920	35	34.78	-	-		NAT_CONSULTANCIES_DA	IFAD (100%)	DAR	100%			
Rural Finance Strategy and Implementation /n	Lump Sum		2 054				15 000	272	271.74	-	-		GRANTS_DA	IFAD (100%)	DAR	100%			
D. VC-related Infrastructure Support																			
E. Collaborating agency providing technical assistance /s 1. DA Technical assistance and support	Lump Sum		1 800				16 544	300	299.72		-		NAT_CONSULTANCIES_DA	IFAD (100%)	DAR	100%			
Total Investment Costs: Component 2							73 729	1 336											

12012024 Annex 6. AWPB 2025.xlsx

Image: space of the space o	Agency IFAD GOP LGU Ben
Line Line Estimates costs financial Physical Units Unit Cost for 2025 (USD	DAR 100% DAR 100%
Recurrent Cost Recurre	DAR 100% DAR 100%
Recurrent Cost A Support for FBS Facilitators Image: Cost of FBS Facilitators<	DAR 100%
A. Support for FBS Facilitators C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C C <t< td=""><td>DAR 100%</td></t<>	DAR 100%
Insurance Person-Month 6 240 1 978 1 040 1 7.5 317 1 8 200 330 329 71 - SALARIES DA IFAD (100%) 2. Support for FBS Facilitators at LARBO (96) /s Person-Month 6 248 1 978 1 040 1 7.5 317 18 200 330 329 71 - OPERATING_COSTS DA IFAD (100%) 2. Support for FBS Facilitators at LARBO (96) /s Person-Month 8 388 106 1 398 0.7 13 979 18 17.73 - OPERATING_COSTS DA IFAD (100%) B. National Project Management Office PCO (1): Hired Staff - - OPERATING_COSTS DA IFAD (100%) 1 B. Unitional Project Management Systems Specialist /t Person-Month 72 78 12 60 1.087 720 13 13.04 - SALARIES DA IFAD (100%) C. Regional PMO (2): Hired Staff - - SALARIES DA IFAD (100%) - SALARIES DA IFAD (100%) - SALARIES DA IFAD (100%) - <td< td=""><td>DAR 100%</td></td<>	DAR 100%
B. National Project Management Office PCO (1): Hired Staff Image: Constraint of the PCO (1): Hired Staff	
Insuiness Development Systems Specialist /t Person-Month 72 78 12 60 1,087 720 13 13.04 - - SALARIES_DA IFAD (100%) C. Regional PMO (2): Hired Staff	DAR 100%
Insuiness Development Systems Specialist /t Person-Month 72 78 12 60 1,087 720 13 13.04 - SALARIES_DA IFAD (100%) C. Regional PMO (2): Hired Staff	DAR 100%
I 1. Agric Engineer /v month 42 38 6 50 906 300 5 5.43 - SALARIES DA IFAD (10%) 12. Fam Systems Manager /w month 6 5 6 50 906 300 5 5.43 - - SALARIES DA IFAD (10%)	
I 1. Agric Engineer /v month 42 38 6 50 906 300 5 5.43 - SALARIES DA IFAD (10%) 12. Fam Systems Manager /w month 6 5 6 50 906 300 5 5.43 - - SALARIES DA IFAD (10%)	
2. Farm Systems Manager /w month 6 5 6 50 906 300 5 5.43 SALARIES_DA IFAD (100%)	DAR 100%
	DAR 100%
A. YPO Prilatical myclollical /y mouth 0 5 9 300 3 3-3 - - Submets_DA if AU (10/8) 6. Sir. Rural Infra Engineer /a month 6 7 6 60 1,087 360 7 6.52 - - Submets_DA if AU (10/8)	DAR 100% DAR 100%
	BAR 10076
D. Provincial PMO (10): DAR Regular Staff	
I. DP as Farm System Extension Officer /cc month 330 35 30 5.8 105 174 3 3.15 - SALARIES_DA IFAD (100%)	DAR 100%
Total Recurrent cost	
Component 3: Project Management Component Com	
1. Training and Capacity Building including GESI Capacity Building	
Capacity and Training Needs Assessment month 1 7 1 400 7,246 400 7 7.25 - TRAINING_DA IFAD (100%)	DAR 100%
Capacity building activities for Staff: DAR /b Sessions 48 13 33 15 272 495 9 8.97 - TRAINING_DA IFAD (100%)	DAR 100%
2. Technical Assistance 2. Tec	
Initiate start-up requirements /c month 1 13 1 700 12,881 700 13 12,88 - NAT_CONSULTANCIES_DA IFAD (100%)	DAR 100%
Preparation an Operations Manual/d month 9 33 9 200 3.623 1.800 33 32.61 - NAT_CONSULTANCIES_DA IFAD (100%)	DAR 100%
3. Vehicle and Office Equipment	
Vehicles: DAR /f Vehicles: DAR /f Vehicles: DAR /f I Vehicles: DAR /f IFAD (100%)	DAR 100% DAR 100%
Al Al Office Equipment: DAR /h Lump Sum 163 900 163 163.04 - EQUIPMENT_DA IFAD (100%)	DAR 100%
4. Oversight and Supervision	
Project Steering Committee Unit 11 10 1 50 906 50 1 0.91 - WORKSHOP DA IFAD (10%) Recional Coordination Committees / Unit 44 20 4 25 453 100 2 181 - WORKSHOP DA IFAD (10%)	DAR 100%
ARČ Coordinating Committees /j Unit 1 100 199 100 10 181 1 000 18 18.12 WORKSHOP_DA IFAD (100%)	DAR 100%
Preparation/Supervision of Review Missions Events 7 63 2 500 9,058 1 000 18 18.12 - - WORKSHOP_DA IFAD (100%)	DAR 100%
Regional Annual Reviews and Planning /k Events 10 18 2 100 1,812 200 4 3.62 - WORKSHOP_DA IFAD (100%) Provincial annual reviews and planning /l Events 50 91 10 100 1,812 100 18 18.12 - WORKSHOP_DA IFAD (100%)	DAR 100% DAR 100%
	DAIX 10070
B. Project Monitoring, Evaluation, and Knowledge Management	
	DAR 100%
M&E/MIS Hardware provision Lump Sum 27 1 1500 27 27.17 EQUIPMENT DA IFAD (100%)	DAR 100%
Technical Support for the operation and maintenance of MIS Lump Sum 22 200 4 3.62 - NAT_CONSULTANCIES_DA IFAD (100%) Tablets for conducting surveys and data collection Set 150 19 50 7 127 350 6 6.34 - EQUIPMENT_DA IFAD (100%)	DAR 100% DAR 100%
Baseline survey Unit 1 362 1 20,000 362,319 20,000 362 362,32 NAT CONSULTANCIES DA IFAD (100%)	DAR 100%
	DAR 100% DAR 100%
2. Profiling of HHs Unit 37500 306 7500 0.45 8 3375 61 61.14 - GOODS_DA IFAD (10%) 4. Gender training, monitoring and assessment Lump Sum 200 3680 677 66.77 NAT_CONSULTANCIES_DA IFAD (10%)	DAR 100%
Total meaning and accounting	5/11 100/0
Recurrent cost and an analysis of the second s	
	D4D (00%)
1.0flice Rental - Central Officers month 72 52 12 40 725 480 9 - 9 - OPERATING_COSTS_DA GOVT 2.0flice Rental - Reginal Officers month 144 78 24 30 543 720 13 - OPERATING_COSTS_DA GOVT	DAR 100% DAR 100%
L. Direct Retail - Provinci Offices month Prov Control Testing To To To OPERATING_COSTS_DA OOVT 3. Office Retail - Provinci Offices month 720 261 120 20 362 2 400 43 - OPERATING_COSTS_DA GOVT	DAR 100%
1. Office Utilities - Central Officers Lumo Sum 11 100 2 - 2 - 0 OPERATING COSTS DA GOVT	DAR 100%
2. Office Utilities - Regional Officers /p Lump Sum 11 10 2 - 2 - OPERATING_COSTS_DA GOVT	DAR 100%
Image: Second	DAR 100%
C. Travel and other operations	
Intravel to the Field Activities Operating Costs	DAD 500/ 500/
ITravel to the field: DAR /s Lump Sum 35 205 638 5 850 1 18 5 850 106 52.99 53 - OPERATING_COSTS_DA IFAD (50%) I Cost of fuel and oil for project vehicles: DAR /u month 936 170 156 10 181 1 560 28 14.13 14 - OPERATING_COSTS_DA IFAD (50%)	DAR 50% 50% DAR 50% 50%
D. Collaborating agency providing technical assistance /o Image: Collaborating tec	DAR 1009/
I. Other operational costs for DA Lump Sum 886 19 028 345 344.72 OPERATING_COSTS_DA IFAD (100%)	DAR 100%
E. Salaries: DAR	
I. National Project Management Office: DAR Regular Staff Interview of the second sec	DAD (00%)
National Project Director /v month 72 62 12 47.3 857 568 10 - O SALARIES_DA GOVT Technical Support Staff for GIS month 72 8 12 5.8 105 70 1 - SALARIES_DA GOVT	DAR 100% DAR 100%
Technical Support Staff for GIS month 72 8 12 5.8 105 70 1 - SALARIES_DA GOVT Driver month 72 6 12 4.4 80 53 1 - 1 - SALARIES_DA GOVT	DAR 100%
2. National Project Management Office PCO: Hired Staff /w Image: Comparison of the provide staff /w Image: Comparison of the provide staff /w Image: Comparison of the provide staff /w	
2. National Project wanagement Office PCU: Hiree start // month 72 183 12 140 2.536 1680 30 30.43 - SALARIES_DA IFAD (10%)	DAR 100%
Sr. Admin/Finance Officer /y month 72 111 12 85 1,540 1020 18 18.48 SALARIES_DA IFAD (100%)	DAR 100%
Sr. Procurement Officer /z month 60 92 12 85 1.540 1.020 18 18.48 - SALARIES DA IFAD (100%) Sr. MeXiXM Officer /a month 72 111 12 85 1.540 1.020 18 18.48 - SALARIES DA IFAD (100%)	DAR 100% DAR 100%
Sr. Gender and Social Inclusion Officer /bb month 21 32 6 85 1,540 510 9 9.24 - SALARIES_DA IFAD (100%)	DAR 100%
Finance Assistant month 72 33 12 25 453 300 5 5.43 - SALARIES DA IFAD (10%)	DAR 100%

12012024 Annex 6. AWPB 2025.xlsx

		Total Design	Total Design Estimate Base	AWPB 2025			Budget planned	Budget planned	Budget planned	Budget planned	Budget planned	Budget planned				1			
		Estimates	costs financial	Physical Units	Unit Cost	Unit Cost	for 2025 (Peso	for 2025 (USD	for 2025 (USD	for 2025 (USD	for 2025 (USD	for 2025 (USD							
WPB Activities	Unit	Physical	(US \$ 1000)	Planned	(Peso 1000)	(US\$)	1000)	1000)		1000): GOP	1000): LGU	1000): Ben	Disb. Acct.	Fin. Rule	Agency			LGU	Ber
Admin Assistant /dd	month	72	33	12	25	453	300	5	5.43	-	-		SALARIES_DA	IFAD (100%)	DAR	100%			_
legional PMO: DAR Regular Staff																			+-
D as Regional Project Director /ee	month	144	97	24	37	670	888	16		16	-		SALARIES_DA	GOVT	DAR		100%		+
echnical Support Staff for GIS	month	144		24	5.8	105	139	3	-	3	-		SALARIES_DA	GOVT	DAR		100%		-
Driver	month	144	11	24	4.4	80	106	2	-	2	-		SALARIES_DA	GOVT	DAR		100%		
Regional Project Management Office: Hired Staff /ff																			_
Deputy Project Manager /gg	month	144	261	24	100	1,812	2 400	43	43.48	-	-		SALARIES_DA	IFAD (100%)	DAR	100%			_
/&E/KM Associate	month	144	130	24	50	906	1 200	22	21.74	-	-		SALARIES_DA	IFAD (100%)	DAR	100%			_
Sender and Social Inclusion Associate	month	144	130 130	24	50 50	906 906	1 200 1 200	22 22	21.74 21.74	-	-		SALARIES_DA SALARIES_DA	IFAD (100%) IFAD (100%)	DAR	100%			-
rocurement Associate /hh	month	144			50	906	1 200	22	21.74	-	-		SALARIES_DA SALARIES_DA	IFAD (100%)	DAR	100%			+
inance Assistant /ii	month	144			25	453		11					SALARIES_DA	IFAD (100%)	DAR	100%			+
dmin Assistant	month	144			25	453		11			-		SALARIES DA	IFAD (100%)	DAR				+
														\$					T
rovincial PMO - DAR Regular Staff																			
ARPO as Provincial Project Director	month	720	378		29	525	3 480	63		63	-		SALARIES_DA	GOVT	DAR		100%		
Gender Focal Point	month	720	76		5.8	105	696	13		13	-		SALARIES_DA	GOVT	DAR	1	100%		\perp
echnical Staff for GIS	month	720	76		5.8	105	696	13		13	-		SALARIES_DA	GOVT	DAR	+	100%		+
river	month	720	57	120	4.4	80	528	10	-	10	-		SALARIES_DA	GOVT	DAR	+	100%		+
Provincial PMO - Hired Staff /jj	+															+			+
Provincial PMO - Hired Start / Jj Provincial Project Coordinator /kk	month	720	652	120	50	906	6 000	109	108.70				SALARIES_DA	IFAD (100%)	DAR	100%			+
Admin/Finance Assistant	month	720	326		25	453		54		-	-		SALARIES_DA SALARIES_DA	IFAD (100%)	DAR	100%			+
M&E Assistant/GIS Assistant	month	720	320		30	543	3 600	65					SALARIES_DA	IFAD (100%)	DAR	100%			+
Nice Assistant Olo Assistant	monar	720	331	120	50	545	3 000	00	00.22	-	-		GAEARIEG_DA	11 AD (100 %)	DAIX	10070			+
tal Recurrent Cost							66 811	1 210											+
																			-
																			T
	Т						Budget	Budget planned											
omponent Total; AWPB Component 1: Ecosystem Planning, Protection and Enhancement	<u> </u>						2025 (Peso 1000)	for 2025 (USD 1000)											_
Investment Cost	+						155 095	2 810											-
Recurrent Cost	-						2 868	52											-
	-																		-
Component 2: Sustainable Value Chain Development																			
Investment Cost							73 729	1 336											-
Recurrent Cost							21 333	386											
Component 3: Project Management																			
Investment Cost							64 402	1 167											
Recurrent Cost							66 811	1 210											_
																			_
Total AWPB							000 007	5.040											
							293 227 91 012	5 312 1 649											_
Investment Cost												. T							_
Recurrent Cost																			_
							384 238	6 961											_
Recurrent Cost							384 238	6 961											_
Recurrent Cost							384 238	6 961											
Recurrent Cost Irrand Total AWPB							384 238	6 961											+
Recurrent Cost Brand Total AWPB																			_
Recurrent Cost							Total Budget	Total Budget	Budget nlanned	Budget nlanned	Budget planned	Budget planned							
Recurrent Cost Brand Total AWPB							Total Budget planned for	Total Budget planned for	Budget planned for 2025 (USD										
Recurrent Cost rand Total AWPB WPB by Disbursment Categories and Financiers							Total Budget planned for 2025 (Peso	Total Budget planned for 2025 (USD	for 2025 (USD	for 2025 (USD	for 2025 (USD	for 2025 (USD							
Recurrent Cost rand Total AWPB WPB by Disbursment Categories and Financiers							Total Budget planned for 2025 (Peso 1000)	Total Budget planned for 2025 (USD 1000)	for 2025 (USD 1000): IFAD	for 2025 (USD	for 2025 (USD	for 2025 (USD							
Recurrent Cost rand Total AWPB WPB by Disbursment Categories and Financiers wrsment Category: AWPB AT CONSULTANCIES DA							Total Budget planned for 2025 (Peso 1000) 88 889	Total Budget planned for 2025 (USD 1000) 1 610	for 2025 (USD 1000): IFAD 1 610	for 2025 (USD	for 2025 (USD	for 2025 (USD							
Recurrent Cost rand Total AWPB WPB by Disbursment Categories and Financiers ursment Category: AWPB AT_CONSULTANCIES_DA ANINNC,DA							Total Budget planned for 2025 (Peso 1000) 88 889 70 475	Total Budget planned for 2025 (USD 1000) 1 610 1 277	for 2025 (USD 1000): IFAD 1 610 1 256	for 2025 (USD 1000): GOP 0 21	for 2025 (USD	for 2025 (USD							+
Recurrent Cost and Total AWPB WPB by Disbursment Categories and Financiers ursment Category: AWPB T. CONSULTANCIES_DA ADDA CRKSHOP_DA							Total Budget planned for 2025 (Peso 1000) 88 889 70 475 4 025	Total Budget planned for 2025 (USD 1000) 1 610 1 277 73	for 2025 (USD 1000): IFAD 1 610 1 256 73	for 2025 (USD 1000): GOP 0 21	for 2025 (USD	for 2025 (USD							
Recurrent Cost rand Total AWPB WPB by Disbursment Categories and Financiers ursment Category: AWPB AT_CONSULTANCIES_DA AT_CONSULTANCIES_DA ORKSHOP_DA ORKSHOP_DA DA							Total Budget planned for 2025 (Peso 1000) 88 889 70 475 4 025 68 075 1 250	Total Budget planned for 2025 (USD 1000) 1 610 1 277 73 1 233	for 2025 (USD 1000): IFAD 1 610 1 256 73 1 226	for 2025 (USD 1000): GOP 0 21 0 0 5	for 2025 (USD	for 2025 (USD							
Recurrent Cost rand Total AWPB WPB by Disbursment Categories and Financiers wrsment Category: AWPB AT_CONSULTANCIES_DA TAINING_DA OORS_DA OORS_DA OORS_DA OORS DA OORS DA							Total Budget planned for 2025 (Peso 1000) 88 889 70 475 4 025	Total Budget planned for 2025 (USD 1000) 1 610 1 277 73 1 233	for 2025 (USD 1000): IFAD 1 610 1 256 73 1 226	for 2025 (USD 1000): GOP 0 21 0 0 5	for 2025 (USD 1000): LGU 0 0 7 3	for 2025 (USD							
Recurrent Cost irrand Total AWPB WPB by Disbursment Categories and Financiers bursment Category: AWPB AT_CONSULTANCIES_DA RAINING_DA VORKSHOP_DA OVORKSHOP_DA OVORKS_DA ALARIES_DA ALARIES_DA RAINIS_DA							Total Budget planned for 2025 (Peso 1000) 88 889 70 475 4 025 68 075 68 075 1 250 57 295 30 062	Total Budget planned for 2025 (USD 1000) 1 610 1 277 73 1 233 23 1 038 545	for 2025 (USD 1000): IFAD 1 610 1 256 73 1 226 14 907 545	for 2025 (USD 1000): GOP 0 21 0 0 0 5 5 131	for 2025 (USD 1000): LGU 0 0 7 3	for 2025 (USD							
Recurrent Cost irrand Total AWPB WPB by Disbursment Categories and Financiers bursment Category: AWPB IAT_CONSULTANCIES DA RAINING, DA VORKSHOP_DA OODS, DA ALARIES, DA IRANTS, DA QUIPMENT, DA							Total Budget planned for 2025 (Peso 1000) 88 889 70 475 4 025 68 075 1 250 57 295 30 062 12 450	Total Budget planned for 2025 (USD 1000) 1 610 1 277 73 1 233 23 1 038 545 226	for 2025 (USD 1000): IFAD 1 610 1 256 73 1 226 14 907 545 226	for 2025 (USD 1000): GOP 0 211 0 0 0 5 1311 0 0 0 0	for 2025 (USD 1000): LGU 0 0 7 3	for 2025 (USD							
Recurrent Cost irrand Total AWPB WPB by Disbursment Categories and Financiers bursment Category: AWPB LAT_CONSULTANCIES_DA TRAINING_DA VORKSHOP_DA SOODS_DA SOODS_DA SOODS_DA SOODS_DA SAVATS_DA GUIPMENT_DA GUIPMENT_DA GOSTS_DA							Total Budget planned for 2025 (Peso 1000) 88 889 70 475 4 025 68 075 1 286 57 295 50 062 1 2450 33 717	Total Budget planned for 2025 (USD 1000) 1 610 1 277 73 1 233 2 3 1 038 5 45 5 45 6 611	for 2025 (USD 1000): IFAD 1 610 1 256 73 1 226 0 14 907 545 226 430	for 2025 (USD 1000): GOP 0 21 0 0 0 5 5 131	for 2025 (USD 1000): LGU 0 0 7 3	for 2025 (USD							
Recurrent Cost rrand Total AWPB WPB by Disbursment Categories and Financiers WPB by Disbursment Categories and Financiers AT CONSULTANCIES DA AT CONSULTANCIES DA ATAINING DA ORKS ADA ALARIES DA ALARIES DA RANTS DA QUIPMENT DA PERATING COSTS DA EFICUES DA EFICUES DA EFICUES DA							Total Budget planned for 2025 (Peso 1000) 88 889 70 475 4 025 68 075 1 250 57 295 30 062 12 450 33 717 18 000	Total Budget planned for 2025 (USD 1000) 1 610 1 277 73 1 233 23 1 038 545 5226 611 326	for 2025 (USD 1000): IFAD 1 610 1 256 7 3 1 226 1 4 907 545 226 4 300 326	for 2025 (USD 1000): GOP 0 21 0 0 0 5 131 0 0 0 0 0 181 0 0 0 0	for 2025 (USD 1000): LGU 0 0 7 3	for 2025 (USD							
Recurrent Cost rand Total AWPB WPB by Disbursment Categories and Financiers WFB by Disbursment Categories and F							Total Budget planned for 2025 (Peso 1000) 88 889 70 475 4 025 68 075 1 286 57 295 50 062 1 2450 33 717	Total Budget planned for 2025 (USD 1000) 1 610 1 277 73 1 233 2 3 1 038 5 45 5 45 6 611	for 2025 (USD 1000): IFAD 1 610 1 256 7 3 1 226 1 4 907 545 226 4 300 326	for 2025 (USD 1000): GOP 0 211 0 0 0 5 1311 0 0 0 0	for 2025 (USD 1000): LGU 0 0 7 3	for 2025 (USD	6961						



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex 7: Procurement Plan for first 18 months

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Procure	ment Plan S	SUMMARY		
Country:	Philippines			
Project Name:	Value Chain Innovation for Su	stainable Transformation in Agrariar	Reform Communties	
Project ID:	2000001234			
Version				
Version Date				
Prepared by:				
Approved by:				
Procurement Category		Plan	Act	tual
Currency	USD	LCU	USD	LCU
Goods	-	24 815 000.00	-	-
Works	-	390 450 000.00	-	-
Consulting Services	-	180 878 700.00	-	-
Non-Consulting Services	-	-	-	-
Grants	-	-	-	-
TOTAL	-	596 143 700.00	-	-

The threshold tables below are based on the new LTB Template 2020. Please fill in the fields that are applicable based on the provisions in the LTB for the project.

		Prior Review	w Thresholds	-	-
Category	Goods and goods- related Non-Consulting Services	Works and works-related Non-Consulting Services	Consulting Services and related Non-Consulting Services and/or MoU/Agreements	Individual Consultants	Decisions concerning Abnormally Low Bids shall be subject to the No Objection of IFAD:
Threshold	>= US\$ 200,000.00	>= US\$ 400,000.00	>= US\$ 150,000.00	>= US\$ 40,000.00	Only for procurement activities subject to prior review OR For all procurement activities

All Direct Contracting and Single-Source Procurements are **Prior Review** (in alignment with IFAD Procurement Handbook), or based on the thresholds stipulated in the LTB

The exchange rate at time of submission will be used for reviews.

		Pro	curement Method Thresh	olds		
	CQS	QBS/LCS/FBS	QCBS	Shortlisting	SSS - Firms	SSS - Individuals
Consulting Services and related Non- Consulting Services	<= US\$ 250,000.00	< US\$ 1,000,000.00	>= US\$ 1,000,000.00	>= US\$ 250,000.00	<= US\$ 5,000.00 (subject to prior review. Justification required if above threshold)	<= US\$ 5,000.00 (or with a contract duration of 3 months or less; subject to prior review)
	Direct Contracting	Shopping	NCB	ICB	Other Procurement Metho	ods or Arrangements
Goods and goods- related Non- Consulting Services	>= US\$ 5,000.00 (subject to prior review. Justification required if above threshold)	<= US\$ 45,000.00	< US\$ 2,000,000.00	>= US\$ 2,000,000.00	Force Account	Not Allowed
Works and works- related Non- Consulting Services	>= US\$ 5,000.00 (subject to prior review. Justification required if above threshold)	<= US\$ 45,000.00	< US\$ 5,000,000.00	>= US\$ 5,000,000.00	Community Participation	Allowed

Procurement Goods	Plan -													
Philippines Value Chain I Transformati Project ID: 2000001234	Innovati on in Aç	on for Sustainable rarian Reform Com	munties									USD	LCU	
Prepared by:											Total Amount	0.00	24 815 000.00	Plan
Approved by:												0.00	0.00	Actual
	I										Non- Consulting:	0.00	0.00	Plan
											consulting.	0.00	0.00	Actual
Version	0.0	0-Jan-00						Basi	c Data					
AWPB/ Compo- nent Ref	N⁰	Description	Non Consulting	Funding	Lot №/ Description	Project Area or Procuring Entity	Plan vs. Actual	Pre-or Post Qualifi cation	Prior or Post Review	Procure- ment Method	Envelopes	Amount (USD)	Amount (LCU)	Plan vs. Actual
		Lease office		IFAD			Plan	Post- Qual	Post Review	NS			950 000.00	Plan
		space for DAR CPMO		IFAD			Actual					-	-	Actual
		lease of office space for regional offices		IFAD			Plan	Post- Qual	Post Review	NS			630 000.00	Plan

for DAR RPMO(CAR)			Actual				-	-	Actual
Lease of office space for regional offices	IFAD		Plan	Post- Qual	Prior Review	NS		630 000.00	Plan
for DAR RPMO (REGION 12)	II AD		Actual				-	-	Actual
Procurement of 12 vehicles for	IFAD		Plan	Post- Qual	Prior Review	NCB		21 600 000.00	Plan
regional and provincial offices			Actual				-	-	Actual
Office equipment (26 desktops, 18	IFAD		Plan	Post- Qual	Post Review	NS		900 000.00	Plan
laptops, 14 LCD, Camera)	IFAD		Actual				-		Actual
Procurement of tablets for	IFAD		Plan	Post- Qual	Prior Review	NS		105 000.00	Plan
surveys and data collection	IT AD		Actual				-	-	Actual

WORKS Philippines Value Chain I Transformatio	nnovatio													
2000001234											-	USD	LCU	
Prepared by:											Total Amount	0.00	390 450 000.00	Plan
Approved by:											Amount	0.00	0.00	Actual
											Non-	0.00	0.00	Plan
											Consulting:			
												0.00	0.00	Actual
Version	hilippines alue Chain Innovation for Sustainable ransformation in Agrarian Reform Communité roject ID: 000001234 repared by: pproved by: ersion 0.0 0-Jan-00 AWPB/ omponent Ref Ne Description Standard FMR(total of 1 different packages to be determined) Standard FMR(total of 1 different packages to be													
AWPB/ Component Ref	Philippines Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communitie Project ID: 2000001234 Prepared by: Approved by: Approved by: Version 0.0 0-Jan-00 Component Ne Description Ref Description Standard FMR(total of 10 different packages to be determined) Tire tracks(total of 10kms different contract package		Non Consulting	Funding	Lot №/ Description	Project Area or Procuring Entity	Plan vs. Actual	Pre-or Post Quali- ficatio n	Prior or Post Review	Procurement Method	Envelopes	Amount (USD)	Amount (LCU)	Plan vs. Actual
		Standard FMR(total of 10kms in different packages to be		IFAD			Plan	Post- Qual	Post Review	NCB			180 000 000.00	Plan
		determined)					Actual					-	-	Actual
		Tire tracks(total of 10kms in different contract packages to be		IFAD			Plan	Post- Qual	Post Review	NCB			35 000 000.00	Plan
		determined)					Actual					-	-	Actual

AWPB/ Component Ref	Nº	Description	Non Consulting	Funding	Lot №/ Description	Project Area or Procuring Entity	Plan vs. Actual	Pre-or Post Quali- fication	Prior or Post Review	Procurement Method	Envelopes	Amount (USD)	Amount (LCU)	Plan vs. Actual
		Trails(Foot, animal, sledge) total of 10kms in different contract		IFAD			Plan	Post- Qual	Post Review	NCB			25 000 000.00	Plan
		packages still to be determined					Actual					-	-	Actual
		Foot bridge		IFAD			Plan	Post- Qual	Post Review	NS			21 000.00	Plan
		r oor blidge		II AD			Actual					-	-	Actual
		Greenhouse Drip Irrigation (200		IFAD			Plan	Post- Qual	Post Review	NS			900 000.00	Plan
		sqm)		II AD			Actual					-	-	Actual
		Farm slope protection works(grouted riprap)		IFAD			Plan	Post- Qual	Prior Review	DC			8 500 000.00	Plan
		none(groutod hptdp)					Actual					-	-	Actual
		Small Farm reservoir(SFR/Interceptor canal) in		IFAD			Plan	Post- Qual	Prior Review	DC			4 529 000.00	Plan
		different contract packages					Actual					-	-	Actual
		Streambank stabilization(grouted		IFAD			Plan	Post- Qual	Post Review	NS			7 500 000.00	Plan
		riprap)		IFAD			Actual					-	-	Actual

AWPB/ Component Ref	N⁰	Description	Non Consulting	Funding	Lot №/ Description	Project Area or Procuring Entity	Plan vs. Actual	Pre-or Post Quali- fication	Prior or Post Review	Procurement Method	Envelopes	Amount (USD)	Amount (LCU)	Plan vs. Actual
		Rainwater Capture Tank		IFAD			Plan	Post- Qual	Prior Review	DC			9 000 000.00	Plan
		Installation					Actual					-	-	Actual
		CIS Rehab for 200 hectares in		IFAD			Plan	Post- Qual	Post Review	NCB			40 000 000.00	Plan
		various packages to be determined		IFAD			Actual					-	-	Actual
		CIP Construction		IFAD			Plan	Post- Qual	Post Review	NCB			30 000 000.00	Plan
				IFAD			Actual					-	-	Actual
		Dina Irrigation Scheme		IFAD			Plan	Post- Qual	Post Review	NCB			50 000 000.00	Plan
		Pipe Irrigation Scheme		IFAD			Actual					-	-	Actual

Procurement - Consulting Philippines Value Chain I in Agrarian R Project ID:	Innovat	ion for Sustainable Transfo Communties	ormation											
2000001234											USD	LCU		
Prepared by:										Total Amount	0.00	180 878 7	00.00	Plan
Approved by:										Amount	0.00		0.00	Actual
										Non-	0.00		0.00	Plan
										Consulting:	0.00		0.00	Actual
										Grants:	0.00		0.00	Plan
										Grants.	0.00		0.00	Actual
Version	0.0	0-Jan-00												
AWPB/ Component Ref	Nº	Description*	Grant	Non Consulting	Funding	Project Area or Procuring Entity	Plan vs. Actual	Shortlist (Yes No)	Prior or Post Review	Procurement Method	Amount (USD)	Amount (I	LCU)	Plan vs. Actual
		Generation of geospatial			IFAD		Plan		Post Review	ICS		600 000.00)	Plan
		maps and database					Actual				-	-		Actual
		Supporting studies for integrated planning, feasibility assessment					Plan		Prior Review	ICS		4 188 700.0	00	Plan
		and prioritisation re operationalization of FPIC Implementation Plan			IFAD		Actual				-	-		Actual

AWPB/ Component Ref	Nº	Description*	Grant	Non Consulting	Funding	Project Area or Procuring Entity	Plan vs. Actual	Shortlist (Yes No)	Prior or Post Review	Procurement Method	Amount (USD)	Amount (LCU)	Plan vs. Actual
		FBS Design and Implementation			IFAD		Plan		Prior Review	QCBS		12 000 000.00	Plan
		Administration					Actual				-	-	Actual
		LARBO and FBS			IFAD		Plan		Post Review	ICS		1 600 000.00	Plan
		Facilitator					Actual				-	-	Actual
		Agri Extension			IFAD		Plan		Post Review	ICS		1 260 000.00	Plan
		Specialist					Actual				-	-	Actual
		VPO Cap Build Business Plan			IFAD		Plan		Post Review	ICS		6 750 000.00	Plan
		Preparation					Actual				-	-	Actual
		VPO Performance Information System			IFAD		Plan		Post Review	ICS		1 500 000.00	Plan
		Needs Assessment and Solutions Matching					Actual				-	-	Actual
		Operations Systems Needs Assessment			IFAD		Plan		Post Review	ICS		1 500 000.00	Plan
		and Solutions Matching			שא וו		Actual				-	-	Actual

AWPB/ Component Ref	Nº	Description*	Grant	Non Consulting	Funding	Project Area or Procuring Entity	Plan vs. Actual	Shortlist (Yes No)	Prior or Post Review	Procurement Method	Amount (USD)	Amount (LCU)	Plan vs. Actual
		Financial Recording and Reporting systems Needs			IFAD		Plan		Post Review	ICS		750 000.00	Plan
		assessment and Solutions Matching					Actual				-	-	Actual
		Warehouse FS and			IFAD		Plan		Post Review	ICS		2 000 000.00	Plan
		Designing					Actual				-	-	Actual
		Solar Drying Pavement FS and			IFAD		Plan		Post Review	ICS		48 000.00	Plan
		Designing			שה וו		Actual				-	-	Actual

TIME ESTIMATION

Procurement Method	Subm	ission o	f PreQual docs	No (bjectio	on Date	PreG	Qual Inv Date	itation	Pre	Qual C Date			bmissi Qual F		No C	bjectio	on Date		Submis	sion of BD	N	o-objec Date		Bid I	nvitatio	on Date	Bid C	losing-	-Openin
	Min	Max	Approx	Min	Max	Appro x	Min	Max	Appro x	Min	Max	Appro x	Min	Max	Appro x	Min	Max	Appro x	Min	Max	Арргох	Min	Max	Appro x	Min	Max	Approx	Min	Max	Approx
Single Envelope				_													_								_					
RFQ/Shopping (NS/IS)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	3	N/A-Start Date	7	10	7	1	3	1	5	21	14
NCB (no PreQual)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	N/A-Start Date	7	10	7	1	3	2	30	45	30
ICB (no PreQual)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	N/A-Start Date	7	10	7	1	3	2	45	70	45
LIB (no PreQual)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	N/A-Start Date	7	10	7	1	3	2	45	70	45
NCB (with PreQual)	1	4	N/A-Start Date	7	10	7	1	3	2	14	30	30	14	21	14	7	10	7	1	14	10	7	10	7	1	3	2	30	45	30
ICB (with PreQual)	1	4	N/A-Start Date	7	10	7	1	3	2	14	30	30	14	21	14	7	10	7	1	14	10	7	10	7	1	3	2	45	70	45
LIB (with PreQual)	1	4	N/A-Start Date	5	10	7	1	3	2	14	30	30	14	21	14	7	10	7	1	14	10	7	10	7	1	3	2	45	70	45
Direct Contracting/ Force Account	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	3	N/A-Start Date	7	10	7	1	3	1	7	30	14
Two Envelope																														
NCB (no PreQual)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	N/A-Start Date	7	10	7	1	3	2	30	45	30
ICB (no PreQual)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	N/A-Start Date	7	10	7	1	3	2	45	70	45
LIB (no PreQual)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	N/A-Start Date	7	10	7	1	3	2	45	70	45
NCB (with PreQual)	1	4	N/A-Start Date	7	10	7	1	3	2	14	30	30	14	21	14	7	10	7	1	14	10	7	10	7	1	3	2	30	45	30
ICB (with PreQual)	1	4	N/A-Start Date	7	10	7	1	3	2	14	30	30	14	21	14	7	10	7	1	14	10	7	10	7	1	2	2	45	70	45
LIB (with PreQual)	1	4	N/A-Start Date	7	10	7	1	3	2	14	30	30	14	21	14	7	10	7	1	14	10	7	10	7	1	2	2	45	70	45

Procurement Method		ubmiss ch Eva		M	lo-obje Dat		Co		d Eval aluation	N	lo-obje Dat			e of N Stand	OITA & still	Date	Contra	ict Award		nissior Contr	of Draft act	No-	objecti	on Date		Dat Contr Signat	act		Те	otals	
	Min	Max	Appro x	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Арргох	Min	Max	Approx	Min	Max	Арргох	Approx Months Days
Single Envelope																															
RFQ/Shopping (NS/IS)	0	0	0	0	0	0	1	7	7	7	10	7	0	0	0	4	÷	6	3	7	5	7	10	7	4	7	4	40	78	58	1m 27d
NCB (no PreQual)	0	0	0	0	0	0	3	21	14	7	10	7	1	3	3	14	-	15	3	7	5	7	10	7	4	7	4	78	123	94	3m 3d
ICB (no PreQual)	0	0	0	0	0	0	3	21	21	7	10	7	1	3	3	14	-	15	3	7	5	7	10	7	4	7	4	93	148	116	3m 25d
LIB (no PreQual)	0	0	0	0	0	0	3	21	21	7	10	7	1	3	3	14		15	3	7	5	7	10	7	4	7	4	93	148	116	3m 25d
NCB (with PreQual)	0	0	0	0	0	0	7	21	14	7	10	7	1	3	3	14	1	15	3	7	5	7	10	7	4	7	4	126	208	164	5m 12d
ICB (with PreQual)	0	0	0	0	0	0	7	21	21	7	10	7	1	3	3	14	-	15	3	7	5	7	10	7	4	7	4	141	233	186	6m 4d
LIB (with PreQual)	0	0	0	0	0	0	7	21	21	7	10	7	1	3	3	14		15	3	7	5	7	10	7	4	7	4	139	233	186	6m 4d
Direct Contracting/ Force Account	0	0	0	0	0	0	3	21	7	7	10	7	0	0	0	4	-	6	3	7	5	7	10	7	4	7	4	44	101	58	1m 27d
Two Envelope																															
NCB (no PreQual)	3	21	3	7	10	7	3	14	14	7	10	7	1	3	3	14	-	15	3	7	5	7	10	7	4	7	4	88	147	104	3m 13d
ICB (no PreQual)	3	21	21	7	10	7	3	14	14	7	10	7	1	3	3	14	-	15	3	7	5	7	10	7	4	7	4	103	172	137	4m 16d
LIB (no PreQual)	3	21	21	7	10	7	3	14	14	7	10	7	1	3	3	14	-	15	3	7	5	7	10	7	4	7	4	103	172	137	4m 16d
NCB (with PreQual)	7	21	14	7	10	7	3	14	14	7	10	7	1	3	3	14	-	15	3	7	5	7	10	7	4	7	4	136	232	185	6m 3d
ICB (with PreQual)	7	21	21	7	10	7	3	14	14	7	10	7	1	3	3	14		15	3	7	6	7	10	7	4	7	4	151	256	207	6m 25d
LIB (with PreQual)	7	21	21	7	10	7	3	14	14	7	10	7	1	3	3	14	-	15	3	7	5	7	10	7	4	7	4	151	256	207	6m 25d

Selection Method	S	ubmissio	on of REOI	No O	bjectio	n Date	REO	Launc	h Date		Submi: Deadlin			omissi rtlist R	on of leport	No C	bjectio	n Date	Sub	missio	n of RFP/RCQ	No	o-objec Date		RFP/	RCQ I Date	aunch	Propo	sal sub deadlii	omission ne	Subn	nission o	f TE
	Min	Max	Approx	Min	Max	Appro X	Min	Max	Appro x	Min	Max	Appro x	Min	Max	Appro x	Min	Max	Appro x	Min	Max	Approx	Min	Max	Appro X	Min	Max	Approx	Min	Max	Approx	Min	Max	App x
QCBS (w/Shortlist)	1	4	N/A- Start Date	7	10	7	1	3	2	14	30	14	14	21	14	7	10	7	1	7	4	7	10	7	1	3	2	45	60	45	14	21	14
FBS (w/Shortlist)	1	4	N/A- Start Date	7	10	7	1	3	2	14	30	21	14	21	14	7	10	7	1	7	4	7	10	7	1	3	2	45	60	45	14	21	14
LCS (w/Shortlist)	1	4	N/A- Start Date	7	10	7	1	3	2	14	30	21	14	21	14	7	10	7	1	7	4	7	10	7	1	3	2	45	60	45	14	21	14
QBS (w/Shortlist)	1	4	N/A- Start Date	7	10	7	1	3	2	14	30	21	14	21	14	7	10	7	1	7	4	7	10	7	1	3	2	21	60	45	14	21	14
CQS (w/Shortlist)	1	4	N/A- Start Date	7	10	7	1	3	2	14	30	21	14	21	14	7	10	7	1	5	4	7	10	7	1	3	2	14	30	21	0	0	0
ICS (w/Shortlist)	1	4	N/A- Start Date	7	10	7	1	3	2	14	30	21	14	21	14	7	10	7	1	5	4	7	10	7	1	3	2	14	30	21	0	0	0
QCBS (noShortlist)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	N/A- Start Date	7	10	7	1	3	2	45	60	45	14	21	14
FBS (noShortlist)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	5	N/A- Start Date	7	10	7	1	3	2	14	30	21	7	21	14
LCS (noShortlist)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	N/A- Start Date	7	10	7	1	3	2	21	30	25	7	21	14
QBS (noShortlist)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	N/A- Start Date	7	10	7	1	3	2	21	60	45	14	21	14
SSS/ Selection (Design/PIM)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	7	N/A- Start Date	7	10	7	1	3	2	7	30	30	0	0	0

Services

Selection Method	N	lo-obje Date		Sub	missio	n of CER	,	No-obje Dat			ue of N Stands	OITA & still	Date	Contra	ct Award		legotia comp l e				n of Draft nd MoN e	No-	objectio	on Date		Date Contract Signature				Totals	
	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Min	Max	Approx	Approx Months/Days
QCBS (w/Shortlist)	7	10	7	7	14	14	7	10	7	1	3	3	14	- 121	15	10	28	15	3	7	5	7	10	7	4	7	4	172	268	193	6m 11d
FBS (w/Shortlist)	7	10	7	7	14	14	7	10	7	1	3	3	14		15	10	28	15	3	7	5	7	10	7	4	7	4	172	268	200	6m 18d
LCS (w/Shortlist)	7	10	7	7	14	14	7	10	7	1	3	3	14		15	10	28	15	3	7	5	7	10	7	4	7	4	172	268	200	6m 18d
QBS (w/Shortlist)	7	10	7	0	0	0	0	0	0	1	3	3	14	12	15	10	28	15	3	7	5	7	10	7	4	7	4	134	244	179	5m 27d
CQS (w/Shortlist)	0	0	0	14	21	14	7	10	7	0	0	0	4	1.00	6	7	14	14	3	7	5	7	10	7	4	7	4	113	195	142	4m 21d
ICS (w/Shortlist)	0	0	0	14	21	14	7	10	7	0	0	0	4		6	7	14	14	3	7	5	7	10	7	4	7	4	113	195	142	4m 21d
QCBS (noShortlist)	7	10	7	7	14	14	7	10	7	1	3	3	14	12	15	10	28	15	3	7	5	7	10	7	4	7	4	128	190	145	4m 24d
FBS (noShortlist)	7	10	7	7	14	14	7	10	7	1	3	3	14		15	10	28	15	3	7	5	7	10	7	4	7	4	90	158	121	3m 30d
LCS (noShortlist)	7	10	7	7	14	14	7	10	7	1	3	3	14		15	10	28	15	3	7	5	7	10	7	4	7	4	97	160	125	4m 4d
QBS (noShortlist)	7	10	7	0	0	0	0	0	0	1	3	3	14	-	15	10	28	15	3	7	5	7	10	7	4	7	4	90	166	124	4m 3d
SSS/ Selection (Design/PIM)	0	0	0	7	21	14	7	10	7	0	0	0	4	-	6	7	21	21	3	7	5	7	10	7	4	7	4	55	126	103	3m 12d

NOTE

1. Some procurement methods for low-value processes might require No Objections based on the Prior Review Thresholds. Where they do not require, No Objection number of days should be zero.

2. RFP: Request for Proposals: standard procurement document used for Services.

3. RCQ: Requests for Consultants Qualifications: Procurement document used for CQS and LCS. The RFP is used for all other procurement methods

4. Consulting services and Good/Works methods could either be used for Non-Consulting Services

5. All days are calendar days

Validation List Source

Yes
Prior Review
Post Review
NS
IS
NCB
ICB
LIB
DC
Force Account
QCBS
FBS
LCS
QBS
CQS
ICS
SSS
Selection (Design/PII

GUIDANCE NOTE

Overview of the template

Worksheets for the Procurement Plan

- SUMMARY GOODS WORKS CONSULTING • Goods, Works, Consulting: used to enter procurement plan data.
- Note: Non-consulting services should be inserted in any of the categories for Goods, Works and Consulting depending on the nature of the services.
- Summary: displays a summary of amounts by category, and procurement thresholds.

Procurement Summary

Populating the Procurement Plan Summary

Procure	ment Plan	SUMMAR	Y	
Country:	Wakaranda			
Project Name:	Community Live	stock and Agricu	ulture Project (CL	AP)
Project ID:	2000001234			
Version	1.0			
Version Date	01-Jan-20			
Prepared by:				
Approved by:				
Procurement Category	PI.	an	Act	ual
Currency	USD	LCU	USD	LCU
Goods		-	-	
Works				
Consulting Services		-	-	
Non-Consulting Services		-	-	
Grants		-		
TOTAL		-		

The template provides excel worksheets for (i) Guidance, timelines and (ii) the actual Procurement Plan

Worksheets for Guidance and timelines

- Guidance: quick reference guidance on how to use the template.
- Time Estimation: estimated timelines by procurement methods, based on experience and guidance in the Procurement Handbook where specified.

The Summary worksheet displays basic information, total amounts and procurement thresholds for the project.

STEP 1: Enter the Country, Project Name, Project ID, Version, Version Date and Name(s) of the person(s) preparing and/or approving the Plan.

Managing versions, updates and upgrades

The Version of the Procurement Plan (and the version date) must be updated for every Update and Upgrade to the Plan. This version update shall be made to the summary sheet only. It will be automatically populated to the other sheets. The first digit (1.0) should be kept for the entire 18 or 12 months period that represents the Plan's duration and changed in the next period/year (for example, Year/Period 1: 1.0. Year/Period 2: 2.0). The second digit represents updates and upgrades.



contents of the Actual rows in



Do not populate this section. Total amounts are automatically calculated from the Procurement Plan Sheets for each category.

Consulting Services and related Non- Consulting Services	CQS <= US\$ 0.00 Direct Contracting	QBS/LCS/FBS < USS 0.00 Shopping	QCBS	Shortlisting >= US\$ 0.00 ICB	SSS - Firms <= USS 0.00 (subject to prior review. Justification required if above threshold) Other Procureme Arranger	
Services and related Non- Consulting	<= US\$ 0.00				<= US\$ 0.00 (subject to prior review. Justification required if above threshold)	Individuals <= US\$ 0.00 (or with a contract duration of 3 months or less; subject to prior review)
	CQS	QBS/LCS/FBS	QCBS	Shortlisting	SSS - Firms	Individuals
Procurement Han	ing and Single-Source dbook), or based on th e at time of submission	e thresholds stipulated will be used for review	t in the LTB			
Threshold	>= US\$ 0.00	>= US\$ 0.00	>= US\$ 0.00	>= US\$ 0.00	Only for procurement activities subject to prior review OR For all procurement activities	
		Consulting Services	and/or MoU/Agreements		No Objection of IFAD:	

185.0.00

JS\$ 0.00

US\$ 0.00

US\$ 0.00

. 5\$ 0.00

JSS 0.00

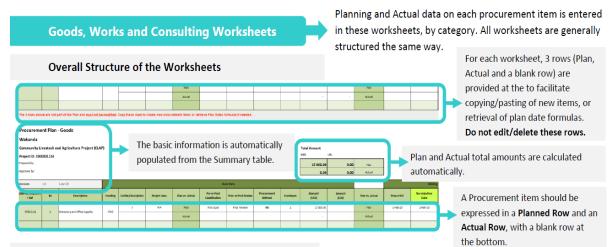
JS\$ 0.00

Prior Review Thresh



CURRENCY, modify the USD labels in the template using the dropdowns where provided or typing directly if required option is not available.

STEP 2: Enter the Prior Review Thresholds and Procurement Method Thresholds for the project. These are defined in the Letter to the Borrower.



Adding a New Procurement Item

Modifying Planned Dates

STEP 1: To add a new procurement where rows are still available, fill out all the items in the Plan until you get to the date. This is the "**Basic Data**" section, and reference to the corresponding AWPB, Procurement No., Description, Funding, Number of Lots, Project Area (where applicable), Procurement/selection methods and the Planned Amount in USD or Local Currency. The date cells for Goods and Works start with the cell directly under **Submission of PreQual** docs, and for the Consulting Services worksheet, the cell directly under **Submission of REOI**.

AWPB/Comp onent Ref	Ne	Description*	Funding	Project Area	Plan vs. Actual	Shortlist (Yes[No)	Prior or Post Review	Procurement Method	Amount (USD)	Amount (LCU)	Submission of	No Objection	REOI Launch
RRB.CS.01	1	Climate Vulnerability Assesment	IFAD	All targeted districts	Plan	Yes	Prior Review	QCBS	64 000.00		REOI	Date	Date
					Actual				-		Enter Date		
	Ι,	ou can only ente	er amo	ounts in	Gra		Non Insulting		Select "Ye s and Non-		+		
		one currency for			Ye	5 Ves	×	activi	ties if appli	cable.	STEP 2: Base you will be pr		
L											date of the p	rocess in the	relevant fiel

			EOI Shortli	st Procedure			
Plan vs. Actual	Submission of REOI	No Objection Date	REOI Launch Date	EOI Submission Deadline	Submission of Shortlist Report	No Objection Date	Submission o RFP/RCQ
Plan	1-Feb-20	8-Feb-20	10-Feb-20	2-Mar-20	16-Mar-20	23-Mar-20	27-Mar-20
Actual							

Planned dates are calculated using formulas, from start to finish. Note: If you enter a Procurement Method that is not listed in the dropdown, the formulas will not work, however you may proceed with manual entry.

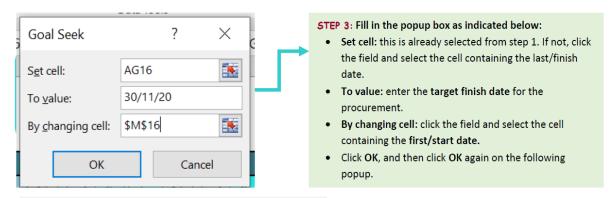
Planned dates provided by the formulas are not prescriptive and may be modified as needed.

Planning from Finish to Start: As long as no manual entries have been made to the planned dates and the formulas are still in place, you can adjust the timeline based on an END DATE as follows:

No-objection Date	Date Contract Award	Date Contract Signature	
22-Aug-20	24-Aug-20	31-Aug-20	
New Ero		hat-lf Frecast Alysis – heet Goal Seek Data Lable AL	Outline ",116="LCS"

STEP 1: Follow steps 1 and 2 in the previous section, entering a start date. Once you have planned dates in the cells based on the formulas, select the cell that contains the last/finish date.

STEP 2: Click **Data** and select the dropdown menu on the button called **What-If Analysis**. Select the **Goal Seek** feature from the dropdown.



The timeline will be adjusted, with a new calculated start date.

- > Modifying the number of days in the timeline: This can be done in two ways:
 - Using the Time Estimation worksheet: Modifying the approximate (Approx) number of days for specific processes (by procurement methods) within the Time Estimation worksheet. Note: this timeline applies to all items in the procurement worksheet using that method.
 - **Directly modifying planned dates** for a procurement item within the procurement plan worksheet. Note: modifying dates in the worksheets should be done from earliest to latest date, to ensure remaining dates are adjusted accordingly by the formulas.

Using the Time Estimation Sheet to modify timelines by procurement method

Goods & Works								
Procurement Method		Bid Invitation I	Date	E	iid Closing-Op	ening		Su Teo
	Min	Max	Approx	Min	Max	Approx	Min	
Single Envelope								-
RFQ/Shopping (NS/IS)	1	3	1	5	21	14	0	
NCB (no PreQual)	1	3	2	30	45	45	0	
ICB (no PreQual)	1	3	2	45	70	45	0	
LIB (no PreQual)	1	3	2	45	70	45	0	
NCB (with PreQual)	1	3	2	30	45	45	0	
ICB (with PreQual)	1	3	2	45	70	30	0	
LIB (with PreQual)	1	3	2	45	70	45	0	
Direct Contracting	1	3	1	7	30	14	0	
Two Envelope								
NCB (no PreQual)	1	3	2	30	45	45	3	
ICB (no PreQual)	1	3	2	45	70	45	3	

This spreadsheet provides estimated timelines by procurement methods, for each step of the procurement process based on experience and guidance in the Procurement Handbook where specified.

ACTION: Identify the Approx cell value for the step in the process, and procurement method for which you wish to modify the timeline, and shange the number of days.

Note: Cells will be highlighted for your attention if the value entered is below the Minimum number of days (as shown in this example).

ero indicates steps that are not applicable to he method, and are indicated as *N/A* in the ormulas.

Directly modifying planned dates

ACTION: Simply enter new dates manually.

Note: Start editing from earliest to latest to ensure that the following dates are adjusted by the formulas.

Note: If you need to restore one or more planned date formulas, you can do so by copying and pasting the corresponding cell (in the same column) from the upper most row in the worksheet.

Plan					
Actual					
				EOI Shortlis	t Procedure
				EOF SHOTUS	errocedure
Plan vs. Actual	Submi P	sion of	No Objection Date	REOI Launch Date	EOI Submission Deadline
Plan	1-Fel	b-20	8-Feb-20	10-Feb-20	2-Mar-20
		_			

Entering Actual Dates and Information

AWPB, onen		N₂	Description	1*	Funding	Project Area	Plan vs. Actual	Shortlist (Yes No)	Prior o Revi		Procurement Method	Amount (USD)		Amount (LCU)	Plan vs. Actual
000					1540	All targeted districts	Plan	Yes	Prior R	eview	QCBS	64 0	00.00		Plan
RRB.	.5.01	1	Climate Vulnerability Asse	isment	IFAD	All targeted districts	Actual	Yes	Prior R	eview	QCBS		•		Actual
												Th	is cell c	ontains a f	ormula
										view	ICS			ounts can b f the spread	e entered at
Sub	missi REO	on of I	No Objection Date	REOI Launo	h Date	EOI Submission Deadline	Submission Shortlist Rep	,					e enu or	r the spread	sneet.
										4	Note: F	nter the	Actua		
1	-Feb-	20	8-Feb-20	10-Feb	-20	2-Mar-20	16-Mar-20	23-Ma	ar-20			t at the e			
З	-Feb-	20	9-Feb-20	11-Feb	-20	3-Mar-20	16-Mar-20	23-M	ar-20		worksh			uie	

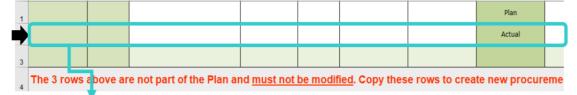
ACTION: As the procurement processes are implemented, update the Actual Rows for the Basic Data, Actual Dates and finally, the Actual Amount at the end of the worksheet. NEW! Columns have been added for Contract No., Vendor Name/ID, Contract Completion and Remarks

Date Contract Award	Date Contract Signature		Amount (USD)
24-Aug-20	31-Aug-20		64 000.00
30-Aug-20	10-Sep-20		60 000.00

Total	USD 80 000.00	0.00	Plan	Procurement Category	Pl	an	Act	ual
Amount	65 000.00			Currency	USD	LCU	USD	LCU
		·		Goods	50 000.00	-	45 000.00	-
Non- Consulting:	30 000.00	0.00	Plan	Works	-	80 000.00	-	75 000.00
	20 000.00	0.00	Actual	Consulting Services	15 000.00	-	10 000.00	-
	alues are included for			Non-Consulting Services	30 000.00	-	20 000.00	
	tivities on each works ary worksheet.	heet and		TOTAL	95 000.00	80 000.00	75 000.00	75 000.00

Entering Actual Data and Information for Multiple LOTS

In cases of multiple LOTS, insert a new Actual Row for each LOT. The Actual Dates will likely be the same until the Submission of Technical Evaluation Report.



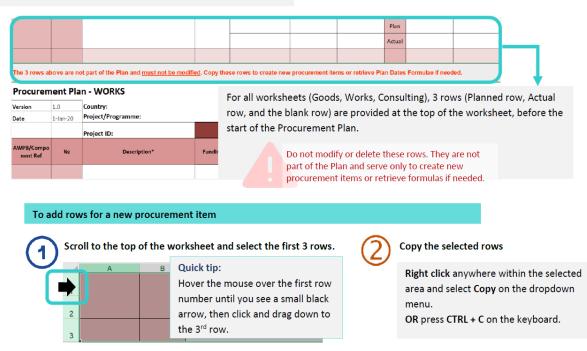
STEP 1: Select and **Copy** the **Actual** Row (Row 2) from the top section of the worksheet, and insert the copied row in your worksheet to create another Actual row as shown in the screenshot below.

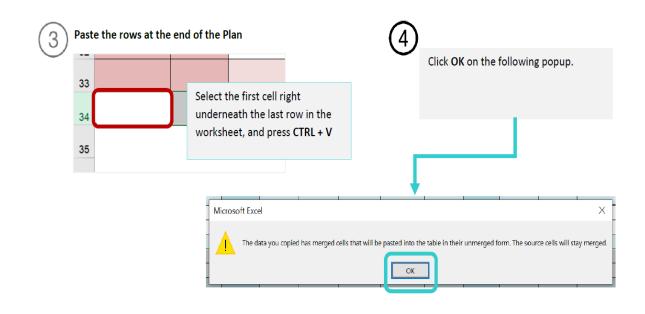
STEP 2: In the Lot No./Description section of the Planned Row, indicate the number of LOTS in the Plan row, and individual lots in each Actual row. Fill in the information as shown in the example below.

	Lot №/De cription	Project Area	Plan vs. Actual	Pre-or Post Qualification	Prior or Post Review	Procurement Method	Envelopes	Amount (USD)
	2 Lots	N/A	Plan	Post-Qual	Post Review	NS	1	25 000.00
	1. Desktops	N/A	Actual	Post-Qual	Post Review	NS	1	15 000.00
►	2. Monitors	N/A	Actual	Post-Qual	Post Review	NS	1	10 000.00

NOTE: The Amount entered on the Plan row is the total amount for all the lots, while the amount entered in the Actual row reflects the amount for each lot.

Adding Rows for New Procurement Items





Things to Note

- $\chi\,$ Do not insert or delete a column in the Time Estimation worksheet;
- χ Users are advised against inserting or deleting columns in the worksheets for Goods, Works, Consulting. If this is necessary, please note that the automation will be lost and manual entry will be required;
- χ Do not copy rows and columns from other Plan worksheets to paste in a worksheet;
- χ Users of the Plan are advised not to change any of the formulas in the document, with the exception of changing dates (a copy of the formulas are provided at the top of every worksheet for new rows or inadvertent deletions).



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex 8: Project Implementation Manual (PIM)

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

VISTA

Project Implementation Manual

(PIM)

Draft for Project Design Report November 2023

VISTA at a glance

Project Name	Value Chain Innovation for Agrarian Reform Communiti	or Sustainable Transformation in ies (VISTA)				
Executing Agency (EA)	Department of Agrarian Reform	ו (DAR)				
Collaborating Agency	Department of Agriculture (DA)					
Co- Implementing Agencies (IA)	Local Government Units (LGUs))				
Start Date End Date	October 2024 September 2030					
Project Cost Project Financing	USD 125,000,000 IFAD: USD 85,000,000 GOP: USD 20,000,000 Beneficiaries: USD 20,000,000					
Sectors	Agriculture					
Themes	Value Chains, Natural Resource	e Management				
Target Area	Mindanao, Cordillera Autonomo					
Targeting Strategy	VISTA interventions will directly benefit 70,000 smallholders households (approximately 350,000 people), engaging with the production of coffee and cacao, of which at least 50% will be women, at least 30% IPs, and at least 20% should be young people (15-30 years).					
GOAL	Reduce rural poverty and increase food security while protecting and enhancing the natural ecosystems in vulnerable upland areas in CAR and Region XII					
Development Objective	Increase income and employment of target groups in fragile upland areas, including women, youth and IPs, through the strengthening of inclusive value chains with conservation and sustainable use of the natural resources and climate resilient practices.					
Beneficiaries	350,000					
Components,	Outcomes and Key Results					
Component	Outcome	Key Results				
Component 1	Natural Resource Management	 30,000 Households reporting improved access to land, 				
Outcome	Improved sustainable use of natural resources for sustainable production systems that can cope with negative impacts of climate change	 adoption of environmentally sustainable and climate- resilient technologies and practices 80% Increase in adoption of NRM plans by participating local government units 				
Component 2	Value Chain Development	 23,100 Households reporting 				
Outcome	Developed commercially viable and environmentally sustainable Value Chains of selected commodities	 adoption of new/improved inputs, technologies or practices 19,600 Households reporting an increase in production 				

		 16,000 Households reporting using rural financial services 16,000 Supported households reporting improved physical access to either markets, processing, and or storage facilities
		 250 Rural producers' organizations engaged in formal partnerships/ agreements or contracts with public or private entities
		 80 Rural producers' organizations reporting an increase in sales
Component 3	Project management Strengthened national and local institutional frameworks with policy initiatives on	 5 Existing/new laws, regulations, policies or strategies proposed to policy makers (national/local) approved and ratified
Outcome	sustainable use of natural resources and environmentally responsible Value Chains	 35% Households reporting they can influence decision making of local authorities and project-supported service providers

Contents

VISTA	A at a glance2
1.	Introduction5
2.	Project Principles and Key Strategies5
2.1.	. Guiding Principles for VISTA Implementation
2.2.	Project Development Objective (PDO) and Target Area
2.3.	Project Targeting Principles7
2.4.	. Key Project Strategies7
3.	Project Components
3.1.	Component 1: Ecosystem Planning, Protection and Enhancement
3.2.	Component 2: Sustainable Value Chain Development
3.3.	. Component 3: Project Management55
Su	ub-Component 3.1: Project Management56
Sı	ub-Component 3.2: Monitoring, Evaluation, and Knowledge Management
4.	Management Structure, Coordination and Roles and Responsibilities
5.	Project Planning and Implementation Process77
6.	Monitoring & Evaluation and Knowledge Management
6.1.	M&E System
6.2.	. Management Information System (MIS)91
6.3.	. Knowledge Management
6.4.	Policy Engagement 105
7.	Gender and Youth Strategies 106
8.	Financial Management 114
8.1.	. Organization and Staffing 114
8.2.	Planning and Budgeting 115
8.3.	. Financial Management 116
8.4.	Disbursement of Project Funds 117
8.5.	. Fund Replenishment, Liquidation of Cash Advances
8.6.	. Contract Management 120
8.7.	. Financial Auditing 120
8.8.	. Financial system, Reporting and Information 121
9.	Procurement 123
9.1.	Procurement Procedure 123
9.2.	Procurement Planning 124
9.3.	. Method of procurement for goods/ works and services
9.4.	Consultancy service Selection Process: 126
9.5.	Procurement of Vehicles and Equipment 126
9.6.	Procurement of studies, survey, and other specialized services 127
9.7.	. Review of Procurement Decisions 128
10.	Terms of Reference for Key Staff, Service Providers and Committees

1. Introduction

This section introduces the PIM. It should be read in conjunction with the approved Project Design Document which describes the key features of VISTA. The PDR provides a summary description of the Project design, the theory of change that the design is based on and introduces the summary logical framework, key indicators and targets that will guide project implementation. An expanded logical framework, including component targets will be prepared during project start-up.

1. This Project Implementation Manual (PIM) guides implementation of the Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities (VISTA) Project. The PIM is intended primarily for use by Project Management, executing and implementing agencies and contracted services providers.

2. The purpose of the PIM is to assist Project Management to achieve the Project Development Objective and Project Outcomes defined in the Project Design Report and the Project Financing Agreement. The PIM reflects agreements between the International Fund for Agriculture Development (IFAD) and the Government of the Philippines (GoP) on how project funds will be used. The PIM provides guidance on:

- Project implementation structure, including roles and responsibilities;
- Project planning;
- Eligible uses of project funds;
- Rules that apply to project implementation, including sub-project selection and prioritisation, environmental and social safeguards (ESS), project administration, financial management, procurement; and monitoring and evaluation (M&E) and reporting.

3. The PIM presents important principles and guidelines for implementing project activities. The PIM cannot provide every detail. Detailed procedures will be developed as needed by the project implementation team and consultants during the start-up phase of implementation. The PIM itself is a living document that can be changed through agreement between the Project Director and IFAD.

4. The framework for implementation of VISTA is GOP Standard Operating Procedures on Project Management, Standard Operating Procedures on Financial Management, Standard Operating Procedures on Procurement for Implementing All Externally Financed Projects / Programs, in the Philippines. Under the agreement between IFAD and GoP, in any case where IFAD rules and procedures are different from GoP rules and procedures, GoP rules will take precedence, unless negotiated with IFAD.

5. This PIM does not repeat details of procedures that are described in the Standard Procedures manuals. The PIM indicates which Standard Procedures apply to implementation of VISTA, and any cases where procedures for VISTA are different from Standard Procedures and where specific processes are required.

6. The PIM is a living document. That means it will be updated and improved continuously during project implementation.

2. Project Principles and Key Strategies

This section of the PIM provides the guiding principles and strategies for implementation. VISTA is designed on the key objectives of the Government of the Philippines as articulated

in the Philippines Development Plan PDP 2023-2028 and key national laws and policies. The design aligns with IFAD objectives and is based on lessons learned from previous and existing projects.

2.1. Guiding Principles for VISTA Implementation.

7. The implementation of Project VISTA will be guided by three principles: convergence, decentralization, and partnerships. The detailed design of VISTA will operate on the principle of integration and sustainability. The two technical components are designed to be complementary and integrated in implementation. The activities will underpin the principles of sustainable development as articulated in the 2030 Agenda for Sustainable Development.

8. In the context of national government policies, Executive Order 14, series 2023, mandates all government offices and instrumentalities to work towards the full implementation of the Philippine Development Plan 2023-2028, with which the VISTA project is well-aligned. The National Convergence Initiative for Sustainable Rural Development (NCI-SRD), composed of the DA, DENR, DAR, DILG, and recently, the NCIP, aims to improve, conserve, protect, and rehabilitate natural resources through the development and implementation of environment-friendly enterprises and livelihood opportunities.

9. The Local Government Code of 1991 (RA 7160) and the recent Supreme Court Mandanas-Garcia ruling strengthen the role and economic base of LGUs in coordinating with relevant agencies and convening local stakeholders to plan and participate in development activities, including those in the ARCs. To achieve its objectives, project VISTA will collaborate with various partners, including the private sector (such as cooperatives and other Value Chain actors), financial institutions, civil society organizations (such as local People's Organizations, MSMEs, research institutions, and non-government organizations).

2.2. Project Development Objective (PDO) and Target Area

10. The **Project Goal** for VISTA is to "<u>Reduce rural poverty and increase food security</u> while protecting and enhancing the natural ecosystems in vulnerable upland areas."

11. **Project Development Objective (PDO)** is to "Increase income and employment of target groups in fragile upland areas, including women, youth and IPs, through the strengthening of inclusive value chains with conservation and sustainable use of the natural resources and climate resilient practices."

12. **Project Area:** The geographic scope for projects areas was based three combined criteria (i) the extent of rural poverty in priority regions, (ii) identified fragile ecosystems, and (iii) high population of IPs. In addition, the selection considered where previous IFAD investments could be built from, without duplication of previous services, by covering adjacent unserved areas and by capitalizing on the presence of active and capable value chain organisations that would facilitate a cluster approach for value chain viability as well as enhancing the opportunities for previously unreached small farmers to engage with ready markets. The proposed project area covers two regions. The first location is in Mindanao, the main island where the highest levels of poverty in the country are located. Within Mindanao, the project will focus in Region 12 that has high levels of poverty and presence of IPs. It is surrounded by mountain ranges and acts as a watershed catchment basin for the region's agricultural lands. The region has suffered major logging and clearing of forest lands for cultivation resulting in erosion and siltation of waterways, including Lake Sebu, a major environmental feature of the region. It is adjacent to the Mindanao Growth

Triangle demonstrating opportunities for economic development. Region 12 has 4 provinces: Saranggani, North Cotabato, South Cotabato, and Sultan Kudarat.¹

13. The second region is the Cordillera Administrative Region (CAR) in Northern Luzon. CAR has the highest level of rural poverty in the Philippines and the second highest population of registered IP population. This whole region serves as the major watershed for the agricultural production of North Luzon as the source of 12 major river basins with an estimated drainage area of 18,293 square kilometers. CAR is a major contributor to the Luzon Power Grid. The region is situated on a fault line and due to its mountainous terrain is subject to earthquakes and landslides. The region has 6 provinces, Abra, Apayao, Benguet, Ifugao, Kalinga and Mountain Province.

14. The rural population of the total project area covering 78,000 km² is 419,500 people.

2.3.Project Targeting Principles

The Project aligns strongly with the IFAD Strategic Framework 2016-2025 to " 15. pursue three closely interlinked and mutually reinforcing strategic objectives SO1: "Increase poor rural people's productive capacities" by supporting sustainable farm systems improvements for targeted value chain and secondary food and livelihood crops; SO2: "Increase poor rural people's benefits from market participation" by strengthening the capacity of farmer organisations to provide effective value chain and other services to smallholder farmers; SO3: "Strengthen the environmental sustainability and climate resilience of poor rural people's economic activities" by working with key agencies in fragile areas to improve implementation of environmental protection and enhancement plans related to the value chain crops through targeted climate adaptation and disaster risk reduction support in the project areas. It also directly addressed the COSOP 2017-2022 Strategic Objective: "Develop an enabling environment and delivery systems in support of competitive, inclusive and resilient agrifood value chains" by enhancing existing public and private sector support for the value chains as well as applying specific mechanisms to ensure benefits for women, Indigenous Peoples and youth.

16. The VISTA target group will include a high population of small holder farmers and marginalized groups. The direct beneficiaries will fall into three major groups (i) smallholder farmers within ARCs that fall below or near to the income poverty line, (ii) similar smallholder farmers in adjacent areas to ARCs that are producers or potential producers of the anchor crops, (iii) community members that are identified as particularly vulnerable through the Department of Social Welfare and Development (DSWD). The IFAD COSOP 2023-2028 identified Indigenous Peoples (IP) as a primary target group.

2.4.Key Project Strategies

17. The **targeting strategy** for VISTA will build on the combined experience of the previous IFAD portfolio. The targeting approach will primarily be through the DAR and DA existing mechanisms that identify and engage with ARBs and non-ARBs in expanded ARC clusters. The value chain participating organizations (VPOs) in ARCs and surrounding areas will be the main avenue for engagement of community members but other mechanisms such as barangay assemblies, irrigator associations, women's and IP groups would also be used to reach to the target groups, especially vulnerable households within and in surrounding areas.

¹ Targeting Region 12 will extend the COSOP 2017-2020 scope south of current or recent project areas (RAPID and CONVERGE) in preparation for the COSOP 2023-2028 and in line with the recently released PDP 2023-2028 that continues development focus on southern Mindanao.

18. **Target Crops**. The basis of targeting is on two selected value chains (coffee and cacao) as anchor crops that have been identified as having high national and global market demand, are suitable for upland agriculture in small land holdings. These crops have potential for integration in sustainable farming systems (root crops, vegetables, sayote, fruit and nut trees) that can contribute to food security, improved nutrition and livelihood resilience. The two anchor crops have low barriers to investment for small farmers and high potential engagement of IPs, women and young people in all stages of the value chain.

19. The project will help the ARBOs to improve the productivity, scale and efficiency of processing, product quality and marketing of the anchor crop value chains. Working with buyers and the VPOs to engage them in strengthening backward linkages into the target areas will create opportunities for ARBOs to grow their business activities and offer better prices and additional services to their members and improve consolidation of product from surrounding poor farmers that currently have limited or no link with the two selected value chains.

20. **Targeting and investing in Value Chains**. For the value chain approach, selection considers agricultural resources, economic potential and market access. In both regions, most of the EARCCs will already have potential for the anchor crop production, although the varieties will vary depending on elevation and soil type. In general, the targeted EARCCs would have an elevation within their catchment that is higher than 100 m above sea level to allow for cultivation of cacao and/or coffee. However, most will be at higher elevations and with steep inclines with challenges in access.

21. For this reason, selection will initially prioritize a first batch of EARCCs with easier access to major market centres and demonstrated productive and business capacity within the main anchor crop value chain. This will enable the project to strengthen the existing value chain links within the target regions and assist in improving productivity quantity and quality and commence access infrastructure subprojects before reaching to a second batch of ARCs that have little or no current engagement in the value chains, but that do have potential to become effective value chain producers.

22. VISTA will invest in rural infrastructure Sub-Projects (SP) under the 2 major components that will support sustainable protection and enhancement of natural resources at sub-watershed level, help in reducing transport costs, increase productivity and minimize post-harvest losses of the farmers' organizations, smallholder farmers and other project beneficiaries in target areas of the 2 regions of CAR and Region 12. All project investments in rural infrastructure and facilities will serve to support and enhance commodity-based value-chain development in the target areas particularly cacao, coffee, upland rice, and to some extent high valued vegetables. These subprojects (SPs) shall be identified and selected in the participatory NRM and value-chain planning process with the target beneficiaries and other project stakeholders and indicated in the VISTA Value-Chain Strategic Investment Plans (SIP) in each Expanded ARC Cluster (EARCC) covered by the Project.

23. **Selection of Households**. VISTA will identify the poorest cacao/coffee producers and any particular barriers faced. To avoid elite capture and to foster inclusive participation, VISTA will involve existing Barangay Councils in the beneficiary selection whenever appropriate. Individual lead farmers may also be considered on a case-by-case basis according to their role in the target value chains and the services they can offer to the community. During project design, the most common barrier was access to water. Consequently, the project will have small grants available to assist lowest income farmers (noted as DSWD recipients or other social norms) to support initial production requirements. 24. Specific targeting strategies for inclusion, will require addressing their barriers to participation in value chains and adapting the programme to their smaller land size and asset bases. In terms of access to financing, instruments, such as waiving of co-financing requirements, subsidizing any inputs required, and addressing risk through fallback mechanisms (for example an index-based insurance) if profits decrease, to protect the incomes of the poorest farmers will be considered. See Component 2 for more information on the VISTA rural finance strategy.

Special attention will be given to outreach to poorer households with both younger 25. and older heads and heads who are female. These groups are likely to have higher care burdens and therefore participation (e.g. community meetings, trainings, etc) must accommodate timing and, ideally, childcare needs. Older producers and those with disabilities may have mobility issues that will need to be considered. VISTA will incorporate specific measures to ensure culturally appropriate inclusion of IPs within the target communities such as engaging sufficiently with IP leaders and ensuring compliance with IP mechanisms for approval of project interventions. VISTA will pay particular attention to the empowerment of indigenous women by: (i) expanding their access to and control over resources such as land, capital, traditional knowledge and technologies; (ii) strengthening their agency, decision-making role in community affairs, and representation in local institutions; and (iii) building on their untapped potential for sustainable development, by recognizing their role as stewards of natural resources and biodiversity, and as bearers of rich traditional knowledge systems. Further, VISTA will support the empowerment of Indigenous Peoples, particularly indigenous women and youth through initiatives that take into account inter-generational relations, to ensure that their knowledge, identity and traditions are passed on to the next generation.

26. As a gender transformative project, strategies to encourage participation of women in all aspects of the project (target 50% participation) will include a focus on supporting women leadership, identifying specific needs of local women's groups, IP women and young women. VISTA will tackle the gender-based constraints using Household Methodologies (HHM)2, as an entry point, to achieve gender transformation.

27. Three principles will be followed to promote gender transformative change in the context of natural resource management, climate adaptation and VCD: (i) using participatory approaches to facilitate dialogue, trust, ownership, visioning and behaviour change at various levels (individual/household/ARBO/community/society levels); (ii) promoting critical reflection on deep-rooted social and gender norms and attitudes in order to change unequal power dynamics and bring about a paradigm shift at all levels; and (iii) explicitly engaging with men through HHM including young men to transform personal perspectives, norms, and systemic patterns towards gender equality and inclusion. This will entail working with husbands and sons to encourage support for wives' economic activities/leadership roles etc and avoid husbands limiting wives' mobility thereby limiting her participation in women's economic groups/associations.

28. Women's empowerment will be achieved via the following pathways: a) for economic empowerment: creating new income opportunities for women through tailored support to women through the women's associations for coffee and cacao; access to

² Household methodologies (HHMs) are methodologies that enable family members to work together to improve relationships and decision making, and achieve more equitable workloads. Their purpose is to strengthen the overall well-being of households and all their members. Also the gender model family approach (for the household level to influence norms change surrounding HH level decisions on women's mobility, HH division of labour, women's participation in community organisations)

finance through savings groups; preferential access to project grants; promoting women's employment in the coffee and cacao VCs and promoting better contractual working conditions. b) for decision making and representation: promoting women's influence in decision making by promoting women in leadership positions in the ARBOs supported by the project; ensuring women participate and influence project planning; adoption of household methodologies and awareness raising activities against gender-based violence. c) for equitable workload balance: Introducing gender sensitive and climate smart productivity enhancing technologies to reduce women's time poverty and enable their enhanced participation in productive activities.

29. Opportunities for engagement of young farmers will be identified in consultation with both community leaders and young groups. Youth empowerment will be achieved via the following pathways: a) creating employment opportunities along the selected value-chains; b) tailored support to young men and women agri-preneurs with access to business packages, including agri-preneurship and enterprise related production training, access to grants and mentorship. This may be pursued in partnership with TESDA (Technical Education and Skills Development Authority) and Department of Labour and Employment and other youth service providers, as well as DAR's proposed initiatives to support young farmers.

30. Based on the lessons from CHARM, the project will engage key stakeholders in the annual monitoring of intervention outcomes, and the direct supervision of activities to build local M&E capacity and also facilitate local solutions to issues identified and to strengthen advocacy for participation of specific target groups in future. In addition, the project will work with project stakeholders to embed the monitoring processes within the existing monitoring to build capacity and knowledge of good practices in inclusion.

3. Project Components

VISTA has been designed as an integrated and sustainable approach. For this reason, each component should be considered as supporting and enabling the implementation towards the project development objective. The following sections introduce each component and subcomponents, indicating the specific objectives and approaches, as well as key steps in implementation. This section should be read in conjunction with the Component Descriptions and the VISTA Logical Framework in the Project Design Report.

3.1.Component 1: Ecosystem Planning, Protection and Enhancement

31. The vision of enhancing the sustainable use and preservation of natural resources is anchored in creating production systems for robust value chain commodities, appropriate to upland communities and resilient to the ever-growing impacts of climate change. A critical measure of this vision's realization is the extent to which households report improved access to crucial resources to engage in value chains that will not be destructive to the fragile upland environments but that can generate a sustainable income for poor farmers in the targeted areas. The approach of VISTA Component 1 is to consider the specific aspects of land, forests, water bodies, or other essential facets integral to sustainable production for the targeted commodities and a sustainable and resilient farming system.

32. The progress in resource planning, protection and enhancement requires concrete markers of progress and these will be rigorously assessed and recorded through structured Baseline, Mid-term and End-Line Studies for outcome indicators and a robust monitoring system for targeted outputs and intermediate progress towards outcomes. At its core, the project banks on proactive engagement of DAR with other agencies through a convergence approach. There will also be strong engagement of local communities through Value Chain Participating Organizations (VPOs), comprising rural cooperatives, farmers associations

and other people's organizations engaged in the value chains or protection of the local environment. Their capacity to understand, value, and implement the principles of natural resource and environmental protection will be the project's cornerstone. Yet, even with the most robust systems and committed stakeholders, external factors like major natural disasters or extreme events could pose challenges, emphasizing the need for agility and adaptability in the overall approach.

Sub-Component 1.1: Identification and Prioritization of Sustainable Investments.

33. The **objective of sub-component 1.1** is to identify and prioritize investments that promote sustainability and resilience to climate and environmental impacts.

34. **The lead agency** for the sub-component is DAR, with technical assistance from the DA, in particular, the Bureau of Soils and Water Management and in collaboration with DENR, LGUs and other agencies contributing relevant data and expertise.

35. **The sub-component will largely be implemented** through external partners such as a main technical service provider, plus external GIS Specialists and IT Experts that will work with respective agency counterparts. A fundamental step to achieving this is the recruitment of a Technical Partner (TP) (See draft Terms of Reference and Selection Criteria in Section 10). This involves detailing specific qualifications, drafting and publishing a detailed Request for Proposal (RFP), and evaluating the proposals received.

36. **Key implementation outputs** will be high quality, VC-focused NRM plans and sub-project proposals (SPs).

37. **The sub-component activities** will result in prioritization, approval and implementation of SPs through the VISTA Annual Workplan and Budget (AWPB) process. The progress will be tracked quarterly and annually through the Project Monitoring & Evaluation/Management Information System (M&E/MIS). Success of these plans is contingent upon the region remaining unaffected by major natural disasters and the commitment and coordination of Government agencies, FCAs/VPOs, and partners in adhering to established protocols and ensuring proper application of social and environmental safeguards.

38. **Implementation Strategy**. Once a suitable TP is onboard, there's a need to develop the capacity of DAR, DA and affiliated agencies in the area of ecosystem planning with a focus on specific value chain resource enhancement. A comprehensive needs assessment will be carried out to pinpoint knowledge gaps and necessary resources. This would be a technical activity of the TP, using information shared by the various agencies. This is likely to be carried out through a series of consultative technical meetings as required. It would also include consultation with LGUs and local community representatives with the required local knowledge of the EARCC areas.

39. Concurrent to this, support will be extended for specialized studies that focus on integrated planning, feasibility assessment, and investment prioritization. The collaboration by the TP here will be critical, ensuring that the studies are comprehensive, include local knowledge and targeted towards supporting the Component 1 and 2 activities. Where deemed necessary and productive thematic technical workshops will be organized by the TP with DAR. These would be used to help identify contemporary trends in NRM, value chain development or particular areas of collaborative learning that would add value to VISTA's objectives. Such workshops would aim to contribute to the development of investment proposals that would benefit both the value chains and the natural environment in the EARCCs.

40. Coordination with PAGASA and ongoing initiatives and investment projects will be essential to ensure that climate productions and services are made available and accessible for VISTA target communities. Facilitating farmer registrations and training on interpreting this climate data will be prioritized. With the expertise of GIS specialists and IT experts, target areas will be meticulously mapped, and findings integrated into a central database. Training sessions for DAR staff on the interpretation and optimal use of this data will round off the processes under this sub-component.

A. Comprehensive Technical Review:

• **Step 1:** Undertake a rigorous assessment of existing plans, datasets, and prior investments that impact target areas. The primary objective of this review is to collate extensive information pertaining to the environmental assets, the economic potential they harbor, and the imminent climate and environment-linked risks relevant for VISTA value chains.

B. Engaging Stakeholders:

• **Step 2:** The participatory nature of this approach necessitates the involvement of stakeholders. This will involve revisiting the ARC cluster, accumulating local data, and substantiating the results of the review through their validation.

C. Technical Partner Integration:

- Step 3: To maintain objectivity and expertise, a qualified Technical Partner (TP) will be contracted for this review. Their tenure will initially span six months, followed by a periodic three-month engagement annually. Technical expertise criteria are-
 - 1. Geospatial Mapping: Demonstrated proficiency in preparing thematic geospatial maps, including land use mapping, crop-site suitability assessment, hydrological assessments, protected area mapping, climate vulnerability mapping, and related assessments.
 - 2. Data Analysis & Management: Expertise in analysing large datasets, digitizing data into user-friendly databases, and implementing quality control measures to ensure data accuracy and integrity.
 - 3. Satellite Imagery: Experience with high-resolution satellite imagery and platforms like the EU financed Copernicus initiative or similar.

D. Visualization and Digitization:

• **Step 4:** The TP will translate the review findings into comprehensible thematic geospatial maps. These will then be digitized to form a user-centric database, aimed at enlightening VISTA stakeholders. If feasible, the EU financed Copernicus initiative would be a source of collaboration for advanced satellite imagery.

E. Community Collaboration:

• **Step 5:** A two-way dialogue with local communities will be maintained to ensure the validity of maps and datasets. A unique blend of primary data, citizen science and traditional knowledge will be harnessed. Special emphasis will be placed on the participation of indigenous groups, women, and the youth. Community engagement will be another critical factor, and a specialized curriculum will be prepared to address community-specific needs. Teams will be dispatched to targeted areas for on-ground community training.

F. Tailored Investment Planning:

• **Step 6:** Recognizing the unique characteristics of each target area, investments will be tailored to reflect their topographical, demographic, and cultural idiosyncrasies. This involves a balanced mix of immediate benefit investments and those with a long-term focus, such as forest conservation.

G. Holistic Community Engagement:

• **Step 7:** Our strategy is deeply rooted in inclusivity. We will consistently challenge and seek to change prevailing gender norms. By adopting the HHM strategy, we will ensure that community level engagements are inclusive, irrespective of gender or indigenous status.

H. Alignment of Review with VC Analyses:

• **Step 8:** Post-review, the project will juxtapose our findings with simultaneous VC analyses. This will help spotlight the most sustainable investment avenues. With this knowledge in hand, the TP will blueprint on-ground investments, simultaneously factoring in VC initiative priorities.

I. Review Outcome:

• **Step 9:** The culmination of this rigorous process will be the drafting of precise sub-project proposals and VISTA annual plans. Concurrently, steps will be initiated to expedite the documentation required for obtaining requisite permits and certifications.

Sub-Component 1.2 Enhancement of Natural Resources Management for Value Chain and Resilience.

41. The **objective of sub-component 1.2** is protecting vulnerable water sources and conserving forest biodiversity in specific sub-catchments. Damaged lands will be restored with native species through natural regeneration and enrichment planting to strengthen the natural resources for crops such as coffee and cacao.

The collaborating agency for the sub-component is DA, in particular, the Bureau of Soils and Water Management, with LGUs' as implementing partners, with the National Irrigation Administration, DENR, and other agencies contributing relevant data and expertise where appropriate

42. **The sub-component will largely be implemented** through LGUs and external contractors for specific SPs.

43. **Key implementation outputs** will be high quality and climate resilient water availability or efficiency enhancements, areas aided for agroforestry and community-level forestry, as well as the provision of infrastructure like Slope Protection Works, Small Farm Reservoirs, and Streambank protections, to name a few. VC-focused NRM plans and SPs.

44. **The sub-component activities** will result in number of beneficiaries—men, women, indigenous peoples, and youth—gaining increased access to land³ and improved natural resources as identified through the specific SPs.

45. **Implementation Strategy**. Overall, sub-Component 1.2 emphasizes the importance of protecting and preserving natural resources for both economic value chains and environmental resilience. Possible investments could include projects that rejuvenate critical ecosystems or introduce sustainable practices that benefit both the environment and enhanced production or market value. For instance, merging farming and forestry, known as agroforestry, can lead to more sustainable and profitable land use.

46. The primary target of VISTA are ARCs and adjacent areas located in the uplands where small farmers are tilling their lands covering the Cordillera Administrative Region (CAR) and Region 12. The upland areas in these 2 regions are distinctly different where CAR has mountainous terrain while Region 12 is more of a rolling and undulating terrain.

³ Refers to the number of beneficiaries who have been supported in gaining increased tenure security over land (forests, farmland, pasture), water (for livestock, crop, domestic and drinking use) or over water bodies (for capture fisheries or fish farming).

The steep slopes in the uplands of CAR where the farmers in ARCs and adjacent areas are located are more vulnerable to erosion compared to the relatively moderate terrain of Region 12. Hence addressing the problems of erosion along the slopes where the farmers are planting VISTA priority commodities (heirloom rice, vegetables, coffee, cacao) will be more significant in CAR than in Region 12 although there will be cases that this will also be needed in this region.

47. In addition, stream banks within the sub-watershed areas are prone to erosion with higher stream flows as a consequence of climate change. These banks need to be protected from further scouring and erosion to stabilize and confine the flow within the banks and prevent encroaching into farm lands located along and adjacent to the stream banks.

48. The higher precipitation during wet and sometimes even dry seasons caused by climate change contributes to further soil erosion of the sloping agricultural land and the rainfall surface run-off are just flowing downhill carrying the surface soil causing siltation in natural waterways. The higher rainfall and rainfall run-off can be harnessed by introducing soil and water conservation measures by providing lateral interceptor canals across the sloping farmlands to collect the rainfall run-off serving as energy dissipators and leading the water to retention ponds or Small Farm Reservoir (SFR) for agricultural use especially during the dry season. The SFR will also serve as catchment pond for the heavy rains.

49. Upland areas in both CAR and Region 12 also have few irrigation potentials for heirloom and upland rice respectively although these are usually considered small-scale of 50 hectares and below. These rice-producing ARCs and adjacent areas will usually require rehabilitation and restoration of their existing Communal Irrigation Systems (CISs) and may even require new construction of Communal Irrigation Projects (CIPs). In addition, the growth and productivity of cacao and coffee are said to be adversely affected by insufficient water supply during long dry season hence the Pipe Irrigation Schemes will be intended to supplement this supply to cacao and coffee areas through the introduction of drip irrigation system using pipe networks.

50. Finally, potable water supply is still needed in upland areas which are seldom reached and provided assistance by the government and sourcing drinking water from open creeks and springs that are open to contamination is still prevalent. Potable Water Supply may not have any direct connection with value chain projects like VISTA but these interventions ensure that the farmers and their family are in good health and free from water-borne disease to till their farms.

51. Amid the increasing and changing impacts of climate change and population growth, preserving water and land resources has never been more crucial. This PIM seeks to outline a strategic approach of possible investment areas, offering a thorough understanding of each activity, from its objectives to its financial implications. By following this approach, stakeholders will be equipped to execute projects effectively, ensuring the resilience and sustainability of their regions.

52. Effective climate-proofed infrastructure is crucial. The project will evaluate the existing infrastructure to improve or develop it further, with a focus on nature-based materials and climate resilience. For upland rice, the project will partner with local communities to introduce small-scale irrigation and water storage. Additionally, a Disaster Response Fund with clear usage guidelines (see indicative criteria below) will be set up to handle climate-related emergencies.

53. Under the NRM - related Infrastructure, VISTA will support the design and construction of the following SPs with quantities as estimated in Table 1

- **Farm Slope Protection Works:** intended for the protection of the fragile upland slopes tilled by farmers against erosion and landslides through appropriate slope protection works like grouted riprap including application of bio-engineering solutions like coconets planted with vetiver grass or adopting the Sloping Agricultural Land Technology (SALT)
- **Small Farm Reservoir:** soil and water conservation measures harnessing the natural sources of water supply such as natural springs, rainfall, and rainfall surface run-off for agricultural use and irrigation through construction of lateral (across farm slopes) interceptor feeder canals serving as energy dissipators and collecting these into retention ponds or Small Farm Reservoirs (SFR) and distributing these to agricultural areas while protecting the slopes from being further eroded by rainfall run-off
- **Streambank Stabilization:** protection of streambanks that are prone to erosion by providing grouted riprap, gabion works, including bio-engineering measures using coconets planted with vetiver grass where applicable; groins and spur dikes may also be adopted where feasible
- Small-Scale Irrigation Schemes: rehabilitation and construction of existing and new communal irrigation systems/projects (CIS/CIP) respectively to provide irrigation water supply for heirloom and upland rice as needed to ensure at least 2 croppings per year; this may also include pipe irrigation systems as supplemental water supply to cacao and coffee area during dry season; irrigation water supply sources may be extracted through gravity system (preferably checks and small dams) or gas/electricity-driven or solar-powered pumps
- **Rainwater Capture Tank:** providing the poorest households in ARC upland communities with drinking water captured into heavy duty 500-liter polyvinyl chloride (PVC) tanks during rainfall or from any available natural springs and use this as well for backyard home gardening

NRM-related Infrastructure	Physical Target	Brief Description	
1. Farm Slope	3,400 linear	riprap, SALT, bio-engineering	
Protection Works	meters	measures	
2. Small Farm	40 units	with interceptor feeder canal across	
Reservoir (SFR)	40 units	farm slopes	
3. Streambank	850 linear meters	gabions, riprap, bio-engineering	
Stabilization	obu intear meters	measures	
4. Small Scale			
Irrigation			
✓ CIS Rehabilitation	640 hectares	for upland and heirloom rice	
✓ CIP Construction	450 hectares	for upland and heirloom rice	
✓ Pipe Irrigation	120 hastaras	irrigation for cacao & coffee during	
Scheme	430 hectares	dry season	
5. Rainwater Capture	850 units	500-liter capacity with PE pipelines	
Tank		for poor HHs	

Table 1 Scope of NRM-related Infrastructure

54. **Implementation Process.** The BSWM and the DA-RFO will provide technical support to the implementation of sub-component activities in close coordination with DAR and the respective LGUs. There are a series of detailed steps required to ensure that the subprojects are clearly identified as technical and community priorities in relation to the VISTA objectives, and that the designs are technically and financially feasible. The detailed infrastructure-related **implementation processes and procedures are outlined in Component 2.3**, given the requirement that infrastructure supported is correctly identified, designed, planned, procured and implemented. In addition, the project must ensure that essential quality control, safeguards and monitoring is carried out and that maintenance arrangements are in place. The key steps required are outlined in the

following paragraphs and reference should also be made to the detailed steps for infrastructure design and implementation **as provided in subcomponent 2.3**.

55. The steps in the following section are largely sequential but may be conducted simultaneously in different project locations for efficiency.

A. Preliminary Actions

- **Step 1:** Conduct Field Observations Begin by surveying the lands, considering the current state of natural resources, existing agricultural activities, and the effects of past interventions.
- **Step 2:** Review Existing Plans Review pre-existing literature, blueprints, strategies, or interventions related to natural resource enhancement and agricultural productivity.
- **Step 3:** Identify Areas of Intervention Based on the data collected, highlight potential areas which would benefit from targeted investment to achieve our objectives.

B. Key Areas of Focus

- **Step 4**: Post identification, zoom into crucial segments:
 - Addressing and developing strategies for climate change adaptation.
 - Initiating programs for water resource conservation.
 - Setting up plans for enhancing soil health.
 - Proposing methods to control slope erosion.
 - Devising strategies to boost biodiversity.

C. Partnerships in the Implementation

• **Step 5:** DA, via the BSWM, will provide technical assistance to the DAR and LGUs in this initiative. This ensures a streamlined and centralized approach to project implementation. Collaboration will be important to create a collaborative nexus with DA and MLGUs with DENR and other partners to bring in varied expertise and a holistic approach to the project. The reforestation areas will be implemented through the LGUs but with reference to the DENR for any policy issues through the Project Steering Committees and NCIP within Ancestral Domains (AD). NRM-related Infrastructure will be implemented by the MLGUs through Community or Private Contracts.

D. Water Management in Upland Ecosystems

- **Step 6**: Targeted Value Chain Development With an emphasis on the sustainable cultivation of coffee and cacao, ensure that water management strategies in upland ecosystems are optimized
- **Step 7:** Address Climate Change Implications Based on robust scientific evidence and informed climate impact assessments, ensure the impacts of climate change on water availability are considered and implement water conservation techniques and replenishing measures.
- **Step 8:** Ensure Efficient Water Management Invest in technology, training, and infrastructure to realize efficient water management, safeguarding the upland ecosystems.
- **Step 9:** Protect Critical Water Sources Make special provisions to conserve watersheds and other pivotal water sources, ensuring a steady supply to communities residing downstream.

E. Investments and Funding

• **Step 10:** Chalk Out Investment Areas Specifically invest in community watershed conservation, forest management, and agroforestry, focusing on the previously identified sub-watersheds.

F. Cost Allocation

• Step 11: Define Financial Distribution

- \circ Secure 60% funding from IFAD.
- Extract 20% from DAR through the Agrarian Reform Fund (ARF) for ARC regions.
- Mobilize resources, including MLGUs, for the 20% financial counterpart in non-ARC areas.

G. Maintenance and Protection

- **Step 12:** Map the Terrain Cover a comprehensive area of 10,586 ha, aiming to influence and aid approximately 30,000 beneficiaries.
- **Step 13:** Launch Maintenance Initiatives Initiate ring weeding, spot cultivation, and replanting activities. Supplement these with organic fertilizer practices and regular patrolling to ensure the preservation of plantations and forests.
- **Step 14:** Define Phases Implement the activities in 3-year intervals. Start activities a quarter post planting and continue every quarter or bi-annually to ensure plant survival.

H. Engagement with Indigenous People (IP)

- **Step 15:** Understand Cultural Mechanisms Dive deep into understanding cultural constructs like the "Green Covenant" in CAR or the tribal leadership format in Region 12.
- **Step 16:** Promote Conservation Incentives Encourage IPs by showcasing the benefits of agroforestry technologies and by linking them to valuable chains.

I. Climate Information Services (CIS)

- **Step 17:** Collaborate with PAGASA Integrate the advisory and forecast services of PAGASA to create tailored Climate Information Services for the target audience.
- **Step 18:** Harness Relevant Data Combine PAGASA's information with agricultural data to produce relevant bulletins and digital tools.

J. Disaster Response Fund

- **Step 19:** Establish a Reserve Create a fund to address disruptions in value chains due to unforeseen disasters.
- **Step 20:** Assist in Disaster Assessments Use the fund for Rapid Disaster Assessments, and aid in determining relief and rehabilitation measures.

56. **Preliminary Criteria for Disaster Response Fund (DRF) for the Project.** The following preliminary set of criteria for the DRF is shown below. It can be refined further based on stakeholder consultations, field realities, and expert recommendations.

1. Eligibility for Access:

- VISTA-supported communities, groups, or areas and exposed to heightened risk of environmental disasters.
- Evidence of an immediate threat or recent occurrence of a natural disaster that has affected or is likely to affect the project or its beneficiaries.

2. Nature of Disasters Covered:

- Natural calamities like floods, droughts, landslides, typhoons, and earthquakes.
- Environmental emergencies directly tied to project activities or stemming from climate change impacts.

3. Purpose of the Fund:

- Support to relief agencies to identify immediate relief requirements like the provision of food, water, shelter, and basic amenities.
- Assistance to prepare a formal application detailing the nature of the disaster, estimated damages, immediate needs, and a proposed action plan.

- Restoration of critical project infrastructure damaged due to disasters.
- Rehabilitation activities in project areas that help restore normalcy, like reseeding destroyed crops or repairing essential community assets.

4. Volume of Funding:

- The amount disbursed will depend on the severity of the disaster and the estimated immediate financial needs.
- Methods to avoid duplication of support to identified needs would be addressed through strong coordination with LGUs and designated relief agencies.
- A cap will be set for the maximum amount that can be accessed for a single event to ensure the fund's sustainability.

5. Access Procedure:

- Formal request from an affected municipal LGU or designated relief agency for support to assist in rapid assessment by a suitably qualified team (e.g. EARCC-CC) to work with the community to evaluate needs and verify claims.
- Rapid assessment.

6. Monitoring & Accountability:

- Beneficiaries must provide periodic reports on the utilization of the funds, supported by evidence (photographs, bills, etc.).
- Monitoring on the use of funds and results of will be conducted by the EARCC-CC and the PPMO M&E Unit.
- Financial audits will be incorporated into the regular project auditing processes.

7. Fund Replenishment:

- A mechanism to periodically replenish the DRF, either through allocations from the project budget, donations, or other financing mechanisms.
- Exploration of partnerships with other organizations or bodies for co-funding or top-ups.

8. Capacity Building:

- Assistance to regular training sessions for project stakeholders on disaster preparedness, response, including the DRF's access and utilization procedures.
- Contribute to existing knowledge repository with best practices, learnings, and case studies related to disaster response.

9. Community Engagement:

- Involvement of local communities in decision-making processes related to DRF usage.
- Feedback mechanisms to ensure the DRF meets the actual needs of the affected communities.

10.Review and Updates:

- Periodic review of the DRF criteria to ensure its relevance and effectiveness.
- Incorporation of learnings and feedback to refine and update criteria and operational guidelines.

57. **Possible Investment Areas.** The following provide examples of eligible investments for consideration under this sub-component. The activities under Sub-component 1.1 are likely to identify these potential investments and other potential activities that fulfil the objectives and principles of VISTA. Other investments would be considered but a full justification would be required to be presented within the SP application, with required data.

58. **Investment Area 1: Water Source Protection**

Rationale:

The purpose is to create a sustainable environment where water sources remain uncontaminated and protected. Additionally, it aims to shield fragile upland slopes, ensuring they are safeguarded against erosion and landslides which can threaten both human settlements and agricultural productivity.

Example Investments:

- A. Investing in water storage facilities informed by assessments of hydrological systems and water availability.
- B. Erecting fences and protective barriers to safeguard springs from external contaminants.
- C. Employing slope protection methodologies such as grouted riprap/gabion to mitigate the risks of landslides.
- D. Bio-engineering solutions like coconets combined with Vetiver grass and terracing will provide dual benefits of slope stabilization and biodiversity enhancement.

Implementation Arrangements:

The community will be actively involved, and the strategy will rely on communitybased labor contracting, ensuring local ownership and job creation. Both the MLGU and barangay LGU will provide an organizational framework, while the DA BSWM will offer essential technical expertise, with other agencies supporting as required. This collaboration ensures that local knowledge is combined with expert advice. Farmers, being primary stakeholders, will be engaged directly in the sub-project, ensuring their needs are prioritized.

Cost Sharing Arrangements:

Financially, farmers' groups are expected to contribute a maximum of 5% of the costs, which can be in the form of in-kind contributions, such as donated labor. The MLGU will be responsible for up to 15% of the costs, ensuring that community interests are aligned with municipal priorities.

59. **Investment Area 2: Soil and Water Conservation**

Rationale:

This investment centers on harnessing the full potential of natural water resources. By doing so, the project aims to amplify the agricultural yield and also mitigate the impact of potential water shortages.

Example Investments:

Construction of interceptor drainage canals will act as energy dissipators, guiding water efficiently into retention ponds, which subsequently distribute the collected water to agricultural zones.

60. **Investment Area 3: Streambank Stabilization**

Rationale:

Our waterways are essential, and their banks can be highly vulnerable to erosion. By stabilizing these banks, we aim to prevent loss of valuable land and mitigate the effects of soil erosion on water quality.

Example Investments:

- A. Grouted riprap and gabion works are proven solutions that offer a strong barrier against erosion.
- B. Bio-engineering measures, when married with traditional methods, can provide a holistic approach. Using coconets combined with vetiver grass is a recommended solution.

Implementation Arrangements:

By engaging private contractors, the project leverages the efficiency and expertise of the private sector. Yet, by involving the local community, we ensure that the solutions are context-specific and also provide local employment opportunities. Adherence to the R.A. 6685 ensures that the community's rights are protected and they are adequately compensated for their involvement.

Cost Sharing Arrangements:

The MLGU will shoulder a 20% funding responsibility, recognizing the broader public benefits of the infrastructure.

61. **Investment Area 4: Small-Scale Irrigation Schemes**

Rationale:

Addressing the challenges of inconsistent rainfall and varying water availability, this scheme is focused on ensuring that heirloom and upland rice cultivations receive adequate irrigation. The irrigation schemes will be coupled with informed Climate Information Services through PAGASA and development of cropping calendars to ensure efficient water use through established irrigation schemes. By doing so, we aim for at least two productive cropping cycles annually.

Example Investments:

- A. The focus will be on rehabilitating existing irrigation systems and introducing new communal irrigation systems or projects (CIS/CIP).
- B. Introducing innovative solutions like solar-powered pumps can bridge the water gap during dry seasons.

Implementation Arrangements:

The MLGUs will take the lead, working closely with private contractors for labor and materials, ensuring timely and quality project execution. The Irrigators' Association (IA) will be consulted and involved throughout, ensuring the solutions are tailored to the needs of the farmers.

Cost Sharing Arrangements:

The IA or the proponent VPO will contribute 5% as a counterpart, with the MLGU taking care of the remainder. This approach fosters a partnership between the local governance and the farming community.

62. **Investment Area 5: Rainwater Capture Tank**

Rationale:

Every household, irrespective of its economic status, deserves access to clean drinking water. This investment is dedicated to ensuring that even the most economically challenged households in upland communities have a consistent water supply. The investments in rainwater capture tanks will importantly be informed by and understanding of the hydrological system of the region, water availability and water shortage. The objective is to ensure that areas already suffering from water shortage are prioritized.

Example Investments:

Heavy-duty polyVinyl Chloride (PVC) tanks are durable and efficient for rainwater collection.

Implementation Arrangements:

The DA and LGUs will oversee the implementation, but the heart of this initiative is the beneficiary households, ensuring their active participation and ownership.

Cost Sharing Arrangements:

The households will be encouraged to contribute through in-kind donations, primarily labor, while the MLGU supplements the remaining requirements.

63. Investment Area 6: Forest Ecosystem Protection and Biodiversity Conservation

Rationale:

Beyond the immediate benefits of fertile soil and water availability, forests play a critical role in supporting biodiversity and ensuring a sustainable future. This investment seeks to rejuvenate and conserve these forests.

Example Investments:

Activities range from reforestation to maintaining and protecting forests, aiding in the growth of young trees, and even planting trees in open spaces within existing forest ecosystems.

Implementation Arrangements:

Reforestation will be implemented through the LGU structure with the Provincial Environment and Natural Resource Office (PENRO) and the Municipal Environment and Natural Resource Office (MENRO). A collaborative effort involving the DENR and other agencies where required and community groups ensures an integrated approach.

Cost Sharing Arrangements:

Beneficiary households are encouraged to participate actively, not just in terms of labor but also in maintenance activities. This fosters a sense of ownership and longterm commitment.

64. **Review of Investments.** The project staff with the partners for each investment SP would track the progress and performance of implementation in line with the standard GoP practices and detailed project monitoring requirements. This would include periodic review of the types of investment to ensure the respective relevance and effectiveness. This would include incorporation of learnings and feedback to refine and update operational guidelines for each investment type and improve on processes, as well as identify any other investments with strong rationale for involvement in the subcomponent activities.

Subcomponent 1.3 Greening the Value Chain:

65. The **objective of sub-component 1.3** is instilling sustainable and climateinformed practices throughout the value chain. To bring this vision to reality, close collaboration with industry experts is vital to explore and document emerging green technologies. This repository will then be disseminated to relevant stakeholders through the activities conducted through Subcomponents 1.1 and 2.1 and 2.2.

66. **The lead agency** for the sub-component is DAR, with DAR, DENR, LGUs, with private sector, State Universities and Colleges (SUC) and other relevant stakeholders contributing relevant data and expertise.

67. **The sub-component will largely be implemented** through DAR, with respective research and training institutes of DAR, DA and other partners as well as external contractors for specific activities.

68. **Key implementation outputs** will be the approval and execution of innovative sub-project proposals focusing on mechanisms to green the value chain. Furthermore, the documentation and promotion of relevant greening Indigenous Knowledge Systems and Practices (IKSPs) will ensure that indigenous and traditional knowledge are interwoven into contemporary green strategies.

69. **The sub-component activities** will result in number of specific SPs that have been assessed as aligned with VISTA objectives and innovative within the project area. As with other outputs, the strides made in this area are scrutinized quarterly and annually, using the Project M&E/MIS framework.

Implementation Strategy.

70. Contemporary farming methods and sustainability are two sides of the same coin. Hence, the project will work with existing training partners such as the BARBD and ATI to help infuse both these elements into the training sessions organized for farmers and value chain stakeholders. Innovative approaches to microclimate information dissemination, innovative practices in organic production and marketing would be encouraged.

71. To incentivize innovation, criteria-based innovation grants will be set up targeting VPOs and MSMEs with a focus on women, youth and IPs. This will be implemented in sync with subcomponent 2.2 on rural finance. A transparent application process will be rolled out for potential beneficiaries. Rural financial institutions can play a pivotal role in facilitating this, ensuring that grants are easily accessible to the most remote entities.

72. A particular area of exploration will be the potential application of blockchain technology for managing carbon credits. Pilots in select regions will gauge its effectiveness. Collaboration with rural financial institutions will be encouraged to co-fund pilot projects in select regions. Lastly, a judicious mix of modern equipment and technologies will be identified, and pilot projects will be launched to measure their impact on efficiency and the environment. Partnerships, where relevant, will be secured between equipment providers, tech companies, and rural banks to facilitate affordable financing options for acquiring modern technologies.

73. Indicative Criteria for Innovation Grants. The following categories and criteria provide a guideline for eligible investments for consideration under this sub-component. The activities under Sub-component 1.1 are likely to help to identify these potential investments and other potential activities that fulfil the objectives and principles of VISTA. Each investment would require a full SP proposal. The project may approve a small grant to assist in develop full proposals based on an initial concept note. To ensure a robust, transparent, and efficient evaluation of projects, a comprehensive set of guidelines will be further established. These guidelines will incorporate a weighted scoring system, beginning with a preliminary baseline screening for eligibility. Following this, each proposal will be assessed and weighted based on specific criteria. Alongside this evaluation process, the guidelines will feature detailed process maps that clarify the trajectory of proposal evaluation and approval. Distinct roles and responsibilities of the committee members will be explicitly defined, offering clarity on oversight and decision-making authority. The guidelines will also provide clear timelines to ensure punctuality in evaluations and set service standards, thereby streamlining the approval process and upholding the project's integrity and objectives.

74. Pending further discussions with the Grant Approval Committee (see ToR in Section 10), preliminary suggestions for investment categories, grant ranges, and co-investment

requirements include investment categories based on: (i) the nature of the project (e.g., technology, infrastructure, research), (ii) the targeted sector (e.g., agriculture, manufacturing, services), or (iii) the intended impact (e.g., environmental conservation, socio-economic upliftment). SP that provide an inditegrated benefit would be considered positively, examples include:

- Agricultural Tech Advancements
- Green Infrastructure Development
- Community-led Environmental Initiatives

75. **Specific SP assessment criteria** should include:

1. Relevance to Project Objectives:

• Proposals should align with the broader goals of the project, such as sustainable agriculture, natural resource management, or carbon credit management.

2. Innovation and Novelty:

• The proposed idea or technology should represent a new approach, method, or application not widely adopted in the project's context.

3. Potential for Scalability:

• The innovation should have the potential to be scaled up or replicated in other areas or contexts within the project's scope.

4. Feasibility:

• Applicants should demonstrate the practicality of implementing the proposed innovation, including availability of resources, technological compatibility, and adaptability to local conditions.

5. Blockchain Technology Application:

• Special emphasis and potentially additional scoring for innovations that effectively incorporate blockchain technology, especially in the realm of carbon credit management, where direct investment or direct marketing could occur through use of blockchain initiatives.

6. Environmental and Climate Impact:

- Proposed innovations should have a positive impact on the environment. Proposals with potential negative impacts would need strong justification and mitigation strategies.
- Potential to increase the adaptive capacity, resilience or mitigation to the expected impacts of climate change identified through targeted assessements

7. Economic Viability:

• A clear business case or cost-benefit analysis should be presented, demonstrating the potential economic benefits or cost savings of the innovation.

8. Stakeholder Engagement:

• Proposals that involve collaboration with local communities, governments, or other relevant stakeholders will be given preference.

9. Pilot-Ready:

• Innovations that are ready for pilot testing, with clear timelines and measurable outcomes, will be prioritized.

11. Capacity to Implement:

• Applicants should demonstrate their capability to execute the proposal, including technical expertise, managerial competence, and previous track record.

12. Monitoring, Reporting, and Evaluation Plan:

Proposals should include a clear plan for monitoring progress, reporting on outcomes, and evaluating the innovation's effectiveness.

13. Budget and Financial Plan:

• A detailed budget should be provided, clearly outlining the proposed expenditure. The budget should be realistic and aligned with the project's financial guidelines.

14. Knowledge Sharing:

• Commitment to share learnings, results, and best practices from the implementation of the innovation with other stakeholders and the broader community.

76. **Grant Ranges:** Every category will have a defined range, stipulating both the minimum (bottom) and maximum (top) grant amounts.

Example:				
Investment	Minimum	Grant	Maximum	Grant
Category	Amount		Amount	
Agricultural Tech	\$5,000		\$20,000	
Green Infrastructure	\$10,000		\$15,000	
Community-led	\$1,000		\$10,000	
Initiatives				

Co-investments:

Example:

Investment Category	Grant Coverage	Required Co-investment
Agricultural Tech	70%	30% by applicant
Green Infrastructure	50%	50% by external investors
Community-led Initiatives	90%	10% community funding

77. **Implementation Process.** Each SP will require a detailed process to be included as part of the proposal application. However, an outline process is provided below to ensure that SPs are strategic and rigorous in implementation.

A. Piloting Innovative Practices

• **Step 1:** Launch pilot projects based on research findings. Test the effectiveness of site-specific, data-driven practices in the selected pilot areas.

B. Financing & Grant Allocation

• **Step 2:** Establish the "Innovation grants" instrument and develop a sub-project proposal mechanism (manual & guidelines) to vet potential initiatives. In addition, prioritize projects promoting green value chains and those targeting women, youth, and IPs.

c. Partner Collaboration & Solutions Exploration

- **Step 3:** Engage with a variety of partners, including state universities, colleges, rural financial institutions, and private sector R&D and explore energy-efficient solutions for value chain processes.
- **Step 4:** Leverage the expertise of DA and other technical agencies to support innovation.

D. Empowerment & Inclusion

- **Step 5:** Prioritize investments focused on empowering women, youth, and IPs and explore initiatives that promote gender empowerment and Indigenous Knowledge Systems.
- E. Economic Incentives & Blockchain Introduction

- **Step 6:** Emphasize creating green jobs and market opportunities.
- **Step 7:** Consider the use of blockchain technology for carbon credit management and introduce mechanisms for VPOs to earn and trade carbon credits.

F. Piloting Modern Equipment & Technologies

- **Step 8:** Prioritize the use of equipment that enhances natural resource efficiency and pilot initiatives like compostable packaging, solar-powered devices, and unique processing techniques. In addition, support the adoption of blockchain systems for improved traceability in supply chains.
- **Step 9:** Blend innovation grants for pilot projects and secure financing for scaling through other components.

G. Scale & Expansion

• **Step 10:** After successful pilot phases, expand the successful initiatives to larger regions and focus on the replication of successful models while customizing them to specific regional needs. This would be prepared with reference to the draft VISTA scaling up and sustainability processes to ensure alignment with VISTA and GoP objectives and best practice for dissemination and upscaling.

Subcomponent 1.4 Response to Emergency and Disaster (RED):

78. This sub-component will include a disaster response contingency to prevent the disruption of the value chains in Project areas affected by the disasters in line with the Project's targeting strategy. In addition, this will be used to help with Rapid Disaster Assessments of damages and preparation of costing for relief and rehabilitation needs. The project would assist in preparing required information so project VPOs are able to leverage additional funds from available government and other disaster risk funds.

79. The project financing will prioritize investments aimed at safeguarding assets or restoring agricultural land, water/irrigation systems, and enhancing the capabilities of rural community organizations to better handle the consequences of the crisis. It's important to note that the RED sub-component will not fund humanitarian activities covered by other stakeholders' responsibilities, such as WFP's food distribution efforts.

80. The key triggers to activate the disaster risk fund include early warnings from meteorological data, severity assessments based on real-time information and damage evaluations, official government declarations of a state of emergency or disaster, reports from affected communities and local leaders indicating urgent needs, rapid assessments of infrastructure damage hindering relief efforts, needs assessments highlighting critical requirements, existing predefined protocols outlining specific conditions for fund access for international assistance. These triggers will ensure a swift and targeted allocation of funds, enabling rapid and effective disaster response and relief efforts in vulnerable project regions prone to natural disasters.

81. Until initiated, this sub-component will maintain a balance of zero. Upon activation, the AWPB/PP will be updated and the funds can be approved by the Country Director for immediate support, contingent upon the set of triggers being activated. The funding for these activities will be sourced from the Works category, with an allocation of up to 10% of the total amount designated under this expenditure category.

82. The project will incorporate a carefully planned exit strategy into the VISTA's overall exit strategy plan, considering that the demand for disaster mitigation may diminish once the project has effectively bolstered resilience and response measures within the target group. During the project's mid-term review, a comprehensive assessment will be conducted to determine whether to continue the RED component for additional year(s) or

reallocate the funds to other investment categories. The mid-term strategic evaluation will ensure a flexible approach, allowing resources to be redirected where they are most needed, aligning with the evolving requirements of the community and maximizing the project's overall impact.

83. **Investment Area 7: Disaster Risk Reduction Measures**

Rationale:

With a rising frequency and intensity of extreme climatic events, there's an urgent need to enhance the adaptive capacity, especially in high-risk areas. This initiative focuses on fortifying such areas and assisting in disaster response efforts.

Example Investments:

A multi-pronged approach involving risk area identification, enhancing risk management plans, and setting up disaster response packages will be adopted.

Implementation Arrangements: Collaboration between the project, LGUs, and communities ensures that on-ground realities are taken into account while crafting solutions.

Cost Sharing Arrangements: Depending on the assessments made, the Disaster Response fund will act as a safety net, supplementing and facilitating the necessary funds from diverse sources.

3.2.Component 2: Sustainable Value Chain Development

84. The **core objectives of Component 2** are: (i) improved smallholder farm productivity through interventions in farming systems, agricultural practices, and access to post-harvest facilities and infrastructure as well as extension mechanisms; (ii) build the capacity of Value Chain Participating Organisations (VPOs) in the project area to strengthen and expand the commercialization of the selected value chains and adopt greening investments; (iii) address climate resilient VC related infrastructure development needs to support value chain development.

85. **Key implementation outcomes** will be smallholders adopting new farm practices and technologies are integrated to the value chains by gaining share of market and profits and adding value through increased volume and quality production, and increased nutrition, with sustainable use of natural resources. Producer organizations and their smallholders' capacities are strengthened for improved market and financial access and commercial partnerships in value chains in environmentally sustainable manner.

86. **Implementation Strategy**. Incorporating NRM elements into the economic and productive systems of the rural poor can help to ensure that systems of production are profitable, endure, and contribute to preserving and enhancing important ecosystems. Aligning and intertwining these elements into value chains where ecosystems are preserved and improved for long term use, and value chains and their actors, drawing upon these ecosystems, are both resilient and profitable, is the guiding principle for VISTA's Component 2.

87. The selection of the two anchor value chains, coffee and cacao, is based on positive market trends globally and domestically, their presence as GoP priorities, established and growing production supply gap vis a vis demand, suitability for, and presence at, the small farm production level, an ecological affinity to NRM and climate friendly investments and the participation of women as producers, members and managers in the producer organizations. Low smallholder productivity in these two crops in conjunction with an unmet and growing domestic market demand, indicate a clear and affordable pathway,

which is accessible for target groups and leads to competitive, profitable, and sustainable production.

88. The natural fit of these perennial tree crops during their lifespan, to work well with beneficiary crops at the farm level such as vegetables, fruit trees, coconuts enhances both land and income diversification, while strengthening the long-term viability of those crops as well. Strategically, using an NRM approach to build the capacity and productivity of the farms, at their currently modest stage of productivity, technology, and management, will in fact contribute to ecosystem restoration and create a profitable, resilient, durable farming system which will prepare smallholders for the challenges and opportunities ahead.

89. VPOs are existing, natural extensions of the production systems, currently functioning with varying degrees of success as aggregators, and sometimes processors and retailers, capturing additional value added and linking individual smallholders to markets. Because of their direct links with smallholder members, VPOs have the potential to develop a systematic approach that addresses extension, agreggation and any value added and credit services gaps for the production level. This will allow them to better manage their ecosystem, increase productivity and scale and help them to consolidate their gains, improve their business model and diversify their service provision and income sources, while contributing to farmer members' incomes through dividends and patronage refund. The bundling of services and investments inclusive of investments in NRM and climate resilience provides the basis for the development pathway and the business case for demonstrating and incorporating an integrated approach.

Subcomponent 2.1: Sustainable Agriculture Production Improvements and Enhanced Extension Services

90. The **objective of sub-component 2.1** is to improve agriculture production by enhancing farming models, technologies and systems through productive investments, adopting good agricultural practices, and providing better access to post-harvest facilities and infrastructure. It will also support improved sustainable extension services specifically for coffee and cacao.

91. **The collaborating agency** for the sub-component is the DA, in particular, with the Agricultural Training Institute (ATI), the Agricultural Offices of the LGUs, and other extension support organizations. DA will provide technical support to the LGU agricultural offices and private sector actors to build the potential for a financially self-sustaining extension mechanism that can continue support beyond the project period. An MOU with DAR and LGUs a convergence approach will help to ensure an integrated and sustainable approach to the activities.

92. **Key implementation outputs** will aim to achieve growth in production volumes and quality through sustainable improved farm-level technologies and practices, such as planting density, intercropping models, nutrient and water management, varietal improvement (e.g., developing hybrids, and on-farm post-harvest technologies). Use of compatible perennial tree crops with beneficiary crops, such as vegetables, fruit trees, and coconuts, promotes land and income diversification while bolstering long-term crop viability.

93. **The sub-component activities** will strategically employ an NRM approach to enhance farm capacity and productivity (as identified in Component 1), an ecosystem protection is supported, resulting in a profitable, resilient, and sustainable farming system that improves production of the anchor crops and other farm systems production as relevant to the specific location. Field-based and tailored training will assist in preparing smallholders for future challenges and opportunities.

94. **Implementation Strategy**. The main bottleneck in the cacao and coffee VCs is the volume and quality of production at the farm level. By investing in key NRM and climate friendly practices (including indigenous ones), a smallholder on his/her existing parcel of land, will ensure greater volume and higher quality, leading to improved multiple bottom lines: better incomes, diversified cash flows, natural and market resilience, AND improvement of the surrounding ecosystem. This subcomponent requires coordination and investment planning (as supported under Component 1). It also requires an on-FARM level boost in durable fixed asset investments (planting stock, farm tools, small postharvest facilities, and ultimately water management) and technical services implemented through an incentive-based extension system, supported by local agronomic post-secondary institutions, linked to LGU technicians, and designed for post project integration into VPO service offerings.

95. **Planned interventions for coffee** farms will include the introduction of new hybrid climate resilient plant stock (in consultation with nurseries, technical schools and anchor firms) with increased vigour (i.e. higher yields, more resistant to pests and disease and more tolerant to abiotic stresses), more intensive technical advisory services on higher planting density, enhanced intercropping with complementary and cash flow producing crops, water management and an increase in investment in on farm postharvest investments and skills. This intervention can create models of how small coffee farmers can move up the value chain by producing high quality coffee which can command higher value and make the Philippine coffee more competitive.

For cocoa, rejuvenation, and renovation of existing stock, intercropping with 96. complementary and cash flow producing crops, better care and feeding, greater planting density, use in agroforestry models and more beneficial care and management will increase household net incomes, reducing unit costs and enhance NR stewardship at farm level. As domestically produced cocoa is tightly linked to export markets, this component will also work with farmers and domestic VC partners to move some smallholders into a VSS4 farm model, where farmers will provide a differentiated cacao standard, as adopted by the ICO. Driven by beneficial agriculture practices including use of organic manure, shade cover crops, and reduced pesticide use, the VSS compliant cacao will prepare the cocoa trees for dry spells and prevent soil erosion from heavy rains while resulting in higher yields, better prices and a standard which ensures participation in deforestation free value chains. While VSS cacao is a nascent market in the Philippines, there are initiatives such as the Cacao Quality and Development Program of DA which can be tapped to create a more robust VCC cacao market in the country. If successful, it can significantly increase the income of small cacao farmers and contribute to making Philippine cacao more competitive. This can be a unique value proposition of VISTA in addition to NRMbased value chain development.

97. **VISTA will implement a Farm Business School (FBS),** building on the experience of CHARM and FishCoral to test, adopt and replicate environmentally sustainable and climate resilient agriculture practices and technologies in the target areas, including for women, youth, and IPs. An FBS is a model of production level support that includes extension, training and demonstration farms. Producers will be supported to upgrade their knowledge and technical capacities, accompanied with the demonstration of new tools, processes and ways of organizing and managing their cacao and coffee farms and agriculture businesses. FBSs will be set up around a geographic cluster of farms and participants will receive the necessary equipment, tools and agricultural inputs in accordance with a farm plan developed during the FBS. Demonstration farms (integrating practices for natural resource/climate resilient based farm models) will be established for the lead farmers selected by the FBS facilitators. These farm demonstrations coupled with the extension activities will showcase the good practices needed for increased productivity

⁴ https://unctad.org/topic/trade-analysis/voluntary-sustainability-standards

and quality resulting in lower unit costs, higher volumes and prices and deliver a more reliable supply to aggregators/consolidators. It will include trainings for farmers to access markets and produce quality products that meet both local and global standards involve a multifaceted approach. The extension program will work hand in hand with subcomponent 1.3 to systematically integrate innovative technologies and practices into the evolving curricula. Initially the project will set up a separate coffee and cacao FBS in each Lead VPO of the first batch and gradually scale up in year 2, 3, and 4. The project will also conduct specific FBS for women and youth to address the specific needs of each.

98. **An agricultural extension service provider** will be recruited to design and implement the FBS system with the following steps. The steps would not necessarily be sequential and would be implemented as required.

- 1. Develop curricula, training and extension materials, inputs, plans and deployment strategy for farmers and FBS facilitators;
- 2. Identify, and train local agronomists specialized in coffee and cacao production as FBS facilitators for the day-to-day implementation of FBSs at the provincial level;
- 3. Prepare a comprehensive on-farm demonstration plan, to disseminate new agricultural practices and technologies focused on coffee and cacao farming systems that are context specific considering ecological and climatic factors;
- 4. Design the structure, staffing, compensation and incentive scheme and performance management system for the network of FBS facilitators;
- 5. Define the mechanisms for leveraging, complementing and supplementing DA's the Province-led Agriculture and Fisheries Extension System (PAFES);
- 6. Develop a plan for VPOs to start, manage and sustain their FBS facilitator networks;
- 7. Design training modules that align with certification requirements including GAP. These modules can cover various aspects of farming such as sustainable practices, organic farming, integrated pest management, or specific crop cultivation methods. Collaborate with relevant certification bodies or organizations to ensure that the training provided meets their standards and requirements. In coordination with DAR and VPOs, and technical assistance from DA, provide guidance and support to facilitate the certification process.
- 8. Oversee the implementation of the FBS system.
- **Step 1.** The scope of the design work includes: design and validation of the extension modalities, Model Farming Systems, expected outcomes, outputs, activities, implementation and sustainability plan, design and testing of training and extension modules, monitoring and evaluation and indicative budget. During this stage, the design will also include establishing worker qualifications, selection criteria and process, compensation and incentive schemes, work schedules, performance assessment of agriculture extension officers and volunteer extension workers.
- **Step 2**. The FBS facilitators, with the LGU municipal agriculturalists, will help to assess the local farming system status, crops planted, numbers and types of crops, density, age, estimated yield (with a focus on coffee/cacao), and adequacy and appropriateness of current practices, tools and facilities, and equipment in farm production, harvest, and post-harvest. This assessment will determine the necessary investments and financing sources to be incorporated into simple farm plans, correlating with the type of farm model envisaged. Aggregated and consolidated farm level investments would form part of the Strategic Investment Plans (SIPs). The intensity of the extension services (and related investments) will be phased and will vary according to the identified extension needs in each Expanded ARC Cluster (EARCC) through the FBS process. Larger or more advanced VPOs may hire and employ additional FBS facilitators. Smaller VPOs may also operate with lead farmers, building upon the concept of "coffee mentors" and "cacao doctors" currently established in a few areas by Nestle and ACDI/VOCA's PhilCafe project (in Mindanao) and NGOs (in CAR), and under the supervision of the FBS facilitators.

- **Step 3 and 4.** The project will identify suitably skilled community leaders, unemployed graduates, existing VPO extension staff, and lead farmers who are willing to be trained and then support their respective local farming communities as mentors/doctors. This would be underpinned by an incentive system that would initially be supported by the project but would gradually be shifted to a fee-for-service model for on-going extension and employment for local skilled farmers and FBS facilitators.
- **Step 5.** All activities assigned to the agricultural extension service provider will be developed and implemented in collaboration with the private sector (e.g. VC Anchor firms), the ATI, Agricultural State Universities in CAR and Region 12 (providing technical support), project agriculture specialists, lead farmers and LGU extension specialists and in close cooperation with the existing programs of DAR, DA, and DENR. In addition, synergies will be explored with DTI as part of the convergence approach leveraging DTI's working experience with SMEs to provide training and extension services to agribusiness practitioners, particularly on value chain development. This arrangement will create effective delivery mechanisms for agri-extension, including a ladderized training approach. This will help to develop local capacities including VPOs' capability to cascade these extension services to their members, and foster a local market for extension services that can continue to thrive after the project ends.
- **Step 6 and 7.** Training and extension topics include Climate Smart Agriculture, Good Agricultural Practices (coffee and cacao), Voluntary Sustainable Standards (VSS) and natural resource management topics to be specified), post-harvest handling, farm planning and budgeting, and potentially, household budgeting. In designing the training modules and in select trainings at the field, the contractor will work with anchor firms in the value chains, such as Nestle and Kennemer to ensure coherence with private sector requirements.

99. This outsourcing arrangement can result in creating effective delivery mechanisms for agri- extension, develop VPOs capability to cascade acquired extension services to their members, and evolve a local market for extension services that can flourish after project ends. It also leverages the agricultural research in State Colleges and Universities. Investment in providing on field extension services for good agricultural practices (GAP) and new technology can yield high returns because their impact on ecosystem management and on increased productivity can be exponential.

Subcomponent 2.2: VC Commercialization and Rural Finance

100. The **objective of sub-component 2.2** is to commercialize and increase the competitiveness of the target VCs through investments in critical value-chain participants (MSMEs, logistics providers, etc).

101. **The lead agency** for the sub-component is DAR, particularly the Bureau of Agrarian Reform Beneficiaries Development Division (BARBDD), given that it has a key comparative advantage in working with the commercialization of VPOs that it has mobilized and supported, and the trust it has built through its field network and land titling mandate. However, a convergence approach with DA in relation to the Value chain Road Map implementation, with LGUs and with private sector entities engaged in the value chains will help to ensure an integrated and sustainable approach to the activities.

102. The entry point for this subcomponent will be the Agrarian Reform Beneficiary Organizations (ARBOs); and also Farmer Cooperatives and Associations (FCAs) that are in direct business relationship or partnership with the ARBOs to achieve economies of scale. These organizations are collectively named as Value Chain Participating Organizations (VPOs).

103. **Key implementation outputs** will be Strategic Investment Plans (SIP) based on VC analyses undertaken and may include VPO capacity building, farm-level interventions, post-production investments, and facilitation of access to rural finance. These would form the basis for specific investment Subproject Proposals (SP) for project support and leverage of other investments.

104. **The sub-component activities** will involve VC analysis that would include area specific value-chain maps, opportunities and constraints to VC growth and competitiveness and improved smallholder participation, and critical interventions and investments to address key bottlenecks. SIPs will be prepared, based on these analyses and implemented leveraging the capacities and experience gained in RAPID project.

105. **Implementation Strategy**. To expand outreach and ensure adequate investment, VISTA will build on lessons learned and approaches from experience with RAPID and Converge, as well as other approaches used in similar projects outside the Philippines. The SIPs will acknowledge and identify the needs and investment proposals across each specific value chain segment (e.g. input provision, production, post-harvest processing, consolidation/assembly, processing, marketing, and end market) to validate the expected returns on investment for each segment to determine the investments likely to achieve the best results for value chain growth and the targeted beneficiaries.

106. The sub-component will ensure complementarities with the existing VC analyses such as those developed under DA's PRDP. This will inform preparation of a preliminary SIP based on i) the assessment of existing business models (e.g. the type of engagement of ARBOs with anchor firms), ii) productive resources required, iii) stakeholder and capacity mapping along the value chain, considering inclusion (gender youth and IP), iv) NRM investment plans and climate risk (of component 1), v) infrastructure requirements, and vi) the availability of financial and other supporting institutions, among other criteria.

107. VC investments require organizational and business capacity to plan, develop and implement successfully; hence require support from **Business Development Service (BDS)** experts. BDS experts will be recruited initially by the Project to work at the provincial level and financed on a sliding scale to encourage clusters of VPOs to gradually self-finance with their own resources. The BDS experts in coordination with DAR's Bureau of Agrarian Reform Beneficiaries Development Division (BARBDD) will enhance and adapt DAR's lessons learned in VISTA areas from the Agroenterprise and Microfinance Complementation Project (in its third phase of implementation) and the Linking Smallholder Farmers to Markets with Microfinance (LINKsFARMM Project which is a value-chain based capacity building project. The BDS will support the development of a VC-wide SIP and also specific business plans for each VPO.

108. VISTA will develop a **comprehensive rural finance strategy and pilot interventions** for VC financing. For the purposes of expanding outreach (depth and breadth of investments) and ensuring sustainability of VC investments in a diverse financial sector environment, the subcomponent will address the fact that despite the numerous (mostly government) lending and insurance programs (through public sector financial institutions, rural banks and others), there remains significant agribusiness and agriculture investments that are not able to access credit. This gap between the supply and the demand is for both investment credit and to a lesser degree input credit. This fact is confirmed in the specific experiences of farmer members and their organizations in the Converge and RAPID projects. The strategy and its implementation will be developed by an external service provider (see draft TOR in Section 10), guided by DAR's Rural Credit and Microfinance Division (RCMD) and the PIM, and be structured to be opportunistic rather than dogmatic in its approach. The use of an external service provider mirrors the recent redesign of RAPID's Access to Rural Finance activities, after MTR illustrated its access to finance weaknesses. 109. The VISTA rural finance strategy will have four closely related elements to address the identified demand and supply constraints for rural finance as shown in Table 2.

DEMAND	SUPPLY
1. Facilitate linkages of VPOs, MSMEs and producers to financial institutions providing credit and insurance products	3. Development of wholesale and retail accessible financial products (not limited to credit) with financial institutions, utilizing complementary and alternative collateral and risk sharing instruments and partnerships, including private sector through VC cofinance and customized to the VISTA market demand, including green investments, investments by IPs and women led investments.
2. Business and financial literacy and capacity building for farmer members, VPOs and MSMEs in the VC.	4. Improve outreach and footprint of partner financial institutions , utilizing VC actor/VPO marketing, screening and delivery mechanisms including supporting ICT4D designed to improve outreach, reduce costs and minimize risks. Underpinning this strategy will be the assumption that the project is building good businesses and therefore attractive investment/lending opportunities. The rfp for the service provider will be aligned along their abilities to deliver the above 4 elements to VISTA. The rural finance service provider will also coordinate with the BDS providers to train and assist selected VPOs to provide credit services to member farms under the VPO based agri extension system, inclusive of linkages to partner financial institutions (PFIs) and working to brand this system as a producer of quality farm businesses.

Table 2 VISTA	Rural Finance	Strategy	/ Elements
		51	

110. The VISTA rural finance strategy will include the possibility (in conjunction with financial institutions) to jointly capitalize and strengthen the ability for qualified VPOs to onlend to farmer members, drawing from some success with CONVERGEs pilot. Project funds will be extended to VPOs that have or are willing to establish a revolving credit fund. VPOs would then augment the revolving fund to enhance their capacity to on-lend to farmer members under agreed VPO lending criteria to ensure reflows for future lending. Based on the CONVERGE experience with PCF, the revolving fund will only be established at VPOs through a qualified partner financial institution (PFIs i.e. banks, MFIs) and after VPOs complete necessary assessment and financial trainings conducted by the financial intermediaries. Any remaining balance of the grant portion of the related portfolio will be transferred to the VPOs' retained earnings ledger upon project completion.

The implementation will include piloting of Financial Instruments for more 111. effective use of matching grants mechanism, addressing both the need for capitalization and improve ability to leverage additional finance: With the objective of leveraging external capital from PFIs, Performance -based grants for investment will be piloted (up to \$1 million dollar envelope to start) to attract financing packages from financial institutions for approved VPO investments including financing of their credit portfolios. The grant element will be implemented through a 'compensating balance' mechanism in which the grant will be deposited in a unique escrow account by the participating financial institution and released to the VPO or other borrower once the accompanying loan is fully repaid. In this arrangement the "blocked grant" acts as a partial guarantee, reduces collateral requirements and offers an additional incentive for client repayment. It leverages additional non-project financing and encourages the accumulation of financial resources by the borrower that, in turn, helps facilitate future investment and loans. If the blocked grant is utilized by the qualified VPO to secure financing for on-lending to members, the benefits may cascade to individual farmers.

112. This arrangement reduces the risks often seen in state sponsored matching grant and guarantee systems and is simple, direct, and cost-effective to administer. It may act as a bridge to nonsubsidized financing and does not require a separate grant appraisal. If the borrower defaults on its accompanying loan, this deposit will be retained by the Partner Financial Institutions (PFIs). This type of performance-based grant may have an additional window which will be used to stimulate direct lending by PFIs to producer members, thereby offering a highly valued form of collateral (cash deposit) which may be further leveraged. The potential for financing arrangements with the anchor firms utilizing this blocked deposit approach for extending VC finance will also be explored as well as alternative modalities to stimulate loans (e.g. credit enhancements such as first loss guarantee funds).

113. **Subcomponent interventions** will follow the below key steps. These will be sequential to some extent but may occur simultaneously for the preparatory stages for the SIP, assessments and business plans, but at different stages for respective value chains and VPOs depending on the progress in preparing the VC analyses and SIPS.

- Step 1. Preparation of VC analyses and SIPs. Alignment with the overall VISTA objectives and economic feasibility are two main eligibility criteria of the proposed list of SIPs which will be further prioritized based on (i) inclusion potential of vulnerable groups and gender sensitive VCs; (ii) sustainable green investments; (iii) innovation factor; (iv) share of private sector contribution in the total cost. Priorities for investment will be submitted for approval to Regional Coordination Committee (RCC) and IFAD for No Objection through the VISTA Grants approval process and be recorded and tracked in the VISTA AWPB.
- **Step 2.** An initial **VPO inventory** will be conducted by PMU staff at the provincial level. The VPO assessment and business and development plan preparation will be done by external service providers and supervised by Project Regional and Provincial staff in coordination with Program Beneficiaries Development staff at the Regional and Provincial levels and with support from the National Project Office. VPOs in the EARCCs will be assessed in terms of their ability to carry out the key functions required for VC operations and the viability of including or improving such functions. This will include an inventory of existing resources, equipment, facilities, staff, systems, processes along the key functions of consolidation, credit provision, procurement for members, extension service, organizational structures and management processes. The VPOs assessment consider the VPOs readiness to downstream the project's softer investments such as selecting target beneficiaries, procuring inputs, selecting staff (agri-extension worker) as well as hard investments (seedlings, tools).⁵
- Step 3. Preparation of VPO Business Plans. For VISTA, the priority of the business plan will be improving the VPO's capacity to deliver the productivity enhancement services to their members (extension, credit, bulk inputs procurement, seedlings, fee based post-harvest common facilities services) and farmer product consolidation and in some cases viable upstream processing, all based on demand signals in both conventional and niche value chains. There will be some VPOs that will have structural limitations (such as area covered) which will inhibit any real viability for certain types of functions, and this is where the larger VPOss would be more suitable vehicles for capacity and capital absorption or where the private sector will play a greater role

⁵ The assessment and business planning processes will build on what DAR, Converge and RAPID have already developed and tested. DAR has the IT Easy that assesses ARB and ARBO progress using measurable or verifiable indicators. It includes a module on ARBO organizational maturity and sections on financial reporting, savings and credit, equipment utilization. Converge and RAPID projects have developed a series of tools, techniques, and processes for assessing and improving ARBO performance including a series of Value Chain Enterprise Performance Assessment Processes and Tools: including the Business Operations Review Process, VCE Manager Performance Assessment and VCE Financial Performance frameworks. All these tools will be quickly assessed and modified as needed to synergize with VISTA project expected outcomes and indicators.

lower in the value chain (for example, roasting, processing, retail and credit). The VPO business and organizational development plan would contain concrete, quantifiable financial and non-financial performance improvement goals, critical gaps to be addressed, and strategies, including priorities and sequencing contributing to achieve goals and address gaps.

- **Step 4.** Preparation of specific **investment subproject proposals**. The plan includes the investments (post-harvest and processing facilities, equipment, warehouses, ICT4D requirements, nurseries where viable), financing requirements, capacity building support needed, and possibility of hiring professional managers or outsourcing of management of the business to private firms. This step will include developing and packaging consolidated strategies for capacity building, investments, and financial services access. VPO assessments and business plans will be consolidated at the ARC Cluster level grouping common investments, capacity building needs and activities and financing requirements. This will be used to develop investment plans, financing access strategies, and a cohesive VPO capacity building framework that consists of a combination of training, mentoring, and systems installation including installation of a financial recording and reporting system. The consolidation at provincial and regional levels will also allow for better efficiencies and economies of scale in actual capacity building service delivery. Examples of common systems include financial reporting systems, training modules, operations manuals for equipment etc.
- Step 5. Identify and on-board business development service providers. The project will develop a process for identifying and qualifying business development service providers, including crafting performance-oriented terms of reference. This process will build on the experience of Converge and RAPID's database of accredited business development service providers. There are several organizations that offer a range of enterprise capacity building services that can be tapped. DAR BARBD has partnered with NATCCO⁶ and CARD⁷ to set up microfinance programs for ARBOs. DAR has also partnered with the CRS⁸ in its FARM-LINKs program. Altertrade Foundation has worked with ARBOs in Negros Occidental to become viable Fair Trade Muscovado sugar enterprises combining participatory planning, mentoring, training and market linkage support, including an VPO based extension system with the youth playing a key role. FPSDC⁹ has a social franchising program which incubates cooperatives from start-up to product commercialization that feeds into FPSDC's FMCG distribution system.
- Step 6. Capacity building and implementation support. The BDS will assist selected VPOs to increase their capacity in the following key functions, as needed and according to their own business plans. The following is a menu of potential capacity upgrades:
 - Business management and planning (including preparing investment plans leading to Component 1 Investment plans), commercial and bank negotiations and relationship management, operational management, credit management and facilitation contract fulfilment and brand development (as necessary);
 - Engage in business relationships with upstream agri-businesses (buyers, traders, processors, exporters)
 - Aggregation of agricultural products that are: safe (including traceability in key value chains such as coffee, cacao, vegetables and others based on demand), and fulfil market demand in quality and quantity.

⁶ https://www.natcco.coop/

⁷ https://cardbankph.com/

⁸ https://www.crs.org/our-work-overseas/where-we-work/philippines

⁹ https://www.fpsdc.coop/

- Improve VPO's existing agribusinesses in processing, trading, and marketing, including additional linking with anchor firms, optimization of current processing and packaging business lines, including assisting VPOs to improve utilization of existing granted equipment by the government, and tapping into niche markets (organic, women, fair trade, carbon credits,) as they develop.
- Provide extension and credit services to member farms under the VPO-based agri extension system and working to brand this system as a producer of quality farm businesses. (credit delivery training/technical assistanceto be supported by the rural finance service provider)
- Adopt and promote to their members new technologies and standards including VSS for cacao, traceability, climate resilient technologies and ICT enabled services.
- Develop/customise and promote the use of MIS for administrative and financial management of VPOs.
- Strengthen women's voice and leadership within the POs, including meeting quotas for women's representation, awareness raising and leadership skills training for women.
- **Step 7.** This sub-component will offer **several financing instruments** to commercialize the target value chains with a focus on competitiveness and expansion of VC businesses. These instruments would be developed in detail through the preparation of the VISTA rural finance strategy. This would be developed with the assistance of a rural finance service provider, managed by DAR's Rural Credit and Microfinance Division (RCMD) and in collaboration with a regional rural finance coordination committee. This would include the preparation of a detailed grant manual that would guide the development of specific instruments as summarized in Table 3 and outlined in the paragraphs below.

		ation Financing 1		
Financing	Administered	Recipient	Sources of	Eligible
Instrument	by		Financing	investments
Name				
Start up Grants	VPOs	VPOs to receive grants for seedlings and initial fertilizer on behalf of farmers and procure and distribute these;	Project	Inputs Farm-level investments: seedlings, initial fertilizers needed for planting
Grant financed revolving Funds	VPOs	VPOs to onlend to farmer members under credit conditions	Project and PFIs	Production VPO managed credit portfolio for Farm-level investments not covered by initial startup grants
Matching grants	Project	VPOs, MSMEs?	Grant may equal up to 50% of the total	Post-harvest and marketing

Table 3 VISTA VC Commercialization Financing Instruments

Financing Instrument Name	Administered by	Recipient	Sources of Financing	Eligible investments
			investment cost.	investments (non- infrastructure)
Performance- based grants through blocked deposit instrument	PFIs, with eligibility screening provided by Project	Smallholders, VPOs,	Up to \$1 million initial envelope Blocked grant acts as partial guarantee for individual loans	Onlending portfolios in VPOs, Leveraging direct loans for fixed asset investments at farm level or VPO

114. **Rural Finance Interventions**. The project will provide **grants** to farmers flowed through VPOs for **farm-level investments (seedlings, initial organic fertilizers)**. These will complement the technical support under subcomponent 2.1 for seeds, tree planting, etc. Performance based grants will be used to finance investments in demonstration farms, shade trees, seedlings, small farming implements, farm soil testing costs, and on farm post-harvest equipment such as on-farm dryers in the early stages. These grants are designed to provide critical, time dependent investments in the short term but also contribute to increasing access by the smallholders (and their organizations) to commercial loan financing in the long term by building cash flows, "farming as businesses" behaviors and branding, when on farm cash flows and farm profitability and management have improved.

115. This conventional grant mechanism is used for initial necessary investments, with matching grants (either conventional or in the form of blocked deposits) stimulating credit at the later stages. Initial on-farm investments will be financed by the project and will comply with the local procurement practices and will fall under the eligible smallholder member criteria. These farm level investment grants will be planned for under the FBS in conjunction with related VPOs and guided by a farm level investment grant manual.

116. **Postproduction investments** for VPOs will be delivered complementary to other government programs and may include non-infrastructure postproduction investments such as equipment and machinery to support improvement of value chain stages or nodes such as processing, marketing, transportation, and other investments particularly needed for access to the high quality and specialty markets. Support will be provided to the delivery of emerging niche coffee and cacao products such as deforestation free VC models (Cacao for Export), promotion of single source origin product, and orientation around niche markets such as women owned and operated VC segments. The need and type of productive assets will be identified with particular attention paid to the long-term viability of such investments. The BDS provider(s) will be aware of such available opportunities and work with the VPOs to prepare proposals to benefit from the available sources of funds.

117. VISTA will support eligible investments through matching grants of up to 50% of the total investment cost (ceilings to be set for different types of investment and different priority groups). The remaining 50% will be financed by private equity of the VPO or participating VC actors and debt financing. The matching grant financing will be executed according to the draft grant manual provided by the service provider.

118. **Performance Based Grants.** Grant and complementary loans are managed as a single package with one approval process. The grant element of the financing is held by the project/bank trust, in a special account until the loan is repaid and is called a "blocked grant". After the loan is repaid, the grant amount is released to the borrower (VPO, Farmer, MSME). Therefore, the grant is partial collateral for the loan. The asset purchased with the investment may also be used as collateral. In this system, the participating bank should not need additional collateral (although this will be negotiated through partnership agreement between the rural finance service provider (acting for VISTA) and the partner financial institution. In the case where fixed assets are being financed and the collateral value is more than the asset value, the borrower may use the additional collateral to leverage additional credit from the same PFI. Examples of how this could work with different grant amounts are shown in Table 4.

Value of Asset or Working Capital (US\$)	Grant %	Grant Amount	Loan Amount	Collateral (Grant 200%, Asset 50%)
\$10,000 (FA)	25%	\$2,500	\$7,500	\$5000+\$5000
\$10,000 (FA)	35%	\$3,500	\$6,500	\$7000+\$5000
\$10,000 (WC)	30%	\$3,000	\$7,000	

Table 4 Potential Grant Mechanism and amounts. (examples for demonstration only)

119. **Eligibility Criteria** The following criteria would apply to all investments proposed for financing:

(i) be proposed by VPOs that proceeded through VISTA's—supported capacity development process and meet requirements for applying for the PFI financing mechanism (see Sub-component 2.2);

(ii) be identified in the VPO's business plan;

(iii) be related to enterprises or cash-generating activities of the graduated FOs in the targeted value chains;

(iv) contribute to a partnership with one or more identified private sector partners of the graduated VPO;

(v) not included in a negative list based on social and environmental safeguards; and

(vi) not be for land purchases.

120. **Additional conditions.** Financed physical assets will need to have a useful life longer than two years and loans for working capital must be at minimum two years in length if they are combined with a grant. VPOs may include items such as computers and software for administrative and management purposes in the investment package, provided that overall financial viability is maintained. Loans for working capital may also be financed from PFI resources using the blocked grant and asset as collateral, but the term of the loan must be at minimum 2 years in length if using the blocked grant instrument. Alternatively, bank ready FOs requiring working capital may be assisted to apply for loan financing from other financial institutions.

121. **Approval Process.** The following steps provide an outline of the process.

1. The borrower (a participating VPO, smallholder or MSME ---if qualified--- who has achieved an agreed level in the graduation process or an MSME involved in the partnership program) submits a financing proposal to PFI. The financing proposal must be based on a Business Plan approved by the VISTA project (SIP etc)

2. PFI conducts screening and due diligence checks to ensure that the financing proposal complies with all eligibility criteria and that it complies with ESMS.

3. PFI issues approval for the financing if it meets all internal requirements.

4. The blocked grant amount is deposited in a unique deposit account at the PFI, but in trust for the borrower.

5. In the event a fixed asset is part of the financing, the VPO or qualified MSME carries out a simple procurement process to identify a preferred supplier.

6. PFI releases the financing directly to the supplier (if possible) once the asset is supplied.

7. The borrower repays the financing in instalments in the same way as for a normal loan. PFI will prepare a cash flow-based loan repayment schedule.

8. After the last repayment, PFI deposits the grant amount into an account opened by the borrower in a private sector bank or finance institution.

9. The borrower can withdraw the grant amount, keep it as savings or use it as collateral for a new loan.

122. **Amount of financing**. The amount of project financing for VPO investments is limited by a maximum grant amount. There is no fixed limit on the amount of loan financing for an investment that meets the eligibility criteria. The maximum grant amount available to the VPO over the lifetime of the project will be based on US X per smallholder farmer who benefits from the investments. The maximum grant amount in any one investment will be 45% (or grant cap) of the investment amount. Depending on the beneficiary with a higher grant amount for green investments, investments emerging from pilots of component 1.3 and/or women or youth led/owned borrowers. For example, a VPO with 50 smallholder members can receive grants up to \$10,000, which can in turn leverage up to \$22,222 in loans. (TBD). However, the VPO may apply for a larger loan (so the grant will be a smaller percentage). The maximum amount of loan will be determined by PFI based on collateral (blocked grant, asset value and any other collateral offered by the borrower) and on PFI due diligence checks.

123. **Co-Financing**. The VPO must provide co-financing in cash of at least 20% (to be confirmed with PFI) of the investment amount. There is no fixed amount for co-financing in kind by the VPO, but the following types of costs must be provided by the VPO as co-financing in kind:

- Administrative work of the VPO committee in managing the investment.
- Labour by VPO members needed to implement the investment.
- Any buildings to be constructed must be on land which is leased and/or owned by the
- VPO or use has been granted by owner. In the event that the VPO does not have ownership, any building or machinery being financed must be portable.

124. **Reporting and review.** The rural finance service provider would be responsible for monitoring and reporting on the progress of the various interventions in implementation of the VISTA rural finance strategy to assess the performance of the various mechanisms. Each PFI would be responsible to report aggregate results (number of borrowers, number of loans, portfolio at risk etc.) to VISTA Project Office and the Regional coordination Committee on a quarterly basis to allow for adjustments to be made during implementation as required.

Subcomponent 2.3: VC-related Infrastructure Support

125. The **objective of sub-component 2.3** is to help in reducing transport costs, increase productivity and minimize post-harvest losses of the farmers' organizations,

smallholder farmers and other project beneficiaries in target areas of the 2 regions of CAR and Region 12. It will also consider aspects of employment for local community members, gender equality in access and climate resilience.

126. **The lead agency** for the sub-component is DAR, with primarily the municipal LGUs related to the selected EARCCs and suitably qualified private sector contractors, and with technical assistance from the DA through the the Bureau of Agricultural and Fisheries Engineering (BAFE). Implementation of rural infrastructure SPs under VISTA will require the full attention from the MLGUs as the executing units. The MLGU shall establish a Project Implementation Team (PIT) under the leadership of the Municipal Engineer (ME) supported by designated technical staff from the existing units of the Municipality. The PIT shall be responsible in carrying out all works related to SPs implementation including coordination and linkages with other government agencies that can provide assistance to VISTA.

127. The DAR shall enter into a Memorandum of Agreement (MOA) with partner LGUs covering their participation and specifying their respective roles and responsibilities in the provision of services, implementation arrangements and funds flow, in the implementation of VISTA in the municipalities covered within each expanded ARC Cluster.

128. Key **implementation outputs** will be the completion of identified and functional access and post-harvest infrastructure that will support the implementation of VC SIPs as identified in Components 1.1 and 2.2.

129. The **sub-component activities** will support project investments in rural infrastructure and facilities will serve to support and enhance commodity-based valuechain development in the target areas particularly cacao, coffee, upland rice, and associated farming systems. These subprojects (SPs) shall be identified and selected in the participatory NRM and value-chain planning process with the target beneficiaries and other project stakeholders and indicated in the VISTA Value-Chain Strategic Investment Plans (SIP) in each Expanded ARC Cluster (EARCC) covered by the Project.

130. **Implementation Strategy**. The high cost of doing business in rural areas is one of the many barriers that farmers have to face preventing them from achieving higher income from farm products as their main source of livelihood. The biggest factor that causes this is the poor condition of rural roads or access infrastructure that results to high transport cost in bringing down farm products from production areas to the market centers. The problem is not in the lack or absence of Farm to Market Roads (FMR) but on the dilapidated state of existing unpaved FMRs that are impassable even during dry season due to neglect or absence of maintenance over the years, hence rehabilitation and improvement will be given priority over new construction. Concreting standard FMRs as climate-proofing measure is expensive but an alternative is providing only tire tracks in some VISTA target sites where production areas are relatively small of 50 hectares and below is recommended.

131. VISTA has to consider that the situation of access to farmlands in the upland areas is different from those in the lowland areas. Due to the steep slopes of access alignments to farm locations especially in CAR, standard FMRs may not be appropriate nor technically feasible due to limited right of way along mountain sides where these access infrastructure traverses unless massive earthworks are done destroying further the environment. Alternatives as observed in CAR are to provide well-defined foot/working animal/animal-drawn sledge trails, or even motorcycle or tricycle roads of narrower width. Tramlines where most feasible may be included. All of these are under the access infrastructure category.

132. In addition, high post-harvest losses are also incurred by farmers due to poor or even the absence of post-harvest facilities. In support to the VC development of VISTA priority commodities, post-harvest facilities like solar drying pavements, solar tunnel

dryers, storage warehouses, processing center buildings, etc. will be needed and these are usually insufficient and sometimes not available in these areas in both regions. These will directly support the value chain development and enhance the quality of products as value added measures. Specific to CAR particularly Benguet, environmental degradation occurs due to overproduction of vegetables in fragile slopes. In some cases, improving the farming system may require greenhouses to protect the available land for the anchor crops.

133. **Planned interventions.** This sub-component will focus on the following investments, with estimated scope as estimated in Table 5.

- Access Infrastructure: to establish connectivity of production areas to processing and market centers eliminating the missing link; standard FMRs will be of Portland Cement Concrete Pavement (PCCP) carriageway; alternative access infra will adopt tire tracks, motorcycle/tricycle roads, and well-defined foot trails, animal trails, and animal or small tractor-drawn sledge trails for the upland areas where appropriate; foot bridges will be provided to complement access facilities across ravines or wide rivers and streams; tramlines where necessary will be included the budget of which will be drawn from any of the access infrastructure type
- **Greenhouses:** to provide solar-powered greenhouse drip irrigation water supply for vegetables in upland areas where there is a need to protect environmental damage due to intensive agriculture production and where anchor crop production is planned. These areas would be provided with UV treated clear PolyEthylene (PE) long life greenhouse film, PE pipe networks and drip lines, fertigation system, solar-powered water pump, 1,000 liter capacity PVC tank, and other paraphernalia
- Post-Harvest Facilities (PHF): providing these facilities to add value to farm products such as 100-square meter warehouse and solar drying pavement for storage and drying of cacao and coffee beans, and heirloom or upland rice respectively, solar tunnel dryer in some cases for cacao and coffee beans if appropriate, and processing buildings to house VC equipment.

VC-related Infrastructure	Physical Target	Brief Description
1. Access Infrastructure	,, o.c you	
✓ Standard FMR	80 kilometers	PCCP with appropriate drainage facilities where appropriate
✓ Tire Tracks/Motorbike/Tricycle roads	30 kilometers	access to smaller production areas with relatively steep slopes
✓ Trails (Foot, Animal, Sledge)	30 kilometers	where FMR is not appropriate due to very steep slopes
✓ Foot Bridge	850 linear meters	where needed across ravines/rivers complementing foot paths
2. Greenhouses		
✓ Greenhouse Drip Irrigation (200 sqm)	10 units	intended for vegetable farmers that aim to rehabilitate their land for anchor or foundation crops.
3. Post-Harvest Facilities (PHF)		
✓ Warehouse (100 sqm)	40 units	coffee beans, cacao beans, upland rice storage
✓ Solar Drying Pavement(100 sqm)	20 units	coffee beans, cacao beans, upland rice solar dryers
✓ Solar Tunnel Dryers	20 units	coffee and cacao beans solar dryers

Table 5: Scope of VC-related Infrastructure

VC-related Infrastructure	Physical Target	Brief Description
✓ Processing Center Building	10 units	intended for housing of processing
(120 sqm)	10 011105	equipment of VPOs

134. **General Conditions and Criteria for Support.** The selection of SPs and its type will include criteria on size of production area, volume of production, number of farmers served, expected impact, among others. The primary criterion however will be that sub-project proposals are identified by value chain stakeholders participating in the VISTA Strategic Investment Planning (SIP) exercise for each participating EARCC. The selection process will initially make use of the DAR identified rural infrastructure support to ARCs in the ARC Development Plans anchored on the type of priority commodities for VC development. Selected SPs will be further prioritized during the conduct of value chain investment planning aligned with the corresponding development/investment plans of Local Government Units (LGUs). Specifically, the general conditions and criteria will include the following:

- a) proposed infrastructure SPs should be located in the target EARC/Clusters that will directly support and significantly contribute to production and value chain development and growth of the priority agricultural commodities and enterprises i.e. cacao, coffee, rice that will be supported under VISTA;
- b) proposed SPs should be identified as priority by the EARC/Cluster community and included in the SIP to be concurred and officially endorsed by the concerned VPO and Local Government Unit (LGU);
- c) proposed SPs must not be currently covered by local or foreign funding sources nor lined-up for funding and implementation within the VISTA implementation period to avoid duplication;
- d) VISTA will only finance rural infrastructure SPs that are found to be technically feasible, environmentally sound, and socially acceptable based on the submission of Sub-Project Proposal (SPP) and Detailed Engineering Design (DED); expensive standard FMRs however, will be subject to preparation and submission of a Feasibility Study (FS) report and should demonstrate an Economic Internal Rate of Return (EIRR) of at least 10% as prescribed by the National Economic Development Authority (NEDA), a positive Net Present Value (NPV), or a Benefit-Cost Ratio (BCR) greater than 1;
- e) proponent LGUs and beneficiaries must be willing to provide counterpart in accordance to the VISTA cost-sharing arrangement as provided in this implementation manual;
- f) proponent LGUs in coordination with the VPOs must be willing and committed to provide funds and conduct detailed survey and prepare individual Sub-Project Proposal (SPP), Feasibility Study (FS), Detailed Engineering Design (DED), Program of Work (POW), and other attendant documents required by the Project;
- g) proponent LGUs and VPOs must be willing and committed to work out and secure the required clearances and permits, Right-of-Way (ROW) documentation, environmental clearances, and other social safeguard requirements and must be secured prior to SP approval; these would include water permit from the National Water Resources Board (NWRB) in the case of irrigation and potable water supply SPs, and pertinent clearances from the National Commission for Indigenous Peoples (NCIP) in case sub-project sites are within an Ancestral Domain or IP community;
- h) proponent LGUs and VPOs must be willing to operate and maintain the completed facilities upon turnover and commit to provide funds and manpower support for sustainability.

135. **Implementation Processes and Procedures.** The subcomponent requires the following steps to ensure that infrastructure supported is correctly identified, designed, planned, procured and implemented. In addition, the project must ensure that essential quality control, safeguards and monitoring is carried out and that maintenance

arrangements are in place. The detailed steps required are outlined in the following paragraphs. These ten steps apply to both Component 1.2 as well as Component 2.3.

• Step 1. SP Identification, Selection, and Prioritization Guidelines

136. Proposed SPs for inclusion under VISTA financing are identified and included in the VISTA Strategic Investment Plan (SIP) and these are further selected during the process. However, not all selected proposed SPs will be subject to prioritization due to its importance and urgency in protecting the natural resources within the geographical confines of the sub-watershed where the upland ARCs are located. These are those that are under the NRM-related infrastructure like the Farm Slope Protection Works, Small Farm Reservoir (SFR) with interceptor canals, and Streambank Stabilization. These types of identified and selected SPs will just need to be field validated and surveyed to generate information and engineering data for the preparation of SPPs and DEDs.

137. The rest of the proposed selected SP types will be subject to prioritization according to the following guidelines:

- 1. small scale irrigation schemes (CIS and CIP) will give priority to those with available surface water or natural spring sources for gravity distribution over those groundwater sources or low-level streams that requires pumping for distribution;
- Pipe irrigation schemes for cacao and coffee shall have a minimum production area of 50 hectares and farmers are willing to organize and be responsible for the O&M;
- 3. Rainwater Capture Tanks will prioritize the poorest of the poor within the upland confines of the EARCC;
- 4. Access infrastructure (all types unless specified) shall be prioritized according to the following factors:
 - critical main road links to production areas shall be given highest priority over internal road network within production areas;
 - priority shall be given to access infra supporting currently producing VISTA priority commodity areas with existing producers' group supported under Component 2 and shall be ranked according to the size of production area with a minimum of at least 100ha and number of beneficiaries of not less than 100 farmers;
 - standard FMRs shall generate an economic internal rate of return (EIRR) of at least ten (10) percent and shall be ranked according to the calculated EIRR in the FS report;
 - financial capability and commitment of MLGU to provide the required equity contribution and shall be ranked according to the amount provided with a minimum value of 20% of the total SP cost;
 - technical capability and commitment of MLGU to immediately conduct engineering surveys, prepare the detailed engineering plans, designs and program of work charged to their account and manage the implementation of the proposed SP;
 - commitment of the MLGU to immediately work out the required clearances and permits from concerned government regulatory agencies; and
 - commitment of the MLGU to allocate budget for acquisition of RROW and compensation of affected properties and crops when necessary and incorporated in the budget during the implementation year once required.
- 5. All types of Post-Harvest Facilities (PHF) to be constructed on available lands owned by proponent VPOs shall be given priority over those lands owned by LGUs or individuals to be put under Usufruct Agreement and these PHFs shall be contingent to and as recommended in the VISTA Strategic Investment Plans (SIP); and
- 6. Greenhouses shall only be provided to organized VPOs venturing into high valued vegetable production the location of which shall be within the property owned by

the VPOs

• Step 2. SP Field Validation and Appraisal

138. All proposed SPs shall be field validated and appraised by the PPMO in coordination with the MLGU and proponent VPOs prior to the preparation of the individual SPP or FS report in case of standard FMRs. NRM-related Infrastructure SPs shall be validated and appraised with the involvement of the DA BSWM Soil and Water Access Team (SWAT) or the NIA (for irrigation if necessary) and the DA RFO RAED. Duly filled-up validation and appraisal report the template of which shall be developed by VISTA CPMO for the purpose shall be prepared by PPMO for approval by the PARPO as basis for the preparation of the SPPs, FS, DED, and POW. Validation reports shall include an MLGU certification that the proposed SP is not currently funded or included in any programs and projects of the national or local government under local or foreign funding support.

Standard FMRs prioritized for assistance shall be reflected on a municipal road network plan to determine interconnectivity with the rest of the road networks in said municipality. These FMRs shall be registered with the Bureau of Agricultural and Fisheries Engineering (BAFE) and aligned with the FMR Network Plans of the Bureau, otherwise, inclusion of said FMR under the network plan needs to be coordinated with BAFE. In this regard, the MLGU shall attach an inventory and assessment of **ALL existing FMRs** and corresponding road conditions within the VISTA ARC/ARCC sites together with the municipal road network plan for the BAFE to incorporate these in its overall FMR Network Plans.

139. The Municipal Planning and Development Officer (MPDO) shall ensure that all proposed SPs identified, prioritized, validated, and appraised will be endorsed by the Barangay Development Council (BDC) to the Municipal Development Council (MDC) for integration to the Municipal Development Plan (MDP) and concurred by the Sangguniang Bayan (SB).

• Step 3. SP Proposal and FS Report Preparation

140. The PARPO-approved Validation and Appraisal Report will trigger the preparation of SPPs or FS, and DED/POW of the proposed SP hence the PPMO shall inform the proponent MLGU to proceed with the preparation of said documents. As a matter of policy, proposed SPs must be technically feasible, economically viable, socially acceptable, and without any significant negative environmental impact. As mentioned earlier, **only the expensive standard FMR will be subject to Feasibility Study (FS) preparation with accompanying EIRR calculation and the rest of the rural infrastructure type under VISTA will only require Sub-Project Proposals (SPPs) with Benefit Cost Ratio (BCR) analysis**. SPPs and FS report preparation shall be the main responsibility of the Municipal Planning and Development Office (MPDO). The RPMO and PPMO engineers shall provide technical assistance and guidance to the MLGU in the preparation of the documents. The MLGU may also outsource the SPPs or FS preparation if needed, charged to the MLGU's account. SPP and FS templates shall be prepared by VISTA CPMO for this purpose.

141. It should be noted that a component on social safeguard and environmental considerations shall form an important part of the SPP or FS in compliance to the IFAD SECAP and the Philippine Environmental Impact Statement System (PEISS). Social Safeguards on IPs shall be governed by RA 8371 on Indigenous Peoples Rights Act (IPRA) while Gender and Development (GAD) concerns by RA 9172 on Women in Development and Nation Building Act of 1992 on the part of the GOP. Likewise, IFAD's policy on IPs and GEWE shall also be incorporated in the study.

142. Most, if not all proposed SPs under VISTA may only require a Certificate of Non-Coverage (CNC) from DENR EMB and this shall be worked out by the MLGU during this stage. However, potential minor impacts may still occur during the whole process of SP planning, implementation, and operation and maintenance that need to be mitigated. These impacts shall be anticipated and assessed on how to incorporate mitigating

measures in the design and reflected in an Environmental and Social Management and Monitoring Plan (ESMMP).

143. **Gender Integration in SP Proposal and FS Preparation.** Gender analysis is required at different stages of the SP implementation stage. To ensure that these are incorporated in the project design and that policies are adhered and considered during the planning stage, the following have to be considered in the SP proposal and FS report preparation:

- a write-up on the involvement of women during the SP identification, prioritization and implementation stage demonstrating that the proposed SP is socially and culturally acceptable to women among others;
- discussion on whether and how will the implementation of the proposed SP affect the current activities and responsibilities of women within the SP influence area;
- highlight discussions that women will be given equal opportunity to be hired or engaged during the SP implementation, what could be their role, and that women will be encouraged to become officers and members of the O&M team upon SP completion and be given equal chance to participate in decision making;
- discussion on how women can benefit from the completion of the SP; and
- other involvement of women as deemed appropriate

These discussions shall be incorporated in the SPP and FS report in chapters and sections where appropriate or can be discussed in a sub-section on "Gender Analysis".

144. **IP Integration in SP Proposal and FS Preparation.** The legal basis in working with Indigenous Peoples (IPs) especially those within an Ancestral Domain is R.A. 8371 on Indigenous Peoples Rights Act otherwise known as the IPRA law and the IFAD Policy on Indigenous Peoples. Processes and procedures in pursuing development efforts in Ancestral Domains are spelled out in these legal documents hence the main source for reference.

145. In this respect, the following is a checklist and reminders in ensuring that IP concerns and perspectives are incorporated in the SP proposal and FS report to wit:

- ensuring that Free Prior Informed Consent (FPIC) is conducted prior to entering the IP areas in close coordination with the local NCIP;
- secure Certification Pre-condition (CP) as required;
- discussion on rituals to be conducted in observance of the IP's traditional practices during Planning, Implementation and O&M;
- ensuring that IPs are equally represented in all consultations done in the field;
- encouraging IPs to become officers and members of O&M committees after SP completion to give them equal chance in decision making; and
- Other IP practices and traditions that need to be observed as deemed relevant.

146. All these pointers shall be reviewed during the SP proposal and FS preparation and explicitly mentioned and included in the write-up with devoted section on "Indigenous Peoples' Analysis" as well as including potential impacts and mitigating measures in the ESMMP.

147. **Climate Change Considerations.**¹⁰ In the Philippines, the occurrences of warm weather, heavy rainfalls, flooding, droughts and fires are a few of the observed phenomena for the last several years. These have substantially and adversely affected the infrastructures in the country especially those that are located in rural areas which are commonly made of low-type materials such as earth or gravel roads aside from being located in flood prone areas susceptible to inundation and erosion due to critical slopes. Examples of these effects are summarized as follows in

¹⁰ extracted from the materials of Dr. Rosa T. Perez; Sources: Netherlands National Research Program: "Climate Changes Spatial Planning" (2007) and ADB Guidelines for Climate Proofing Investment in the Transport Sector; Road Infrastructure Projects

148. Table **6**:

Table 6: Common Effects of Climate Change on Infrastructures

Climate Change	Effects
On Roads	
• Increased and more intense	
precipitation	Increased scour of bridges
• Wetter wet seasons and drier dry	Increased instability of embankments
seasons	Increased damage to road surface
Higher temperatures	Increased erosion
On Irrigation Schemes	
	Flooding of irrigable areas
 Increased average rainfall 	Increased pressure on water resources
 Increased risk of droughts 	Potential higher risk of nuisance algae
• Increased in average temperature	development in water bodies
• Increased frequency of heavy rains	Increased corrosion of metal facilities
	Increased sediment loads in water bodies
On Other Infrastructure	
Facilities	
• Increased frequency of heavy rains	Flooding of facilities' location
• Increased and more intense	Erosion and instability of building foundation
precipitation	Unbearable heat in building structures
· · ·	Spontaneous combustion of highly flammable
Higher temperatures	materials

149. In engineering point of view, climate proofing infrastructure means ensuring the capacity of a system to continue to function well as the climate changes or instituting a measure of the range within which the system, such as an ecosystem, a socio-economic system or a technological system, continues to function normally. Hence, it is about putting in place measures that enable the cost-effective management of climate impacts to reduce the risk that climate change presents to infrastructure. It includes integrating the impacts of climate change into decision making for new infrastructure and maintenance of existing infrastructure. Further, it is not about eliminating all risks from climate change or extreme weather but making the infrastructure climate resilient.

150. Climate Resilient Infrastructure is defined as the ability to withstand a certain level of damage brought about by extreme changes in climate such as flooding without necessarily resulting to total destruction and could still recover through a certain amount of rehabilitation works and resume its original shape.

151. The following are some pointers to ensure that Climate Change effects are addressed in SP proposals and FS reports:

- taking into account the latest observations on occurrence of flooding and other natural phenomena in the locality rather than fully relying on historical records of occurrences;
- adopting the appropriate flood discharge and flood levels as observed lately by people residing near or along river courses and flood prone infrastructure sites in case these are higher than available historical data;
- discussions on policy issuances like barangay and municipal ordinances on prohibiting passage of heavy vehicles during rainy days to prevent damages to road surface due to soft foundation;
- providing appropriate erosion control measures (bio-engineering through sodding of slopes and adopting scour checks) to surroundings of infrastructure facilities that are prone to flooding from too much rainfall run-off;
- avoid siting of infrastructure facilities along erosion prone areas especially along steep slopes;

- providing appropriate sizes of drainage canals and cross drainage facilities like box culverts, spillways;
- protecting downstream outlets of drainage structures by providing riprap protection works;
- other climate proofing measures to ensure resilience of infrastructures when extreme rains and flooding occurs.

152. The result will be a more resilient and robust infrastructure network able to adapt with projected climate impacts e.g. increased flexibility to cope with uncertainty without massive failure and economic cost.

153. Finally, during the SP proposal and FS preparation, clearances and certifications from government regulatory agencies shall be worked out by the MLGU and attached to the SP proposal and FS report.

• Step 4. Detailed Engineering Design (DED) and Program of Work (POW) Preparation

154. The Detailed Engineering Design (DED) and the preparation of the corresponding Program of Work (POW) shall be the main responsibility of the Municipal Engineering Office (MEO) and can be undertaken in parallel with the SPP and FS preparation. The geometric and technical specifications of **NRM-related Infrastructures** shall depend on actual farm configuration based on field investigation to be undertaken by the MEO in coordination with the VPOs (farmer beneficiaries) and in collaboration with the DA BSWM SWAT and the DA RFO RAED. Small-scale irrigation and SFRs will involve BSWM or NIA engineers if necessary to provide technical assistance during the design stage as these agencies are the authorities on these types of infrastructure and the geometric and technical specifications including the DED and POW preparation will be based on their standard practices and procedures.

155. Under the **VC-related Infrastructure**, geometric and technical specifications shall be according to the following as shown in Table 7.

Type of Infrastructure	Geometric and Technical Specifications	
Access Infrastructure		
	In compliance with DPWH D.O. 15, s.2020 dated 14January2020: (Design Standards for Tourism roads and FMR)	
✓ Standard FMR	 - 6.10m PCCP carriageway of 20cm thick with minimum 1.00m shoulders on both sides provided with appropriate drainage canals, appurtenant drainage structures, and appropriate slope protection works 	
✓ Tire Tracks or Tire Paths	2-60cms wide x 20cms thick 3,000psi concrete tire tracks/paths on 10cms aggregate base course (Item 201) with grass "creeps" along center gap of 0.90m, shoulders of 1.00m wide and drainage ditches on both sides provided with gravel-surfaced passing bays of 6.00m road width at every 100.00m intervals	
✓ Motorcycle or Tricycle Roads	3.00m wide x 15cms thick 3,000psi concrete carriageway on 10cms aggregate base course (Item 201) with 0.50m shoulder and triangular drainage ditch on both sides	
✓ Well-defined animal or animal/small tractor-	1.50m wide x 0.40m x 15cms thick concrete block carriageway on 10cms aggregate base course (Item	

 Table 7: Geometric and Technical Specification of VC-related Infrastructure

 Type of Infrastructure
 Geometric and Technical Specifications

Type of Infrastructure	Geometric and Technical Specifications
drawn sledge trails and Foot Paths	201) with 0.50m shoulder and triangular drainage ditch on both sides
✓ Hanging Foot Bridges	1.20m wide walkway with 50mm x 150mm floor planks or 6mm thick checkered steel plate mattings on 25mm diameter cable suspensions, 10mm cable hangers, and concrete abutments
• Greenhouses	10m x 20m with UV treated clear Poly Ethylene (PE) long life greenhouse film, 2-32mm LDPE twin line hose with 16mm flat emitter drip tape, fertigation system, solar- powered water pump, 1,000 liter capacity PVC tank, and other paraphernalia
• Warehouse, Processing Center Building, and Solar Drying Pavement	All floors (including solar drying pavement) shall be 10cm thick of 3,000psi concrete provided with gravel base and temperature bars of 10mm diameter spaced at 40cm on center both ways; all walls shall be of 10cm thick concrete hollow blocks; roofing shall be of gauge #26 corrugated G.I. sheets while gutters shall be of gauge #24 plain G.I. sheets
• Solar Tunnel Dryers	Dimension depending on actual requirement with floors of 10cm thick of 3,000psi concrete provided with gravel base and temperature bars of 10mm diameter spaced at 40cm on center both ways and provided with UV treated clear Poly Ethylene (PE) long life film covers

156. The DED, POW, SPP, and FS together with all attachments shall be submitted by the MLGU to the PPMO for review on completeness and initial review of technical aspects and forwarded to the RPMO for final review by the Sr. Rural Infrastructure Engineer (SRIE) and Sr. Economist. NRM-related SPs will be reviewed together with the DA BSWM SWAT and DA RFO RAED.

• Step 5. SP Review and Approval

157. Upon receipt of SP documents, the SRIE and Sr. Economist together with the DA BSWM SWAT and DA RFO RAED in case of NRM-related SP will conduct final review and evaluate the merits of each proposed SP based on technical feasibility, environmental soundness, social acceptability, and economic viability in case of standard FMR against the criteria established by VISTA including the aspects of sustainability and compliance with all technical, legal, and financial requirements and clearances from regulatory agencies and national government offices. RPMO may conduct field visits when necessary during the review and evaluation process.

158. Reviewed and evaluated SPs will be subject to clearance of the Regional Coordination Committee (RCC) to ensure complementation of other agencies' and organizations' programs, projects and resources and to avoid possible duplication. SPs within the authority of the RPMO will be approved by the DAR Regional Manager while those beyond will be endorsed to the CPMO for approval by the authorized official. Additional cost of sub-projects beyond the original approved cost resulting from variation orders or any others factors shall be charged to the account of the participating MLGU as additional counterpart over and above the agreed cost-sharing arrangement.

• Step 6. Procurement Procedure and IFAD Prior Review

159. Procurement of "Civil Works" and "Goods" for approved SPs will be the main responsibility of the MLGU through its duly constituted Bids and Awards Committee (BAC). NRM-related infrastructure proposed for community labor contracting shall be according to Resolution No. 18-2021 of the Government Procurement Policy Board (GPPB) on the "Guidelines for the conduct of Community Participation in Procurement". All infrastructure

SPs under VISTA are relatively small involving small work contracts and are unlikely to attract international contractors hence contracts will be awarded through Local Competitive Bidding (LCB) and will be guided by R.A. 9184 otherwise known as the "Government Procurement Reform Act" as long as the provisions are consistent with the IFAD Procurement Guidelines.

160. IFAD prior review of technical and procurement documents for VISTA SPs for issuance of IFAD "No Objection" (NO) letter will be according to those provided in the Procurement Section under Project Management of the PIM.

• Step 7. Implementation Modality and Cost-Sharing Arrangements

161. In support to the national government's employment generation program and in consideration that majority of the sub-projects are small scale, Labor Based - Equipment Supported (LB/ES) methods of construction shall be adopted whenever possible. Adoption of LB/ES method for construction shall satisfy all of the following conditions:

- LB/ES cost shall not be higher by more than ten (10) percent of the Equipment Based (EB) cost;
- LB/ES project duration shall not be longer by more than fifty (50) percent of the Equipment Based duration;
- Employment of local workers shall not unduly impair agricultural production; and
- Technical quality shall be maintained.

PURSUANT TO R.A. 6685 DATED DECEMBER 12, 1988, AT LEAST FIFTY (50) PERCENT OF THE UNSKILLED AND THIRTY (30) PERCENT OF THE SKILLED LABOR REQUIREMENT SHALL BE TAKEN FROM THE BENEFICIARY COMMUNITY. HENCE, BENEFICIARIES WITHIN THE COMMUNITY SHALL BE THE FIRST PRIORITY IN THE SELECTION OF LABOR FORCE. THE WOMEN SHALL BE GIVEN EQUAL OPPORTUNITY TO JOIN THE LABOR FORCE. THESE PROVISIONS SHALL BE INCORPORATED IN THE CONTRACT FOR WORKS OF THE WINNING BIDDER.

162. All rural infrastructure support under Components 1 and 2 will be implemented under a cost-sharing arrangement. IFAD Loan Proceeds (LP) will share 60% of the total sub-project costs while DAR will contribute 20% GOP counterpart from the agency's Agrarian Reform Fund (ARF). The remaining 20% of the total sub-project cost shall be shared between the proponent MLGU and beneficiaries according to the following arrangement:

- a. Farm Slope Protection Works and Small Farm Reservoir will be implemented through community-based labor contracting according to Resolution No. 18-2021 of the Government Procurement Policy Board (GPPB) on the "Guidelines for the conduct of Community Participation in Procurement" to be administered by the DAR with technical assistance from DA-BSWM SWAT and by DA RFO RAED through the Municipal Local Government Unit (MLGU) in collaboration with the barangay LGU. The community labor contract group will be organized by the MLGU composed of farmers directly benefiting from the proposed SP. The farmers' group will contribute a maximum of 5% of the cost while the MLGU will shoulder the remaining 15%. The farmers' counterpart will usually be in kind and while they are paid as communitybased labor contractor, part of their weekly work from Monday to Saturday will be through donated labor time the number of days in a week of which will be agreed upon with the MLGU. In case the farmers' counterpart is insufficient i.e. less than 5%, the MLGU shall cover the remaining balance to generate the total 20% share of the SP cost. Construction materials will be procured by the MLGU.
- **b. Small-Scale Irrigation Schemes** regardless of type will be implemented by the the DAR with technical assistance from DA BSWM SWAT, DA RFO RAED and NIA if necessary in collaboration with the MLGU but through private contractors (labor and materials) with the full involvement of the Irrigators' Associations (IA). A Memorandum of Agreement (MOA) will be executed by all parties involved. The IAs for rice irrigation or the ARBOs/Farmers' Group/Coops for supplementary drip

irrigation for cacao and coffee will provide 5% counterpart and 15% from the MLGU in the same manner as the first 2 sub-project types above in agreement with the contractor and the MLGU.

- **c. Rainwater Capture Tank** will be implemented through the Barangay LGU with the full involvement of the beneficiary HH providing 5% counterpart in kind (donated labor time) during the installation of the tank and pipelines within their homes and property. The remaining 15% counterpart will be shouldered by the MLGU who will procure all materials relative to the SP.
- **d.** All types of **Access Infrastructure** including **Streambank Stabilization** is a purely public infrastructure that benefits everybody regardless of whether they are residing within or outside the community with no specific target group hence the remaining 20% counterpart will be the responsibility of the MLGU and this will be implemented through private contractors engaging the community as skilled or unskilled labor in compliance with R.A. 6685.
- e. All types of **Post-Harvest Facilities** including **Greenhouses** are considered common service facilities of particular groups such as the ARBOs, Farmers' Groups, or Cooperatives hence cost will be shared with the proponent group providing 10% and the MLGU sharing the remaining 10%. These will be implemented by the MLGU through private contractors for the supply of labor and materials.

• Step 8. Specific Conditions for Fund Release

163. Upon completion of procurement activities, the releases of Certificate of Availability of Funds (CAF) and corresponding funding support will be according to the following procedures and conditions:

• Certificate of Availability of Funds (CAF)

The release of CAF to the MLGU will be according to compliance of the following submissions:

- 1. Letter request for CAF from the MLGU to the DAR RPMO through the PPMO;
- 2. MLGU BAC resolution of award to winning bidder with supporting documents;
- 3. Draft Contract of work between the MLGU and winning bidder;
- 4. MLGU signed Sub-Project Agreement (SPA) between DAR and MLGU for VC-related SPs and between DA and MLGU for NRM-related SPs;
- 5. Certification from the bank stipulating separate trust fund accounts opened for the Project;
- 6. Certification that the equity counterpart as agreed has been appropriated or budgeted duly signed by the Local Budget Officer and noted by the Local Chief Executive.

164. Other documents to support the request for CAF which are presumed to have been complied prior to the conduct of procurement are as follows:

- 1. Approved FS, DE plans and POW;
- 2. Compliance to Social Safeguard requirements i.e. acquisition and proof of compensation of Road Right of Way (RROW) and crop damages if any;
- 3. Certifications and Clearances from the following National Government Regulatory bodies as follows:
 - Environmental Compliance Certificate (ECC) or Certificate of Non-Coverage (CNC) from DENR EMB
 - clearances from the PAMB if necessary
 - FPIC or CP clearances from NCIP and if necessary

Non-compliance to any condition or document above will be ground for non-issuance of CAF.

• Initial Fund Release (30%)

165. The issuance of CAF to the MLGU would trigger the signing of Contract between the Municipal Mayor and the winning Contractor hence documents needed to effect the initial fund release to the MLGU are as follows:

- 1. Letter request for initial fund release from the MLGU to the DAR RPMO through the PPMO;
- 2. Notice of Award from the MLGU to Contractor and Contractor's Conforme thereto;
- 3. Notarized Contract including all annexes between the Municipality and the Contractor;
- 4. Certificate of MLGU equity counterpart deposit indicating the amount and current account number and if combo account, the Automatic Fund Transfer Agreement (AFTA), machine validated and issued by the bank;
- 5. Signed and approved SPA between DAR and MLGU for VC-related SPs and between DA and MLGU for NRM-related SPs.

• Subsequent Fund Releases

166. For contracts costing PhP5.0 million and below, a single subsequent release is recommended prior to final release while for contracts of more than PhP5.0 million, two (2) more subsequent releases will be appropriate. Documents needed to effect subsequent releases are as follows:

- 1. Letter request for release of funds by the MLGU to DAR RPMO through the PPMO;
- 2. Certificate of Status of Funds (CSF) signed by the municipal accountant;
- 3. Statement of Receipts and Disbursements (SORD) duly certified by the municipal treasurer and verified by the COA auditor;
- 4. A copy of the Contractor's Statements of Work Accomplished (SWA);
- 5. Duly authenticated photocopy of disbursement vouchers;
- 6. At least 50% of previous release is liquidated with progress report and pictorials of sub-project implementation progress; and
- 7. Summary report on Materials Quality Control (MQC) test results conducted.

• Final Release (10%)

- 167. Final release will be subject to submission of the following documents;
 - 1. Letter request for release of funds by the MLGU to DAR RPMO through the PPMO;
 - 2. Certificate of Status of Funds (CSF) signed by the municipal accountant;
 - 3. Statement of Receipts and Disbursements (SORD) duly certified by the municipal treasurer and verified by the COA auditor;
 - 4. A copy of the Contractor's Statements of Work Accomplished (SWA);
 - 5. Duly authenticated photocopy of disbursement vouchers;
 - 6. 100% physical accomplishment validated by the duly constituted Inspectorate Team
 - 7. Certificate of Completion (COC) issued by the Municipal Mayor to the Contractor based on recommendation from the final inspection report submitted by the Inspectorate Team; and
 - 8. Certification that Operation and Maintenance (O&M) fund has been appropriated/budgeted indicating the amount and signed by the budget officer.

168. All fund releases shall be according to the allowable threshold of DAR approving authorities which may be from the Regional or Central offices as deemed appropriate.

Step 9. SP Implementation Arrangements

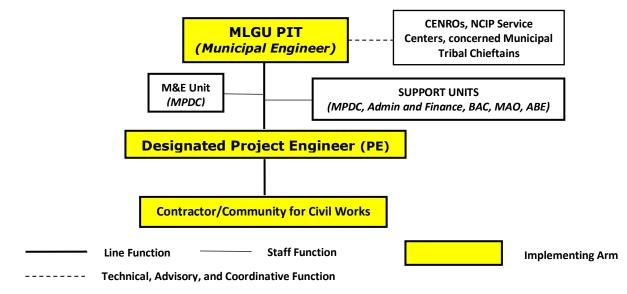
169. Once approved for funding, each specific rural infrastructure sub-project shall be covered by a Sub-Project Agreement (SPA) to be executed between the DAR and the concerned MLGU stipulating their respective roles and obligations in the implementation, financing, cost-sharing, turnover and operations and maintenance of the completed sub-project. The legal basis for the participation and commitment from the MLGU shall be through the following:

1. A local council resolution (Municipal/City Council) endorsing the priority infrastructure sub-projects identified in the EARCC-SIP, authorizing the Mayor to enter into a Sub-Project Agreement (SPA) with DAR, expressing commitment to finance the required equity counterpart, and comply with the required annual

operation and maintenance (O&M) budget;

- 2. Certification from the Mayor that the LGU shall be responsible in the settlement of right-of-way and crop damages for areas to be affected by the sub-projects, and comply with the Project's social and environmental safeguard policies and requirements; and
- 3. Designate a Project Engineer under the PIT to supervise the works of the contractor on a daily basis with the proposed implementing structure as shown in Figure 1.

Figure 1. Proposed Implementing Structure for NRM and VC-Related Infrastructure



- 170. Specifically, the **PIT** shall:
 - be responsible for accomplishing the requirements and preparing the documents necessary prior to sub-project mobilization as specified in the Sub-Project Agreement (SPA);
 - 2. through the designated Project Engineer, conduct pre-construction conferences, mobilize contractors and ensure full involvement of the barangay officials and community as necessary in all aspects of sub-project implementation;
 - be responsible for the over-all coordination, management and monitoring of subproject implementation including the establishment of environmental and social safeguards mechanisms;
 - 4. ensure the efficient implementation, quality standards, and timely completion of sub-project in accordance to the approved plans and specifications;
 - 5. be responsible for ensuring the conduct of work and materials quality control tests as specified in sub-project documents;
 - 6. recommend for approval of payment for all requests of progress billing by contractors;
 - 7. recommend for review and approval by Municipal Mayor and DAR, all requests for sub-project variation orders and price escalations;
 - 8. be responsible for the consolidation and timely submission of periodic status reports of sub-project implementation to the Municipal Mayor and DAR;
 - 9. ensure the establishment of O&M organizations prior to sub-project completion; and
 - 10. Consolidate all data information of all completed sub-projects in preparation for the completion report to be submitted to the Municipal Mayor and DAR.

171. Daily supervision of sub-projects implementation shall be under the responsibility of the designated Project Engineer (P.E.). He/she shall see to it that during the mobilization

of the contractor to the project site, the contractor shall install a billboard at the starting point or any strategic place of the sub-project site indicating the Project name, the name of the executing agency/ies, sub-project title, physical target, sub-project duration, name of contractor and other contract details. The P.E. shall also ensure that all works are according to approved plans and specifications and a construction logbook for each subproject shall be maintained by the contractor at the jobsite at all times. In addition, prior to the start of any construction work in any and every part of the work item under contract, the contractor shall request for an inspection and preparation works shall be approved by the P.E.

172. **Advance Payment and Progress Billing Payment Procedures**. Fund releases to the MLGU shall be in tranches. An initial amount equivalent to 30% of the contract cost shall be released to the MLGU inclusive of the advance payment of 15% mobilization fee of the contractor. Subsequent fund releases to the MLGU shall be according to the schedule in **Step 8** of this guideline while payments of MLGU to contractor shall be based on progress billing supported by a Statement of Work Accomplished (SWA). The SWA shall be validated and evaluated by a team composed of DAR PPMO, MARO, and MLGU M&E Unit, and approved by the Municipal Mayor. Pictorials of specific work sites before, during, and after work completion shall be taken as part of supporting documents for the SWA.

173. **Quality Control and Periodic Reporting**. The contractor's Materials Quality Engineer (MQE) shall prepare a quality control program for each SP to be reviewed by the MLGU PIT Project Engineer, approved by the Municipal Engineer as PIT head, and noted by the Municipal Mayor. Quality control procedures shall be done according to the schedule of minimum test requirements as adopted by the DPWH. Continuous quality control inspection by the P.E. on all items of work shall be done as construction work progresses and inspection report shall be submitted as required. Relevant quality control test reports shall be according to the schedule of minimum test requirements.

174. A monthly periodic reporting on implementation progress shall be done by both the contractor and the MLGU PIT through the PE. Periodic reports to be accomplished by both parties shall include but not limited to the following:

- 1. monthly and cumulative physical progress report (including problems, issues, and concerns);
- 2. summary report of field tests;
- 3. status of tests;
- 4. daily weather report;
- 5. pictorials of work sites before, during, and after work completion; and
- 6. copies of Statement of Work Accomplished (SWA)

175. **Work Suspension, Resumption, Variation Orders, etc.** The provisions on work suspension and resumption, variation orders and the rest of contract provisions shall be according to the policies and guidelines of R.A. 9184. The issuance of these orders shall be the main responsibility of the MLGU through the PIT copy furnished DAR at all levels and concurred by PPMO and RPMO. As mentioned earlier, payment for variations or any other additional cost beyond the approved amount for each sub-project shall be charged to the account of the MLGU as additional equity counterpart hence the MLGU shall exercise due diligence in the preparation of detailed engineering plans and programs of work to avoid incurring variation orders.

176. **Progress Monitoring and Evaluation (M&E).** Progress monitoring and evaluation of sub-projects implementation shall be the main responsibility of the M&E unit of DAR, DA, and VISTA PMOs at all levels.

177. At the DAR Central Office, the Central Project Management Office (CPMO) through the Foreign Assisted and Special Projects Office (FASPO) under the Undersecretary as National Director shall be responsible in overseeing the overall implementation of the infrastructure . The CPMO shall provide overall guidance to the rural infrastructure implementing units at the regional, provincial, and municipal levels. All reporting templates developed at the regional project offices shall be reviewed and approved by the CPMO.

178. At the regional level, the implementation progress monitoring and evaluation arm of VISTA is the Regional Project Management Office (RPMO) through the Regional Support Services Division (RSSD) under the Office of the DAR Regional Director with the support of the DA-BSWM SWAT. The Sr. Rural Infrastructure Engineer and Sr. Economist shall assist the DAR RPMO and other implementing partners in discharging its duties and responsibilities. Development and preparation of reporting templates to be used under VISTA from sub-project identification, prioritization, validation, proposal and FS preparation, quality control, supervision, monitoring, and evaluation shall be the main responsibility of these offices.

179. The DAR Provincial Project Management Office (PPMO) headed by the Provincial Agrarian Reform Program Officer (PARPO) through the Provincial Beneficiaries Development Division (PBDD) in collaboration with the MLGU PIT shall monitor the overall progress of VC-related Infrastructure at the provincial level to ensure efficient and effective project implementation and shall mobilize the engineers assigned in the agency's provincial office. Monitoring of progress for NRM-related Infrastructure in the province shall be done by PPMO with technical assistance from DA-BSWM SWAT and DA RAED.

180. IFAD at any time, will send Supervision and Implementation Support (SIS) mission to selected sites to monitor and evaluate the progress and status of the implementation and management of the Project. The findings of the mission will be embodied in an aide memoire and will be submitted to the PSC andCPMO copies of which will be furnished all concerned stakeholders and Project implementers. DAR CPMO will be responsible for the overall coordination and will actively participate in the conduct of IFAD SIS missions. DAR and DA regional and field offices will likewise participate in said missions.

181. **Completion and Turn-Over**. Upon issuance of Certificate of Completion (COC), the MLGU PIT shall prepare a Sub-Project Completion Report (SPCR) with supporting pictures taken "Before", "During", and "After" of several specific major segments of civil works and shall include discussions on major activities on major work items, issues encountered during implementation, mitigating measures adopted, lessons learned, and O&M plan indicating the source/s of annual budget for routine maintenance, among others. The SPCR shall be approved by the Municipal Mayor and concurred by the PPMO, the template of which shall be developed by the DAR CPMO and RPMO M&E Units duly reviewed and approved by the DAR CPMO.

182. All completed sub-projects will be turned over to the MLGU represented by the Municipal Mayor. However, there will be instances where completed facilities like communal irrigation schemes and post-harvest facilities will be turned over to VPOs for appropriate operation and maintenance. In such cases, a Memorandum of Agreement (MOA) between the MLGU and concerned VPO will have to be put in place to ensure that responsibility is clearly delineated for sustainability.

183. CPMO will have the sole responsibility to authorize turn-over of the completed facilities after the conduct of final inspection by a duly constituted Inspectorate Team and after it has determined that the sub-project has been completed to the satisfaction of the Project.

Turn-over documents may include but not limited to the following:

- 1. A Sub-Project Completion Report (SPCR) with pictures taken "Before", "During", and "After" construction of specific major segments of civil works;
- 2. Final Inspection Reports;
- 3. Certificate of Completion and Certificate of Acceptance issued by the MLGU to the contractor;

4. As built plans reflecting actual deviations from the approved documents.

• Step 10. Sub-Project Operation and Maintenance Framework

184. Basically, each type of completed facility will require a specific unit or organization to operate and maintain the system. This will be dependent on who will be the direct users or beneficiaries of the facility. The type of infrastructure facilities to be provided by VISTA can be appropriately operated and maintained either by the municipal LGU or the VPOs. The recommended O&M responsible entities for each type can be carried out according to the following arrangements as shown in Table 8.

		O&M Responsibility	Strategy and Support Mechanism
Co	mponent 1: NRM-	related Infrastructure	
•	Farm Slope Protection Works/Small Farm Reservoir/ Interceptor Canal	 Farmers' Group directly benefitting from facility thru the establishment of Small Water Impounding System Association (SWISA) 	 VISTA, DA BSWM SWAT, DA RFO RAED, and MLGU to assist in organizing, training and operationalization of the SWISA Maintenance fund to be generated thru the imposition of users' fee if feasible Periodic maintenance to make use of the "Bayanihan System" by members
	Steambank Stabilization	 The MLGU in collaboration with the BLGU thru a Barangay O&M Committee 	 VISTA, DA BSWM SWAT, DA RFO RAED, and MLGU to assist in organizing, training and operationalization of a Barangay O&M Committee (BOMC) MLGU and BLGU to provide regular annual routine maintenance fund Periodic maintenance to make use of the "Bayanihan System" organized by the BLGU
	SmallScaleIrrigation(CIS,CIP, PIS)'''	The Farmers thru the establishment of Irrigators Service Association (ISA)	 VISTA, DA BSWM SWAT, DA RFO RAED, and MLGU to organize, train and operationalize the ISA VISTA with technical assistance from DA BSWM SWAT, DA RFO RAED, and NIA to develop O&M manual to include the policies, systems and procedures to be adopted by the ISA in collecting irrigation service fees (ISF) from members for O&M use
	Rainwater Capture Tank	 Individual Beneficiary Household 	 VISTA and MLGU to orient and train individual HH to operate and maintain the water tank with PE pipes for backyard gardening Maintenance cost to the account of individual HH
Со	mponent 2: VC-re	lated Infrastructure	
	Access Infrastructure (standard FMR, tire tracks, M/C roads, trails, foot bridge)	The MLGU in collaboration with the BLGU thru a Barangay O&M Committee	 VISTA, DAR and MLGU to assist in organizing, training and operationalization of a Barangay O&M Committee (BOMC) BOMC to formulate an annual maintenance program MLGU and BLGU to provide regular annual routine maintenance fund

Table 8 General Operation and Maintenance Arrangements

Type of Sub-Project	O&M Responsibility	Strategy and Support Mechanism
 ☑ Greenhouses with Drip Irrigation 	• The proponent VPO directly benefitting and using the facility	 Maintenance fund to be augmented thru the imposition of users' fee if feasible MLGU and BLGU to involve community thru commissioning of "pakyaw" groups to undertake maintenance adopting the "length man" system Periodic maintenance to make use of the "Bayanihan System" organized by the BLGU VISTA, DAR and MLGU to organize the proponent VPO Greenhouse supplier to orient and train the VPO in O&M of completed facilities VPO to develop O&M systems and procedures and collect users' fee from members for the regular O&M budget Periodic maintenance to make use of the "Bayanihan System" by members
Post-Harvest Facilities (warehouse, solar drying pavement, solar tunnel dryer, processing center building)	 The proponent VPO benefitting and using the facility 	 VISTA, DAR and MLGU to assist in organizing, training, and operationalization of the proponent VPO Equipment supplier to train the VPO in operating VC-equipment VPO to undertake regular maintenance of facilities through its members VPO to develop systems and procedures for collecting users fee to cover maintenance and operating cost Periodic maintenance to make use of the "Bayanihan System" by members

185. DAR shall conduct Sustainability Monitoring after VISTA has completed according to the agency's regular plans and programs to ensure that Operation and Maintenance (O&M) arrangements are satisfactory and to identify needs for follow-up training if necessary.

186. All capacity development interventions provided to sub-project implementing units at all levels for the rural infrastructure under VISTA shall be spearheaded by the DAR CPMO and DA CPCU in close collaboration with the capacity building arm of the project. This will include the formation and/or strengthening of users' organizations or VPOs responsible in operating and maintaining the completed communal infrastructure as an integral part of the sub-projects' design and implementation. Institutional development will precede construction works and continue after physical completion. Organizational strengthening activities will be implemented and funded as part of the capacity building sub-component of VISTA.

187. To ensure continued support in terms of budget allocation for both implementation and maintenance of completed sub-projects, the LGU shall see to it that all proposed subprojects prioritized by the community in the EARCC-SIP shall be integrated in the Municipal Development and Investment Plan, with the appropriate endorsement of the Barangay Development Council and Municipal Development Council. Provisions for O&M shall be contained in a SPA to be signed by the DAR and the LGU prior to the implementation of the sub-project.

3.3.Component 3: Project Management

188. The **objective of Component 3** is to help DAR, DA, LGUs, and other implementing partners in delivering integrated project services as intended and to the satisfaction of the targeted beneficiaries in the EARCCs.

189. **The lead agency** for the component is DAR for coordination purposes between GOP and IFAD Subcomponent 3.1 covers Project Operations Management and Subcomponent 3.2 Project Monitoring, Evaluation, and Knowledge Management.

190. Key **implementation outputs** will be:

(i) enhanced implementation and coordination capability and capacity of DAR and other implementing agencies and partners for effective and efficient provision of project services the completion of identified and functional access and post-harvest infrastructure that will support the implementation of VC SIPs as identified in Components 1.1 and 2.2;

(ii) Robust data/information timely captured, analysed and reported to Project management and stakeholders for evidence-based decision making; and

(iii) Documented Project approaches and methodologies for learning and action utilized within the Project, DAR's, DA's. and other stakeholders' similar programs and projects.

191. **Implementation Strategy**. As noted in the overall project approach, a key feature of VISTA will be a convergence approach to implementation that involves strong partnership and collaboration between government agencies, LGUs and other project stakeholders. Furthermore, the project management is designed to emphasize innovation and sustainable approaches. This means that VISTA's management arrangements must be robust and transparent but also adaptable and knowledge-based. Consequently, a strong emphasis on M&E and knowledge management has been incorporated into project management.

Sub-Component 3.1: Project Management

192. The **component activities** through subcomponent 3.1 will establish management structures embedded into DAR's level of organization, and organization and coordination mechanisms composed of government, non-government and private sector stakeholders. It will support capacity strengthening of the DAR, DA, LGUs and other implementing partners project investments in rural infrastructure and facilities will serve to support and enhance commodity-based value-chain development in the target areas particularly cacao, coffee, upland rice, and associated farming systems. These subprojects (SPs) shall be identified and selected in the participatory NRM and value-chain planning process with the target beneficiaries and other project stakeholders and indicated in the VISTA Value-Chain Strategic Investment Plans (SIP) in each Expanded ARC Cluster (EARCC) covered by the Project.

193. **Project Operations Management** will focus on enhanced implementation and coordination capability and capacity of DAR, other implementing agencies and partners for effective and efficient provision of project services. Key activities under this sub-component include: (i) establish management offices and coordination bodies at the central, regional, provincial and ARC levels, (ii) prepare and orient project's detailed implementation guidelines, (ii) conduct regular harmonized annual work planning and budgeting, and procurement planning, (iii) align financial and procurement management bodies at all project levels with government and IFAD's standardized systems and procedures, (iv) conduct project's regular performance assessments and reviews (v) facilitate IFAD/GOP's supervision and review missions, (vi) conduct capacity assessment

and capability building activities for DAR, LGUs and implementing partners, and procurement of office facilities.

Sub-Component 3.2: Monitoring, Evaluation, and Knowledge Management

Project Monitoring, Evaluation, and Knowledge Management, aims to 194. capture and analyze robust data and information in a timely manner, and report to project management and stakeholders for evidence-based decision-making. This sub-component also aims to increase the knowledge base, and document project approaches and methodologies for learning, policy, and action utilized within the Project, DAR's, and other stakeholders' similar programs and projects. To achieve these objectives, Sub-Component 2 will undertake the following activities: (i) establish and operationalize the Project's M&E system and MIS/database, which includes geo-spatial maps; (ii) profile household beneficiaries, VPOs and other POs (ARBO, FCA, IPO), ARCs, and VC enterprises; (iii) conduct timely baseline, mid-line, annual outcome, and end-line surveys/studies; (iv) document the project's good practices and innovations; (v) conduct cross-learning visits among project stakeholders; (vi) establish and administer a project website for visibility and learning; (vii) organize and participate in national and international forums (e.g., KLMPE, MKLF) to share good practices and innovations; (viii) organize a community of practice (CoP) for thematic areas among project implementers; (ix) prepare policy briefs; (x) organize and participate in local sessions (e.g., SB sessions, RDC sessions) and national forums (e.g., KLMPE) for policy dialogues; (xi) monitor and report policy changes/modifications at the local, regional, and national levels.

195. Subcomponent 3.2 will involve design and operation of an IT-based Monitoring and Evaluation System with web-based Management Information System for real time data/information, establishment of a VPO-based M&E system and generation of evidence-based knowledge products packaged for local, national, and international learning and sharing. It is also expected to result in innovation-focused policy briefs for local legislations (LGU ordinances) and national programming.

4. Management Structure, Coordination and Roles and Responsibilities

The section of the PIM provides an overview of the management arrangements that will be the basis for implementation of Component 3 and for support to implementation of Components 1 and 2. It presents the management structure in Figure 2 and Table 9. Then it provides details of the implementation responsibilities, potential partners and staffing. More information on Terms of Reference can be found in Section 10.

196. **Executing Agency.** The Department of Agrarian Reform (DAR) will have overall responsibility for implementing the project and will use its existing structures at national, regional, provincial, and ARC levels to implement project activities. Project management structure will be embedded into the DAR organizational structure and levels of authority; thus, project planning, budgeting, procurement, contracting, financial management, monitoring, and evaluation, and knowledge management will be integrated into the DAR's existing processes and procedures. In addition, it will identify improvements to be brought to the DAR's system as a whole. The project organogram as shown in Figure 1 support DAR implementation from the central office down to the provincial offices.

197. **Collaborating Agencies** - The **Department of Agriculture (DA)** will assist DAR in implementing Sub-Components 1.2 and 2.1. The DA Central Office will mobilize its attached Bureaus and Offices which will play a key role in project implementation. They are the (i) Bureau of Soil and Water Management (BSWM), (ii) Agricultural Training Institute (ATI), and (iii) Regional Field Offices (RFO) of CAR and Region XII to provide technical support. The **Local Government Units (LGUs**) in covered provinces and

municipalities will be involved in the implementation of agforestry, DRM, rural infrastructure related sub-projects in close coordination with regional/provincial offices of DENR, DILG and DPWH.

198. The **Project Steering Committee (PSC)**, chaired by the DAR and consisting of members from the DA, DENR, DILG, NCIP, DPWH, DTI, NEDA, DOF, DBM, PCW, PS, VPO Rep, and other relevant institutions/organizations, will serve as the governing body and provide policy direction and overall coordination mechanism for the project. The institutional commitments of PSC members will be formalized through special orders (SO) that specify their respective roles and responsibilities. The CPMO will be responsible for ensuring the coordination of national agencies involved in project implementation.

199. **Central Project Management Office (CPMO)** will be established at the national level to manage and coordinate overall implementation. This will be headed by the DAR's Undersecretary of Foreign Assisted and Special Projects Office (FASPO) as the National Director, together with a hired National Project Manager managing the day-to-day undertakings of the Project. The CPMO will be fully accountable for the performance of project; implementation and the use of funds. It will also be responsible in coordinating with IFAD; DA as co-implementing agency; government oversight agencies, including, NEDA, DoF, and the DBM; and within the DAR central management that includes the Support Services Office (SSO), Finance Management and Administration Office (FMAO) and Office of the External Affairs and Communications Operations (DEACO). In addition, the CPMO will be directly responsible in effecting convergence of national agencies like DA, DENR, DILG, NCIP in project implementation.

200. **Regional Project Management Offices (RPMO)** will be created in the Cordillera Administrative Region (CAR) and Region XII. The RPMO will be headed by DAR Regional Director with a hired Deputy Project Manager, managing the day-to-day undertakings of the Project. The RPMO will oversee project implementation at the regional and provincial levels. It will be coordinating with the different agencies for the review and endorsement of proposed subprojects as well as other implementing partners at the regional level. It will organize the Regional Coordination Committees.

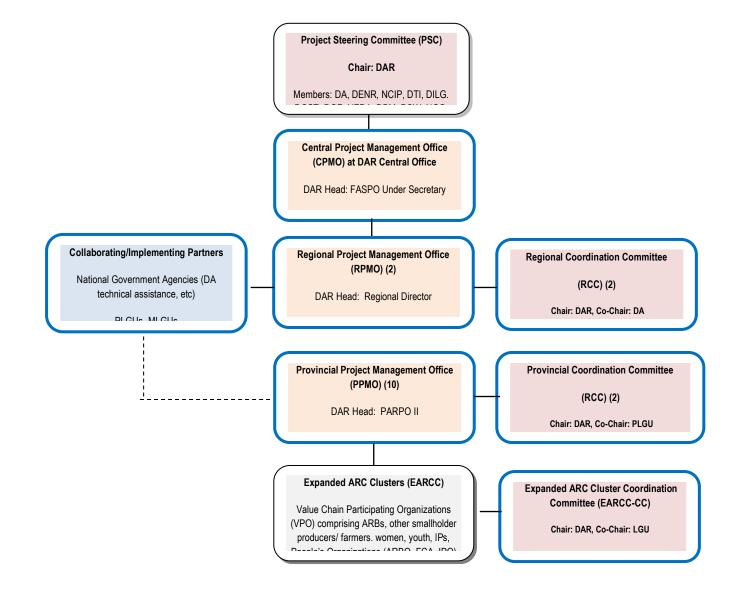
201. **Provincial Project Management Office (PPMO)**. In every target province, a PPMO will be established at the Provincial Support Services Division (SSD), under the authority of DAR Provincial Agrarian Reform Program Officer (PARPO). The day-to-day operation is managed by a hired Provincial Project Coordinator. The PPMO will oversee project operations in the selected ARCs (ARC) and will link with other implementing partners (e.g., BDS providers, PLGUs, MLGUs, etc.) at the provincial level. It will organize ARC Coordination Committees (EARCC-CC) and provide implementation support to the functioning of the ARC-CC in the identified ARC clusters.

202. **Coordination Committees** will be organized at the Regional and Expanded ARC Cluster levels.

- **Regional Coordination Committee (RCC)** will be chaired by DAR and co-chaired by DA and will have similar composition with the PSC at the regional level. It will review and endorse proposed subprojects and other activities, and will ensure complementation of other agencies and organizations' programs, projects and resources for the implementation of VISTA subprojects. It will also facilitate resolution of operational issues (e.g., duplication of investments, safeguards compliance).
- **Provincial Coordination Committee (PCC)** will be chaired by DAR and cochaired by PLGU with membership from partner/implementing agencies present at the provincial level and municipal LGUs. This body will conduct initial review and to endorse VISTA investment plans and sub-projects. It will also facilitate resolution

of operational issues (e.g. counterparting, provision of technical support) within their scope.

Figure 2 VISTA Organizational Structure



203. **Expanded ARC Cluster Coordination Committee (EARCC-CC)** will be established in an expanded ARC cluster (EARCC). It will be chaired by DAR and co-chaired by LGU, and membership is dynamic to include NGAs which have on the ground presence, VPOs (ARBOs, FCAs, IPOs), and representatives of any other critical project implementers (e.g., financial institutions) within or adjacent to the A. It will mobilize concerned LGU departments and units, coordinate with and monitor all the stakeholders and implementing partners in the implementation of sub-projects, ensure the participation of VPOs and other people's organizations in the planning and monitoring of sub-projects in the EARCCs.

Table 9 VISTA Implementation Arrangements

Level	Managem ent	Key Tasks	Coordination	Key Tasks
National	Central Project Manageme	 Coordinate with IFAD, oversight agencies, and other 	Project Steering	Provide policy guidance

Level	Managem ent	Key Tasks	Coordination	Key Tasks
	nt Office (NPMO)	 implementing agencies and partners at the national level Give overall guidance to project implementation (e.g. preparation of implementation guidelines, financial guidelines, procurement, guidelines, review and approval processes of VISTA subprojects. etc.) Oversee operations, finance and procurement, and provide technical support to project implementation at regional and provincial levels Review and consolidate project- wide annual work plans and budgets (AWPB), annual procurement plans (APP), annual physical and financial reports (APFP), and other types of reports as required Prepare budget for integration into DAR's annual budget for government approval Facilitate funds withdrawal and transfer of funds to implementing units and agencies Contract and procure project- related services and supplies not undertaken by RPMOs in accordance with the Financing Agreement, IFAD and GoPrules. Provide overall M&E and KM function including supervision and review missions, documentation of EBCV/S models, Promote inclusive approaches and mainstreaming of targeting and IP. Gender and requirements in all of the project activities Organize the PSC and serve as PSC secretariat 		 Approve project implementation guidelines, global and annual work plans and budgets and procurement plans Review and approve proposals regarding adjustments to plans, budgets, etc. Resolve implementation issues that requires convergence

Level	Managem ent	Key Tasks	Coordination	Key Tasks
Regional	Regional Project Manageme nt Office (RPMO)	 Oversee project implementation at the regional and provincial levels Coordinate with the implementing and partner agencies and organizations at the regional level Review EBVCD/S investment subprojects (e.g. harmonized plans, infrastructure, VC sub- projects) for endorsement by the RCC) Consolidate provincial annual work plans and budgets (AWPB) into a regional AWPB, annual procurement plans, annual physical and financial reports (APFP), and other types of reports as required Approve and manage funds use and procurement at the regional level (within limits of RD authority) Enter into contracts with implementing partners (BDS providers, FSPs, etc.), monitor and review their performance Oversee and supervise M&E/KM function including supervision and review missions and documentation documentation of EBCV/S models, provinces of operation Coordinates with DA-RIU for project implementation including regional planning and assessments Organize the RCC and serve as RCC secretariat 	Regional Coordination Committee (RCC)	 Review and endorse infrastructure, value- chain sub-projects, and other investment proposals to RPMO Ensure complementation of other agencies' and organizations' programs, projects and resources (financial and human) for the implementation of VISTA subprojects Facilitate resolution of operational issues (e.g. duplication of investments, safeguards compliance, etc). Provide technical advice and technical support to the project (will be executed via memorandum or letter of agreements)
Provincial	Provincial Project Manageme nt Office (PPMO)	 Oversee operations in the ARCs, linkage with other implementing partners (e.g. BDS providers, PLGUs, etc.) at the provincial level Organize ARC Coordination Committees (ARC-CC and provide implementation support to the functioning of the (ARC-CC) in the identified ARCs Review/prepare VC, infrastructure and other investment subprojects for submission to RPMO 	<i>Provincial Coordination Committee (PCC)</i>	 Mobilize participation of agencies that have provincial presence, e.g. DPWH, DENR, NCIP and PLGUs. Coordinate with and monitor all the stakeholders and implementing partners in the implementation of sub-projects within the province Provide initial review of the VISTA

•Prepare annual work plans and budgets (AWPB) and annual procurement plans (APP), annual physical and financial reports (APFP), and other types of reports as required •Investment Plan (Strategic Investmer Plan) whether they a aligned with the LGU comprehensive or investment plans an where the LGUs can complement in the p provincial level (within limits of PARPO authority) •Investment Plan (Strategic Investmer Plan) whether they a aligned with the LGU comprehensive or investment plans and where the LGUs can complement in the p implementing partners (BDS providers, FSPs, etc.), monitor and review their performance •Investment Plan (Strategic Investmer Plan) whether they a aligned with the LGU comprehensive or investment plans and where the LGUs can complement in the p implementation (e.g. finance and other resource counterparting) •Expanded ARC Clusters (EARCC)At the EEARCCs are Value Chain Participating Organizations (VPO) comprising ARBs, other smallholder producers/ farmers. women, youth, IPs, People's Organizations (ARBO, FCA. IPO) Expanded At the ECARCCs are Value Chain Participating Organizations (ARBO, FCA. IPO)•Mobilize concerne LGU departments and units (e.g. MPDC, MA and other agencies operating in the ARC (e.g. CENRO, NCIP service centers_ ••	Level	Managem ent	Кеу	Tasks	Coordination	Key Tasks
ARC Clusters (EARCC)Organizations (VPO) comprising ARBs, other smallholder producers/ farmers. women, youth, IPs, People's Organizations (ARBO, FCA. IPO)ARC Cluster 		ent	budgets (AW procurement physical and (APFP), and reports as re • Approve a use and proc provincial lev PARPO autho • Enter into implementing providers, FS and review th • Oversee a M&E/KM func supervision a	PB) and annual plans (APP), annual financial reports other types of quired and manage funds curement at vel (within limits of ority) contracts with g partners (BDS SPs, etc.), monitor heir performance and supervise ction including and review missions		 (Strategic Investment Plan) whether they are aligned with the LGU comprehensive or investment plans and where the LGUs can complement in the plan implementation (e.g. finance and other resource counterparting) Facilitate resolution of operational issues which can be responded
in the implementation of sub-projects in the covered ARCs • Ensure the participation of ARBC and other people's organizations (e.g. IPOs, Women Org, Youth Org) in the planning and moniton of sub-projects in the ARCECs • Ensure that project services are delivered a timely fashion to target ARBs, IPs, women and youth in ARCs within the clust •	ARC Clusters (EARCC)	M&E/KM function including supervision and review missions and documentationAt the EEARCCs are Value Chain Participating Organizations (VPO) comprising ARBs, other smallholder producers/ farmers. women, youth, IPs, People's Organizations (ARBO, FCA. IPO)		ARC Cluster Coordination Committees	operating in the ARCES (e.g. CENRO, NCIP service centers_ • Coordinate with and monitor all the stakeholders and implementing partners in the implementation of sub-projects in the covered ARCs • Ensure the participation of ARBOs and other people's organizations (e.g. IPOs, Women Org, Youth Org) in the planning and monitoring of sub-projects in the ARCECs • Ensure that project services are delivered in a timely fashion to	
 DA as collaborating agency cacao through HVCDP and R&D Division. (ii) provide technical assistance on the validation of target site 						

 cacao through HVCDP and R&D Division, (ii) provide technical assistance on the validation of target sites and extent of works for the construction of permanent riverbank protection (such as construction of protection dike, gabions, grouted riprap, stone masonry, etc) (iii) assist in the validation, survey design and estimates of potential sites suitable for the construction of SFR, (iv) assist in determining the feasibility of the SSIPs, (v) assist in the validation, survey and design of the identified target sites for

Level	Managem ent	Кеу	Tasks	Coordination	Key Tasks
				nk stabilization, SSIP	s and DRRM to
participat	ing LGUs, (vii) as	sist in the vali	dation of DRRM affe	cted areas	
appropria technical permane masonry, construct survey ar stabilizat interpreta	ate SLM technolog assistance on the nt riverbank prote , etc), (ii) assist in tion of SFR, (iii) a nd design of the id ion during training ation of thematic	jies, biodiversi e validation of ection (such as n the validatio ssist in detern dentified targe gs,meetings a geospatial ma	ity-friendly agricultur target sites and extension s construction of pro n, survey design and nining the feasibility et sites for SSIPs, (wind related activities,	al and conservation ent of works for the c tection dike, gabions l estimates of potent of the SSIPs, (iv) ass) act as resource pe (vi) Assist in the ger source persons for re	onstruction of , grouted riprap, stone ial sites suitable for the sist in the validation, rsons on streambank
modu needs	lles which can be s of the project, (i	enhanced by i iii) act as reso	ntegrating GAD and	Climate Change and	3S, (ii) share available be tailored fit with the conducted, (iv link with
			enting partners-		
					lisaster risk managemen
			nes as specified in th	ne memorandum of a	greement/ work plan
•	et and procureme	•			1
				agreement on a time	
			menting partner	norandum of agreem	lent
				l works and related a	
					igreement/ work plan
	et and procureme		nes as specified in a		greenent, work plan
			ct/ memorandum of	agreement on a time	ly manner
				norandum of agreem	
		ers: BDS pro	oviders. Financial T i	nstitutions FSPs S	UCs
Execute t				nstitutions, FSPs, S ne contract/ memoral	
	he intended output	uts and outcor	nes as specified in th		UCs ndum of agreement/
work plar	he intended output and budget and	uts and outcor procurement	mes as specified in the plans		ndum of agreement/

204. al partnerships within VISTA.

205. **Table 10** analyzes the strengths, weaknesses, possible contribution to the Project and the support needed of probable implementing agencies and partners of VISTA. The analysis will provide Project management a framework on what areas would the listed agencies and institutions be tapped for Project VISTA and what areas are needed to fully optimize their participation in implementing the project. Following the table, eligibility criteria are provided to guide selection of implementing partners.

Table 10 Assessment of Possible Partner Agencies and Institutions

Institution/ Organization	Strengths	Weaknesses	Possible Contribution to Project VISTA	Support Needed to Implement Project VISTA		
National Government Agencies						

Institution/ Organization	Strengths	Weaknesses	Possible Contribution to Project VISTA	Support Needed to Implement Project VISTA
Department of Agrarian Reform (DAR)	 Functional organizational structures and mechanisms at the national, regional, provincial and municipal levels Strong partnership and coordination with partner agencies, LGUs, CSOs, Pos and other stakeholders Capability to organize and mobilize ARBs with a clear ARC development strategy Established performance- related organization and management systems, e.g., ALDA, OMA, ITEMA Supportive management and competent staff from the national down to municipal offices 	Continuation of support services functions will continue but may	 Organizing ARBs and other smallholders for enterprise development Capability building and training for beneficiaries Participatory planning and social preparation Setting up and strengthening of convergence mechanisms at the municipal, provincial and regional levels Contract facilitation with LGUs, POs and CSOs at the municipal and provincial levels Establishing agricultural extension system at the municipal and provincial levels Monitoring, evaluation and 	 Agribusiness and post-harvest management training program for extension staff and farmer operators Value chain analysis/studies and business planning Skills training on enterprise-based organizing/business development services Facilitation and negotiation skills Data base management Procurement Guidelines (RA 9184 and IFAD guidelines) Quality assurance principles, procedures, and guidelines for infrastructure and agricultural enterprise facilities Value-chain-based M&E Financial and economic analysis of projects
Department of Environment and Natural Resources (DENR)	 Primary agency for environment and natural resources with mandate to formulate policies and regulate of natural resources management One of the largest government agencies with presence down to the community level Investments in innovative use of natural resources 	 Lack of an effective overall policy for the environment Lack of appropriate legislation and effective enforcement of existing laws Ineffective distribution, management of information 	 quality assurance Conduct environmental assessments Implement the National Greening Program in coordination with VISTA-covered ARCs Development of upland farms e.g., coffee, cacao utilizing sustainable farming systems 	 Project orientation Technical assistance in adopting sustainable practices in support of scaling up selected value chain commodities Resolving concerns between natural resource management and value chain development practices

Institution/ Organization	Strengths	Weaknesses	Possible Contribution to Project VISTA	Support Needed to Implement Project VISTA
Department of Agriculture (DA)	and financing of private sector implemented natural resources development projects • Has a training and extension arm • Modules for training on production, processing and social technologies • Available training centers and trainers in every region • Wide experience and network in market promotion of agricultural products • Direct interaction with farmers at the <i>barangay</i> level through <i>Barangay</i> Food Terminals • Expertise in agribusiness land investment promotion, servicing project and business development, trade marketing, contract facilitation and project	 Difficulty harmonizing extension services from other bureaus of the department Lack of manpower Low budget allocation 	 Technical assistance through training, farm business advisory services, techno demonstrations and social technologies Extension methods such as: training of trainers, farmers' field schools, farmers contact center, rice nutrient management, etc. 	 Updated capability building trainings related to: value chain development, sustainable farming systems, marketing and agro-ecotourism Strengthening market information system
Agricultural Training Institute (ATI)	 negotiation Lead agency in policy making, standard setting and harmonization of agriculture and fisheries extension program. Formulate extension-related policies for the 	 Need to integrate/strengt hen environmental protection and conservation in its extension modality. Lack of manpower due to 	 Model extension modalities and promotion of technologies thru the Learning Sites for Agriculture. Development of training programs, 	 Development of extension model per ARCC in coordination with farmer organizations, LGUs and other partners towards enhancing not only farm productivity

Institution/ Organization	Strengths	Weaknesses	Possible Contribution to Project VISTA	Support Needed to Implement Project VISTA
	private extension service providers and other stakeholders. • Provide training and extension support services to agriculture extension workers, farmer-leaders, and members of organized farmer groups. • Information and Technology Centers. • Strong partnership with agricultural research institutions, academic institutions and LGUs	• Low budget allocation.	learning materials. Provide training and community needs assessment; staff as resource persons, facilitators and trainers. Conduct monitoring and evaluation to determine impact of extension programs. Assist Project VISTA in training of trainers and conduct of farmers' field schools	 environmental sustainability. Budgetary support in providing training and sustained capacity building. Skills training on enterprise-based organizing/busines s development services. Agribusiness and post-harvest management training program for extension staff and farmers operators. Enhancement of clustering and consolidation approaches towards inclusive participatory Value Chain
National Irrigation Administration	 Lead agency that develops, constructs, operates and maintains irrigation systems consistent with integrated water resource management principles contributing to agricultural productivity Provides adequate level of irrigation service in partnership with the farmers and local government units Provides technical assistance to institutions in the 	 Difficulty harmonizing with third party contractors on the construction of delayed projects Some technical problems in their projects have been noted 	 Assist Project VISTA in providing irrigation services for the farmers in cooperation with Local Government Units Develop maintenance plans for the irrigation systems 	 Provision of irrigation system plans Organizational development and management from the existing irrigation farmer beneficiaries Extension mechanism in collaboration with LGUs, farmer groups, and other stakeholders to reach out to targeted irrigated and non-irrigated farming communities.

Institution/ Organization	Strengths	Weaknesses	Possible Contribution to	Support Needed to Implement Project
			Project VISTA	VISTA
	development of			
	water resources			
	for irrigation			
Bureau of Soils and Water Management (BSWM)	 The Bureau offers the following services: soil resources assessment and mapping, agricultural water resources management, analytical services, and soil/water resources research and development. Provides technical assistance to maintain soil productivity and improve soil and water quality. Committed to protect agricultural lands from conversions and endorsed the National Land Use Act to institutionalize holistic, rational and comprehensive 	 Difficulty in harmonizing extension services with other bureaus of the department. Lack of manpower due to DBM's Circular on freezing the hiring of new personnel and not filling up of vacant positions. Low budget allocation. 	 Provide technical assistance to farmers through appropriate soil resources management to maintain soil productivity and farm profitability. Extend its services to farmer groups in addressing soil and water-related agricultural production constraints. Conduct consultations (in coordination with the LGUs) to address soil and water-related issues affecting farm productivity and profitability. 	 Soil and water assessment of targeted ARCCs identifying issues and concerns. Extension mechanism in collaboration with LGUs, farmer groups, etc. to reach out to targeted farming communities. Local manpower and operational budgetary support in providing technical assistance.
Agribusiness	land use and physical planning. • Strong links	Limited	Market	Value Chain Analysis
and Marketing	• Strong links with the	qualified	• Market information and	 Value Chain Analysis Market Research on
Assistance	agribusiness firms	personnel to	development	VC commodities
Service (AMAS)	 Strong 	conduct	services to	(coffee, cacao, etc.)
Service (AMAS)	• Strong agribusiness and marketing of agricultural products	supply/valu e chain analysis	farmers' agribusiness entrepreneurs • Market/product promotion • Investment matching and enterprise development	• Strengthening market information system (digitization)

Institution/ Organization	Strengths	Weaknesses	Possible Contribution to	Support Needed to Implement Project
Department of Interior and Local Government (DILG)	 DILG has two main mandates, supervision of LGUs and the Philippine National Police. DILG assists LGUs to effectively and efficiently deliver services to their constituents focusing particularly on administrative, technical, and fiscal capacities of LGUs. In supervising the PNP, DILG aims to sustain peace and order condition and ensure public safety. Recently, DILG also focused on ensuring disaster 	• In assisting LGUs, DILG has focused more on its supervisory responsibilities of formulating policies, plans, and programs. It needs more resources in enhancing LGU capacity to effectively and efficiently deliver services to their constituents.	 Strengthen linkages with involved LGUs and facilitate cooperation among LGUs. Potential support in formulating Comprehensive Development Plans of LGUs. Assist LGUs in formulating their devolved Transition Plans as proposed in EO No. 138 (Mandanas- Garcia petition). 	 Project orientation. Participation in planning and coordination. Ensure peace and order in project areas, especially in Region 12
Department of Social Welfare	preparedness especially at the sub-national level • Availability of baseline	Linkages with other line	Assist in information and	 Project orientation. Sharing of poverty.
and Development (DSWD)	information on poverty and on- going government poverty alleviation programs.	agencies, including DAR, is wanting.	information and data management on poverty in the uplands and among IPs.	 Sharing of poverty data and development of information systems.
National Commission on Indigenous Peoples (NCIP)	 Clarity of mandate in protecting the rights and well- being of Indigenous Peoples Serve as channel for IPs to seek government assistance 	 Wanting in operational budget Low capacity of field personnel Relationships with other government agencies need improvement 	 Inclusion of IPs in Project VISTA coverage and implementation Tenure security in access to resources Strengthening of IP organizations 	 Institutional agreement on site selection, implementation arrangements and project execution Project orientation, planning and development

Institution/ Organization	Strengths	Weaknesses	Possible Contribution to Project VISTA	Support Needed to Implement Project VISTA
Department of Trade and Industry (DTI)	 Issue certificate of ancestral land/domain title Subject to existing laws, NCIP can enter into contracts, agreements, or arrangement, with government agencies or private entities A bureaucracy up to the provincial level with generally proactive personnel and staff Market oriented programs for micro, small, medium enterprises Initiated national road maps for agribusiness commodities in partnership with the DA 		 Development of commodity road maps in the upland and fisheries sectors Technical support for the development of a policy framework and certification system on geographic indication (GI) for indigenous and upland communities and heritage agriculture 	 Project orientation. Development of disaster risk mitigation programs affecting MSMEs
Government Ow	ned and Controlled	Corporations	products	
Philippine Crop Insurance Corporation (PCIC)	 A GOCC on crop insurance. Has pilot initiatives on weather index- based insurance project with UNDP and GIZ 	 No comprehensive framework for de-risking products for the agriculture and fisheries sector Limited insurance products due to limitation in its charter Inefficiency of services in damage assessment and payment to beneficiary/client farmers 	 Development of market-based de- risking products Improvement in the efficiency of crop insurance services PCIC has received significant funding to cover crop insurance claims of small farmers and fishers 	sound and viable/sustainable risk mitigation products from climate change and disaster events in agriculture and rural development programs
DA – LBP Agriculture	• A government funded guarantee	 Its creation is through an 	 Technical support in the 	 Presidential priorities not attuned

Guarantee Fund Pool mechanism for private and government sector for food crops with a executive order replaced or lending programs for food crops with a to the mandate of the legislative program has not institutionalize the food crops with a to the mandate of the legislative program has not proficable financing proficable financing nor-agriculture, annual government institutions - LBP, DBP, SBC to the mandate of the tranacial netitudionalize the program has not food crops to the mandate of the legislative program has not proficable financing non-agriculture, annual government coffers to the mandate of the tranacial noticule discussed on proficable financing government coffers 6. Both DBP and LBP, DBP, SBC t. BP are viable and contribute ta institutions that institutions and government coffers t. LBP needed on agriculture, annual government coffers SME and institue institue institue institue institue on-agriculture, and agrarian lending while DBP has only SME and institue on guarantee financial government coffers . LBP needed on agriculture and agri	Institution/ Organization	Strengths	Weaknesses	Possible Contribution to Project VISTA	Support Needed to Implement Project VISTA
Financial Institutions - LBP, DBP, SBCLBP are viable and profitable financing montagenerul contribute to annual coffers • A non-bank financial financial andate on guarantee equity financingagriculture and non-agriculture, industrial lending; this disconnect is not conducive to rural finance and non-agriculture and agriculture and agriculture institution, SBC conducive to rural finance and financingfocuses on risk mitigation programs and de risking products to offer better financial products and agriculture and MSME sector the smallholders and affordable by the smallholders and micro/small entrepreneurssupport to focus to its primary mandate on for better financial products to affordable by the smallholders and delivers revenues for government . SBC is uncapitalized based on the requirements of the law that prevents the corporation to perform its mandate and offer guarantee financing and equity financingsupport to focus to its mitigation to focus to its mitigation profitable and delivers revenues for government to perform its mandate and offer guarantee financing and equity financing mandate and offer guarantee financing and equity financing		private and government sector lending programs for food crops with a • capitalization of Php 5 billion; • Managed by the	that can be replaced or rescinded by any President • Guarantee program has not included non-	preparation of the legislative proposal to institutionalize the fund; • Technical assistance in expanding its coverage and improving its systems and	to the mandate of the fund may affect its existence and
Private Sector, Micro-Finance Institutions and Non-Government Organizations	Financial Institutions - LBP, DBP, SBC	LBP are viable and profitable financing institutions that contribute to annual government coffers • A non-bank financial institution, SBC has specialized mandate on guarantee financing and equity financing	agriculture and non-agriculture, SME and industrial lending while DBP has only SME and industrial lending; this disconnect is not conducive to rural finance and MSME lending • LBP has a specific mandate on agriculture and agrarian reform but has moved into commercial lending that is more profitable and delivers revenues for government • SBC is uncapitalized based on the requirements of the law that prevents the corporation to perform its mandate and offer guarantee financing and equity financing instruments to SMEs	focuses on risk mitigation programs and de- risking products to offer better financial products in the agriculture and MSME sector that are accessible and affordable by the smallholders and micro/small entrepreneurs	support to focus to its primary mandate on agriculture/fisheries and agrarian lending • SBC needs capitalization to perform its mandate

Institution/	Strengths	Weaknesses	Possible	Support Needed to
Organization			Contribution to Project VISTA	Implement Project VISTA
Private sector	 Most medium to large private sector companies have corporate social responsibility programs linked with community development and agriculture / rural development; some private sector have an integrated approach for communities using the "inclusive business" approach 	• Banks would rather pay penalties than lend to the sector in the absence of risk mitigation and incentives for de-risking programs	 Support of rural development agencies, e.g., DAR, DA, DTI, DILG including the Department of Labor and Employment (DOLE) to develop a more comprehensive policy on agribusiness venture arrangements that includes all agriculture lands of ARBs and non-ARB smallholders 	 Resolution of fragmented land administration institutional set-up, overlapping institutional jurisdiction and overlapping tenure instruments towards a more favorable private sector investments
National NGOs, Cooperatives, Micro-finance institutions	 These networks are well organized and competent in their fields of expertise Phil NGOs have a certification system on good housekeeping Covers the coop sector, MFI sector, advocacy NGOs, environment, agriculture and rural development regional/provincial NGOs Value chain framework is adopted by most NGOs 	• Need to build capacities of rural organizations in organizational	 Institutional strengthening, developing competencies and creating networks of capable and qualified business development service (BDS) providers from within the CSO community Establishing an accreditation system for qualified BDS providers 	 International development partners to support capacitating and strengthening community level smallholder organizations
Micro, Small, Medium Enterprises	 Almost 95% of the sector are micro enterprises and mostly rural based A focused sector of the 	does not have substantial resources for a purposive, systematic,	 Climate and disaster resilient financial products with corresponding technical support to MSMEs and 	 Accessible and affordable rural finance products and de-risking instruments to support microenterprises

Institution/ Organization	Strengths	Weaknesses	Possible Contribution to Project VISTA	Support Needed to Implement Project VISTA
	various programs and services of DTI	ladderized approach and programs of linking micro enterprises to small and medium enterprises in the context of industrial / manufacturing sector development	institutions (e.g., NGOs, buyer / processor firms) that services the sector	
NGO, Farmer Organization, Indigenous Peoples Organization, Cooperat ive	 There are about 3,000 plus SEC registered NGOs nationwide and several thousands of cooperatives and rural workers organizations and peoples'organizati ons in the country Government has a largely open system for marginal sectors to organize, register and acquire a legal / juridical entity for rural organizations 	 Most of these NGOs and rural associations and cooperatives are technically and financially weak Few rural organizations providing supplier roles in agribusiness value chains Government accreditation system has recently added layers in registration and accreditation for organizations availing of public sector funds 	 Provide support to rural organizations at provincial, regional and national levels to engage in value chain agribusiness development Technical support on value chain development that is driven by rural producers 	• Technical and financial support in promoting climate change resilient value chains of the farming and IP communities

206. **Partnership between DAR, DA, and MLGUs D**AR will execute a memorandum of agreement (MOA) with each of the partner implementing agencies at the national, regional and provincial levels. At the local level, a Sub-Project Agreement (SPA) between LGU and DAR especially investments in rural infrastructure where provision of counterpart funds as required. The SPA between DAR and the LGUs will include a general provision to cover project investments, including provision of services and other support, but not limited only to rural infrastructure. The DA may be a witness to the SPA for NRM-related infrastructure that BSWM will implement. The LGUs may also enter into agreements with concerned national agencies such as the DPWH and the NIA, among others, for the provision of technical assistance for design and implementation of rural infrastructure sub-projects.

207. **Partnerships with the Private Sector** Given the focus on value-chain development, private-public partnerships are essential to include companies and firms, business organizations, financing institutions, non-government organizations, academe and individual entrepreneurs. Private sector organizations may act as the

consolidator/integrator, business development service providers, value-chain managers or facilitators, or financiers. The project will explore different types of partnership arrangements between the project beneficiaries and the private sector ensuring that such arrangement are fair to farmers and ARC communities.

208. **Partnership Eligibility.** The involvement of implementing partners will be considered in relation to the following eligibility criteria as approved through the project implementing arrangements and in line with VISTA principles and objectives.

209. Eligibility Criteria for Business Firms/Companies will include the following:

- ✓ Filipino registered, or for joint venture companies, with Filipinos as the majority shareholders;
- ✓ Agriculture, agricultural processors or agribusinesses;
- Availability of the expertise required with sufficient capacity to carry out the assigned tasks;
- ✓ Familiarity with the project sites;
- ✓ A minimum of five years of operations, with products or services directly related to the value chain concerned;
- Availability of sufficient, reliable and well-maintained machinery and equipment, for the assigned tasks;
- ✓ A sound financial position as reflected in its audited balance sheets and profit and loss accounts for the last five years;
- ✓ Reputation for fair dealing and empathy with poor smallholders, IPs and women;
- ✓ Sound and well-regarded company management with established structure and procedures for quality control, and with qualified and experienced individuals in key managerial positions;
- ✓ Familiarity with the use of gender-sensitive approaches and a commitment to a gender balance when selecting staff for the assigned tasks;
- ✓ Ability to pass the eligibility standards during the technical evaluation of bids;
- Complies with the relevant environmental regulations as required by the government and recognized international control bodies.

210. Eligibility criteria for POs will include the following:

- ✓ Members have farms and residences in the ARC cluster;
- ✓ Members are currently engaged in the production of the prioritized commodity;
- ✓ Willingness to be engaged in the Project, to provide counterpart, and expand their membership;
- ✓ An agreement that when relevant and appropriate, project beneficiaries will be 50% women and where applicable, 30% Indigenous Peoples (IPs).

211. Eligibility Criteria for NGOs will include the following:

- Registration with the Philippine government securities and exchange commission (SEC) or other recognized government bodies;
- ✓ Services offered are related to agriculture and/or enterprise development;
- ✓ A minimum of five years' experience in areas directly related to agriculture and/or enterprise development;
- ✓ A minimum of five years' work experience with poor smallholders, IPs, and women;
- Sound operations and financial management as reflected in the list of previous (last five years) and current personnel, and financial statements for the last five years; and
- ✓ Availability of certificates from previous partners demonstrating a satisfactory contract performance.

212. Eligibility Criteria for academic institutions will include the following:

- ✓ Registration with the appropriate government authority/body;
- ✓ Services offered are related to agriculture and/or enterprise development;

- ✓ Research and training activities during the previous five years and currently ongoing are related to agriculture and /or enterprise development; and
- ✓ Availability of researchers with applied knowledge and practice related to agriculture and/or enterprise development, and with experiences of working with poor smallholders, IPs and women.

213. **Project Staffing** will be a combination of DAR's and DA's regular staff assigned to the project part-time and hired staff working for the Project on full time basis. Based on the staffing requirements, DAR and DA management will issue a special order to DAR/DA regular staff who will perform functions for the project. The contracted staff will be sourced out through a selection process which will be elaborated in the project implementation manual (PIM).

214. Table 11 shows the staffing (regular/hired) with their key tasks. Hiring of staff will follow the hiring process of responsible agencies (DAR/DA). ToRs of key staff are distributed in the discussions under specific components.

Project Level	Position	Key Tasks	Regular	Hired
СРМО	National Project Director	procuring entity for national procurement	1	
	National Project Manager	Take charge of the day-to-day operations of the project at the national level.		1
	Sr. SECAP Specialist	Provide guidance on SECAP requirements, and monitor and evaluate project activities on social, environment and climate change assessment project-wide		1
	Business Development Systems Specialist	Develop the business development systems for VPOs		1
	Financial Systems Specialist	Work on value chain finance as well as traditional finance including liaison work		1
	Sr. Admin/Finance Officer		1	
	Sr. Procurement Officer	Provide strategic and operational guidance and assistance to different project procuring entities. Prepare project wide Procurement Plan, monitor implementation and primarily responsible for project wide contracts management		1
	Sr. M&E/KM Officer	Provide strategic and operational direction for the Project's M&E, MIS, and KM		1
	Sr. Gender and Social Inclusion Officer	Develop project level gender and social inclusion (GESI) strategy and action plan, M&E with Pro-WEA indicators, provide capacity building on GESI, conduct of social norms diagnostic study, etc.		1
	MIS/IT Specialist	Responsible for data management, design information management system, website administration, and provide technical support to M&E/KM Officer		1
	Finance Assistant	Assist Sr. Admin/Finance Officer in project budgeting, accounting, audit		1
	Admin Assistant	Assist Sr. Admin/Finance Officer related to procurement, office administration, asset management		1

Table 11. VISTA Project Staffing Matrix

Project Level	Position	Key Tasks	Regular	Hired			
	GIS Support Staff	geo mapping, geo tagging	1				
	Driver	Aside from driving, oversee the operation and maintenance of assigned vehicle	1				
RPMO	Regional Project Director	Oversee project implementation at the regional level. Head of procuring entity for regional procurement	2				
	Regional Deputy Project Manager	Take charge of the day-to-day operation of the project at the regional level		2			
	SECAP Specialist	Monitor and evaluate project activities on social, environment and climate change assessment at the regional level		2			
	Sr. Forester	Perform asset management, office administration, budget and accounting and audit		2			
	Ag Eng	Assist in planning, FS preparation, mapping and designing soil and water conservation technologies, and provide technical assistance in improving processing equipment/facilities efficiency		2			
	FBS/Extension Training Specialist	Work closely with the ATI Focal Person in designing, implementation, M&E of sub-component 2.1		2			
	Farm Systems Manager	Perform oversight in planning and implementation of the agri-extension systems and farming systems		2			
	VPO Agribusiness Officer	Help VPOs develop business plans, oversee VPO business plan implementation , monitor VPO performance		2			
	VPO Finl Mgt Officer	PO Finl Mgt VPO kov staff/Board in financial mgt system, train					
	VPO Credit System Officer	Review, set up, monitor the credit operations of VPO members		2			
	Sr. Rural Infra Engr.	Conduct final review of DED and POW prepared by MLGUs and initially reviewed by DAR PBD engineers		2			
	Sr. Economist	Conduct final review of FS prepared by MLGUs and initially reviewed by DAR PBD economist		2			
	M&E/KM Associate	Support the M&E officer and SECAP specialists in undertaking the M&E tasks at the regional level		2			
	MIS/IT Associate		2				
	Gender and Social Inclusion Associate	M&E/KM Associate Perform similar tasks with the GESI Officer, but on a regional scale		2			
	Admin/Finance Associate	Perform similar tasks with Admin/Finance Officer, but at regional level		2			
	Procurement Associate		2				
	Finance Assistant	management Do budgeting, accounting, audit at regional level		2			

Project Level	Position	Key Tasks	Regular	Hired
	Admin Assistant	Responsible for small procurement, office administration, asset management at regional level		2
	GIS Support Staff	Provide technical support to all GIS related activities like geo mapping, geo tagging	2	
	Driver	Aside from driving, oversee the operation and maintenance of assigned vehicle	2	
РРМО	Provincial Project Director	Oversee project implementation at the regional level. Head of procuring entity for provincial level procurement	10	
	Provincial Project Coordinator	Supervise the implementation of the project at the EARCCs. Coordinate with the different implementing partners		10
	Development Facilitator (DF)	Mobilize the VPOs and the EARCCs. Work with communities to build community awareness and capacity building on NRM enhancement and protection and climate adaptation strategies. Work with specialists, LGUs, VPOs in implementing the project under Component 2.	40	
	Admin/Finance Assistant	Perform, budgeting, accounting, audit at the provincial level. Assist in office management		10
	M&E Assistant/GIS Assistant	Collect Project prescribed data/information. Encode data in the project's system. Assist M&E associate in data collection.		10
	Gender Focal Point	Assist the Gender and Social Inclusion Associate at the provincial level	10	
	Technical Staff for GIS	Provide technical support to all GIS related activities like geo mapping, geo tagging	10	
	Driver	Aside from driving, oversee the operation and maintenance of assigned vehicle	10	

5. Project Planning and Implementation Process

This section of the PIM presents the overall implementation plan of the project, describes the process of drafting the multi-year plan and budget (MYPB) in relation to the GoP's budgeting cycle. It also illustrates the process for preparation and approval of the Annual Workplan and Budget (AWPB) and describes the process for submission and approval of sub-projects based on the approved AWPB

215. **Implementation Stream.** The project will be implemented over a period of six years, drawing on the experience gained from similar projects funded by the International Fund for Agricultural Development (IFAD), such as ConVERGE and RAPID, and incorporating lessons learned during the implementation of the VISTA project. Below is a matrix illustrating the stages of implementation, and implementation and describing the key characteristics of each stage.

Start Up		Implemer	ntation	MTR	Implementation	PCR
Pre-Start	Start Up	Batch1	Batch2			
Up PY0	PY1	PY1-PY2	PY2-PY3	РҮЗ-РҮ4	ΡΥ4-ΡΥ6	PY6
Organizatio nal set-up and PIM finalization	Standardization of implementation systems, procedures, mechanisms; mobilization of EARCCs/VPOs (ARBOs, FCAs, IPOs), partners; and VISTA investment planning	This will be impleme nted in EARCCs/ VPOs which exhibit readiness to start the VCD/ VCS	This will be implemented in EARCCs/VPOs needing production enhancement and organizational strengthening	Project design and implementation review and modifications	Implementation adjustments	Accounting results and learning lessons

216. **Pre-Start-Up** activities will be undertaken right after the approval by the IFAD Board and NEDA Board the VISTA Project. This will focus on: (i) hiring/assigning of key staff at the national level, (ii) establishing the CPMO, (iii) reviewing and firming up of the PIM, (iii) orientating the targeted regional and provincial offices, (iv) configuring and designing Accounting System (e-NGAs) to meet IFAD financial reporting requirement. The DAR management will hire an experienced short-term consultant (See ToR in Section 10) to assist in setting up all the project management procedures and tools.

217. **Start-Up.** Upon Loan Effectiveness of Entry in to force, the first three months of the project (PY1) will be devoted to: (i) setting up Regional Project Management Offices (RPMO) and DA-Regional Implementing Units (DA-RIU) and Project Provincial Management Offices (PPMO), including the signing of memorandum of agreement (MoU) with LGUs and other implementing partners, (ii) initiating the integrated planning processes for both components 1 and 2, (ii) firming up the AWPB and APP, and (iii) commencing procurement processes short of award.

218. **Implementation.** There will be two stages during the implementation phase. In PY1, the project will be implemented in around 20 ARCs with ARBOs with higher level of maturity based on the latest result of the DAR's Information Technology-Enabled Maturity

Assessment or (ITEMA)¹¹, and in EARCCs where coffee/cacao VCs are in place. Part of the identification criteria will be the presence of plans such as ARCDP. This will be labelled as Batch 1 implementation. In PY2, Batch 2-A will commence in around XXX EARCCs with EARCCs and VPOs showing high potential for VC development, but with low production and moderate levels of organization, and then Batch 2-B in around XXX EARCCs/VPOs which show potential for VC development, but may have low or no production at all and may require more intensive organizing and business establishment support. Implementation of second batches will be initiated in the second year to consider the gestation of coffee and cacao crops.

219. During project implementation, IFAD and the GoP will organise **supervision and implementation support (SIS)** missions beginning PY1. SIS missions will be carried out by a core team returning regularly, joined by specialists to address specific needs of a given year. Shorter implementation support missions to address specific technical needs will take place in between annual supervision missions.

Mid-term review. A Mid-Term Review (MTR) will be conducted at the end of PY3 220. to: (i) assess achievements and efficiency, effectiveness of VISTA management, and continued validity of VISTA design; (ii) identify key lessons learnt and good practices; and (iii) provide recommendations for improved performance. The MTR will also make recommendations on measures needed to secure the sustainability of partnerships and of ARBs and other beneficiaries' access to services and markets, and the protection/enhancement of natural resources. The conduct of the MTR should not go beyond the 50% time elapsed of project implementation.

221. **Continuing Implementation.** This is an application of the results of the MTR. Design modifications will undergo the process of government and IFAD approval which may take three to six months depending on the extent of changes introduced.

222. **Project Completion Review (PCR).** This is to assess and document overall project implementation performance and the results achieved. This process calls for an informed reflection on the relevance, effectiveness, efficiency and sustainability of project interventions. Lessons learned and innovations are also captured in for learning and application to similar projects in the future. This will be undertaken after project completion and before project loan closure

223. **The Planning Process**. At start-up, Project management and staff will receive a training on the Project's Theory of Change (ToC) and Logical Framework (LF) as stated in the IFAD's project design report (PDR), NEDA's project evaluation report (PER) and in the Financing Agreement. The aim of the training is for the Project to have a common understanding of the desired changes and results that Project VISTA intends to achieve, how they will be realized, and how they will be monitored and evaluated. Part of the exercise is to revisit the project's implementation phasing or batching in a six-year project duration, projecting the milestone results. The following are the expected outputs in this exercise: (i) *Expanded M&E LF for Multi-Year and Annual Work Planning and Budgeting, (ii) Multi-Year Work Plan and Budget, (iii) Firming up the PY1 AWPB and APP.*

224. **Expanded M&E logframe for AWPB indicators**: the expanded logframe will detail indicators and annual targets per outcome/component and activities/outputs, also incorporating IFAD's core outcome/output indicators (COI). See Table 12 for guide in preparing the Expanded Logframe.

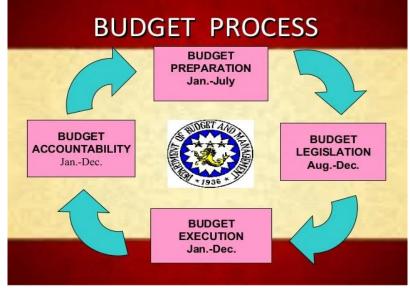
¹¹ ITEMA is a system developed by DAR to come up with comprehensive and realistic results of assessing the levels of maturity of the DAR – assisted agrarian reform beneficiaries' organizations (ARBOs)

Narrative	Verifiable	Unit of	Means of	Assumptions/Risks
Summary	Indicators	Measurement	 Verification	,
, Goal				
Development				
Objective				
Component 1				
Outcomes				
Component 1				
Outputs				
Component 1				
Activities				
Common and 2				
Component 2 Outcomes				
Outcomes				
Component 2				
Outputs				
Component 2				
Activities				
Component 3				
Outcomes				
Component 3				
Outputs				
Component 3				
Activities				

Table 12: Expanded Logical Framework Format

225. **Multi-Year Work Plan and Budget (MYWPB)** which is a six- year milestone plan for achieving project objectives and targets, a consolidated annual output targets and budgets. The MYWPB will indicate targets per region and per province. The MYWPB will guide in the preparation of annual plans, especially in complying with the GoP's budgeting call. GoP's budgeting cycle starts a year ahead of actual fiscal year, e.g. budgeting for 2025 will begin in first quarter of 2024 and will be completed in the last quarter of the same year. Figure 3 illustrates the budgeting cycle in the Philippines. For details, please refer to Budget Cycle.pdf (dbm.gov.ph). Table 13 provides a sample format in preparing the Project's MYPB.

Figure 3: GoP's Budgeting Cycle



226. Annual Planning will be conducted beginning PY2. For PYI, the Annual Work Plan and Budget (AWPB) and Annual Procurement Plan (APP) prepared at project design will be used in implementing project activities. Preparation of the AWPBs and APPs will draw from the VISTA Investment Plans (VIP) as juxtaposed with the Project's MYWPB, results of the annual project assessments, reports of supervision missions and the project's regular M&E reports. The Project Expanded Logical Framework will be used as the main reference for formulating the AWPB/APP, to create clear linkages between proposed activities and budget requirements and expected outputs, outcomes and impacts (annual targets vs. achievements). The AWPB/APP will be the key management tool for planning, monitoring and reporting on implementation of activities. See Attachment 1 (AWPB Part 1 and AWPB Part 2) for the AWPB Guide. Part 1 is narrative, while Part 2 gives a detailed quantification of physical targets and budget. The PPMOs will prepare provincial AWPBs/APPs based on the ARC VIPs. RPMOs will prepare Regional AWPBs/APPs from the provincial AWPBs/APPs. The CPMO will consolidate the Regional AWPBs/APPs into a Project-wide AWPB/APP. The Project-wide AWPB/APP will be reviewed and approved by the PSC and submitted to IFAD for no objection. Table 14 shows the participatory planning process.

Table 13: Multi-Year Plan and Budget Matrix

Component/Activity	Performance	Unit of	Phy	sical	Targe	ets				Fun	ding	Requ	ireme	ents		
	Indicators	Measurement	PY	PY	PY	PY	PY	PY	тот	PY	PY	PY	PY	PY	PY	тот
			1	2	3	4	5	6	AL	1	2	3	4	5	6	AL
Goal																
Project Outcomes																
Component 1																
Outcomes																
Component 1 Outputs																
Component 1 Activities																
Component 2																
Outcomes																
Component 2 Outputs																
Component 2 Activities																
Component 3																
Outcomes																
Component 3 Outputs																
Component 3 Activities																

	: Participatory P				
Level of	Activity	Timing	Outputs	Participants	Facilitator
Planning					
Expanded ARC Cluster (EARCC) vi	VISTA Investment Planning (VIP) in (PY1), in succeeding years, review and adjust plans (Details of VIP preparation are in Component 1)	VIP PY1, in succeeding years, planning starts with a review in July-August	ARC-VIPs and sub- projects identification	Representatives of VPOs (ARBOs, FCAs. IPOs0 and stakeholders in the EARCCs	Preparation of the VIP will be facilitated by a consultant. Review and adjustments will be handled by DFs.
Province	Preparation of provincial AWPB based on ARC- VIPs and ARC assessments	August- September	Provincial AWPB	ARC-CC members and Provincial Project Management Office (PPMO) staff	Lead: PPMO
Region	Consolidation of provincial AWPBs, and review/ endorsement of regional AWPB to Central Project Management Office (CPMO)	September- November	Regional AWPB	RCC members and Regional Project Management Office (RPMO) staff	Lead: RPMO with DA-RIU
Central	Consolidation of regional AWPBs into Project-wide AWPB. Approval of Project AWPB by PSC and submission to IFAD for No Objection	October- November	Project - wide AWPB	Project Steering Committee (PSC) members and CPMO staff	Lead: CPMO

Table 14: Participatory Planning Process: ARC Cluster to the Central Level

227. **Sub-Project Review and Approval Process**. The VISTA planning process is described in Component 1. The VISTA Investment Pland will be initially reviewed by the EARCCs and then to the PPMO. A technical review committee will be organized at the PPMO. After which it will submitted to RPMO for second level of technical review. To eliminate several layers of review process, the PPMO and RPMO may organize a **joint technical review committee**. This VIP will be then submitted to RCC for policy and complementation considerations. Once found meeting the requirements, the VIP plan will be submitted to CPMO for final approval.

228. **Prioritizedsub-projects** on annual basis will emanate from the VIPs. Based on requirements as described either in Component 1 or Component 2, sub-projects will prepare a detailed engineering plan (DED) and feasibility studies (FS) for infra investments or business plans (BPs for VC related investments. Review and approval process will be similar to the VIPs. However, approval body will be contingent on the level of authority (amount threshold) bestowed on each Head of Procuring Entity (HOPE) either at the PMMO, RPMO, and CPMO (Refer to Procurement section). Guidelines for the review and approval of sub-projects are contained in Components 1 and 2.

6. Monitoring & Evaluation and Knowledge Management

This section of the PIM is divided into four parts: A. M&E System, B. Management Information System, C. Knowledge Management, D. Policy Engagement. It outlines the processes required to ensure that the project has a robust M&E system and that implementation is evidence-based and adaptive to emerging contexts and lessons learned. It also covers how information will be captured and shared to extend the reach of project benefits.

6.1. M&E System

229. **The Monitoring and Evaluation (M&E) system** will provide reliable data to support results-based management and evidence-based decision making. It will align with IFAD's Core Outcome Indicators guidelines to assess the project's impact on the health of ARCs' ecosystem and the livelihoods of ARBs and community households. The M&E system will identify gaps and challenges to improve project performance and support decision making for all project management and coordination bodies at all levels, including implementing partners from government and the private sectors. It will also support learning among project staff and partners and inform policy-making and strengthening of LGUs and national government agencies. This will include improving implementation of local ordinances, policies, and programs related to natural resource management, resilience to climate shocks, and value chain development that ensure ecosystem health in agricultural production.

230. **Areas of Monitoring and Evaluation**. The Project will perform: (i) *process monitoring* which will track compliance with safeguards requirements (e.g., FPIC), activities and strategies leading to outputs and outcomes such as technical services, VIP, community reforestation/ agroforestry; (ii) *performance monitoring* which will determine the achievement of outputs against targets in the AWPB. Physical and financial progress reports will be the primary products of this exercise; (iii) *outcome monitoring* which will measure the changes in the target beneficiaries: ARBs and community households (especially the women, youth and IPs) as a result of Project interventions which usually occur in the third year of implementation. Outcome monitoring will start at PY3 or during the mid-term review (MTR), and hereafter annual outcome surveys (AOS) will be undertaken. At the end of the project, and end-line survey will be conducted to capture the initial impact of the project as well.

231. **M&E Structure and Staffing.** There will be M&E staff at all management levels. At the CPMO are the M&E Officer and MIS Specialist who will provide direction on Project's M&E/MIS functions. At the RPMOs, are M&E Associates who be responsible for the M&E/MIS activities at the regional and provincial levels. At the PPMOs are M&E Assistants who will be look into the M&E/MIS requirements of the ARCs.

232. Table **15** indicates the key tasks, required competencies, and qualifications of the M&E staff. M&E staff Terms of References (ToR) are found in Section 9.

Table 15: M&E Staff Tasks,	Required Cor	npetency and (Dualifications
	negan ea een		Eudinieudienie

Management	M&E Staff	Key Tasks	Required	Qualifications
Unit			Competency	
СРМО	M&E/KM Officer	Provide strategic and operational direction for the Project's M&E, MIS, and KM.	Skills on data/information management including skills on analysis and reporting. Computer knowledge and skills	More than 5 years in M&E in rural and agricultural development. Preferably has worked with international organizations.
	MIS/IT Specialist	Responsible for data management, designing information management system, website administration, provision of technical support to M&E/KM Officer	Skills on programming. data management, GIS	IT graduate, At least 3 years experience in data management/ IT related work.
RPMO	M&E/KM Associate	Support the M&E officer and SECAP specialists in undertaking the M&E tasks at the regional level. Can manage database/MIS and the website and supervise M&E assistants/ enumerators	Skill in report/case writing. Skill in data collection and analysis. Computer knowledge and skills	At least 3 experience in M&E in agriculture and rural development sector.
PPMO	M&E Assistant	Collect project data/information. Encode data in the project's system. Assist M&E associate in data collection.	Skills in data collection, management, and reporting based on required templates. Computer knowledge and skills	At least 1 year experience
	Enumerators (Job orders)	Conduct household and ARBO profiling	Skills in data collection. Has. Computer knowledge and skills	College level

233. **M&E Reporting**. M&E reporting will follow the organizational structure of the Project. Data/information will be gathered at the ARBO/ARC level by the DF and the M&E assistants in data capture forms developed by the project. Household and ARBO profiling will be undertaken by short term enumerators. The project will endeavour for a paperless data collection by using mobile app with data/information uploaded directly to a webbased database. Access and data generation for report writing will be at all management levels for authorized users. Formats for reporting to specific agencies/organizations (e.g., NEDA, DBM, DoF, Office of the President, IFAD) are usually supplied by the requesting agencies. Table 16 shows the reporting process.

	Table 16: M&E Tasks with Coresponding Reports Required				
Staff Responsible	M&E Key Tasks	Reports Needed	Frequency	Direct Users	
M&E Officer/ MIS	Establish and maintain Project's M&E System and MIS at all levels	M&E/MIS Manual	Start-Up	Project	
Specialist	Establish and maintain a Projec t Database	Project Dashboard in Project website	Real-time	Project, Government, IFAD, Implementing Partners	
	Prepare a Project-wide M&E Plan	M&E Plan	Start-up	Project	
	Lead in designing data capture forms and reporting forms	Data capture/ reporting forms	Start-up	Project	
	Facilitate the conduct of baseline, midline, annual outcome, endline surveys/ studies	Survey/Study Reports	Project start, Mid-term	Project, Government, IFAD	
	Facilitate the conduct of policy- related studies	Policy Study Reports	Mid-term, End of Project (EOP_	Project, Government, IFAD	
	Facilitate the review of Project's performance based on the Project's Multi-Year Work Plan and Budget (MYWPB) and Annual Work Plan and Budget (AWPB)	Assessment Reports	Bi-Annual, Annual	Project	
	Track progress of LF indicators' performance	IFAD LF RIDE Report	Annual/ Supervision Missions	Project, Government, IFAD	
	Prepare regular reports for IFAD and government oversight agencies	Physical and Financial Reports	Quarterly, Annual, Mid- line, EOP	Project, Government, IFAD	
	Prepare regular reports for Project management decision making	As agreed with management	Monthly/ as agreed	Project	
	Provide guidance to regional and provincial M&E staff in the performance of M&E functions		Quarterly	Project	
M&E Associate	Ensure the functioning of Project's M&E System and MIS at regional and provincial levels	M&E/MIS Manual	Project Duration	Project	
	Prepare a regional M&E Plan based on the Project-wide M&E Plan	M&E Plan	Start-up	Project	
	Participate in designing data capture forms and reporting forms	Data capture/ reporting forms	Start-up	Project	
	Monitor the conduct of baseline, midline, annual outcome, endline surveys/ studies	Monitoring Report	Project start, Mid-term, Annual, EOP	Project	
	Monitor the conduct of policy- related studies	Monitoring Report	Mid-term, EOP	Project	
	Facilitate the review of regional performance based on the Multi-	Assessment Reports	Bi-Annual, Annual	Project	

Tahlo	16.	M & F	Tacks	with	Cores	nondina	Pon	orte	Required	
Iavie	10.	Mal	Iasks	VVILII	CUIES	ponung	лер	JILS	<i><u>K</u></i> <u><u><u></u></u><u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u></u></u>	

Staff Responsible	M&E Key Tasks	Reports Needed	Frequency	Direct Users
Kesponsible	Year Work Plan and Budget (MYWPB) and Annual Work Plan and Budget (AWPB)	Needed		
	Prepare regular reports for regional Project management decision making	As agreed with management	Monthly/ as agreed	Project
	Provide guidance to provincial M&E staff in the performance of M&E functions	Project's M&E Performance report	Quarterly	Project
	Coordinate with NPCO M&E Officer/MIS specialist for M&E/MIS concerns			
M&E Staff, Dat abase	Ensure the functioning of Project's M&E System and MIS at the provincial level	M&E/MIS Manual	Project Duration	Project
	Supervise the collection of profiles which will be undertaken by enumerators Maintain a provincial Project database	 HH profile ARBO/PO Profile ARC Profile Etc. 	Real Time	Project, Government, IFAD, Implementing Partners
	Prepare a provincial M&E Plan based on the regional M&E Plan	M&E Plan	Start-up	Project
	Participate in designing data capture forms and reporting forms	Data capture/ reporting forms	Start-up	Project
	Monitor the conduct of baseline, midline, annual outcome, endline surveys/ studies	Monitoring Report	Project start, Mid-term, Annual, EOP	Project
	Monitor the conduct of policy- related studies	Monitoring Report	Mid-term, EOP	Project
	Facilitate the review of provincial performance based on the Multi- Year Work Plan and Budget (MYWPB) and Annual Work Plan and Budget (AWPB)	Assessment Reports	Bi-Annual, Annual	Project
	Prepare regular reports for provincial Project management decision making Coordinate with RPMO for	As agreed with management	Monthly/ as agreed	Project
	M&E/MIS concerns			

234. **Oversight Reporting**. IFAD and the Government of the Philippines require regular reports from the Project as shown in Table 17 below:

Institution/	Type of Report	Frequency		
Agency				
IFAD	RIDE Logframe Repor	t Annual, due every 1 st month of the ensuing		
		year		
	Annual Report	Annual, due every 1 st quarter of ensuing		
		year		
	Project Updates/P	rogress Twice a year during missions		
	Report			

Table 17: Oversight Project Reporting

Institution/ Agency	Type of Report	Frequency
PSC	Project Updates/Progress Report	During Inter-Agency PSC meeting
DAR	Annual Report	Annual, due every 1 st quarter of ensuing year
	Quarterly Progress Report	Quarterly, due every 10^{th} day of the 1^{st} month of the ensuing quarter
	Agrarian Reform Beneficiaries Development Support Program (ARBDSP) Report	Annual, due every 1st quarter of ensuing year
DA	Annual Report	Annual, due every 1 st quarter of ensuing year
	Quarterly Progress Report	Quarterly, due every 10 th day of the 1 st month of the ensuing quarter – for DA SPCMAD, ATI, BSWM
NEDA	Quarterly ODA Progress Report	Quarterly, due every 15th day of the 1st month of the ensuing quarter
	Alert Mechanism Report (AMR)	Quarterly, due every 15th day of the 1st month of the ensuing quarter
	ODA Portfolio Review Report	Annual. due every 1st quarter of ensuing year
DBM	Budget Accountability Report (BAR)	Quarterly physical progress report. due every 15th day of the 1st month of the ensuing quarter
	Budget Execution Document 2 (BED2)	Annual. due every 1 st quarter of ensuing year (physical performance) and during 3 rd quarter of ensuing year (target setting) during budget call
COA	ODA Portfolio Review Report	Annual. due every 1st quarter of ensuing year or during annual audit period
Senate	Report on completed Infrastructure sub-projects	Not regular. Required only in case-to-case basis, usually during budget deliberations
Congress	Report on completed Infrastructure sub-projects	Not regular. Required only in case-to-case basis, usually during budget deliberations

Monitoring Process, Progress, and Performance. Please refer to sections 235. under SECAP and Gender for compliance to safeguards requirements. For progress monitoring which is mainly tracking whether a sub-project or activity is on schedule or meeting the deadline, the Project can design IT-based tracking system which can br uploaded to the Project's MIS. The may project may use management tools like **Gantt** Chart, Pert-CPM, Program of Works, or even the AWPB in tracking the progress of planned works and services. For performance monitoring, the Project can use the AWPB as a tool to measure how far has the project achieved its targets annually, or vis-à-vis the project's elapsed time. Another method for measuring overall physical performance is the use NEDA's Overall Weighted Physical Achievement (OWPA). The OWPA is determined by finding the weight per component/activity (weight/component = total component cost/total project cost) then compute for the percent accomplishment per component/activity (component [actual/target] x 100) followed by the determination of weighted accomplishment for each component as earlier derived (component weight x accomplishment rate). Sum up all weighted accomplishment rates by component to come up with the OWPA. The Project needs to tap NEDA Monitoring and Evaluation Staff for a training on how to compute OWPA for the Project.

236. **Monitoring of Investments.** The Project will develop a mobile phone **based Progress Monitor** of approved sub-projects. The project has to develop a user-friendly smart-phone based tracking where trained and authorized VPO leaders, DFs, LGUs and other project implementers can enter updated data/information of project investments at the farm level, VPO level, and VC enterprise level.

237. **Monitoring and Evaluating Outcomes.** The project will use IFAD's Core Outcome Indicators Measurement Guidelines for baseline, mid-line, and end-line surveys to measure changes in line with the Theory of Change and Logical Framework. The surveys will be supplemented with appropriate qualitative methods like focus group discussions, key informant interviews, and most significant change analysis. The Philippine Institute for Development Studies (PIDS), the government's primary socioeconomic policy think tank, will conduct the studies similar to ConVERGE and RAPID. Systematic economic and financial analyses will also be conducted at design, mid-term, and end of project.

238. **Baseline survey**. The Project will carry out a baseline study measuring the status of main indicators at project onset, with assistance from an outsourced qualified consulting/research firm. The scope of the survey and implementation modalities will be defined by the M&E/KM Officer working closely with the IFAD Philippines Country Office for guidance in using the COI survey methodology. The baseline study should be conducted in the first year of project implementation when Project beneficiaries have been identified or profiled.

239. **Mid-term survey.** This survey will be conducted at the end of project year 3 to assess project performance and progress, achievements, constraints and initial project impact against project objectives. The scope of the survey and implementation modalities will be defined by the M&E/KM Officer working closely with the IFAD Philippines Country Office. The same COI methodology including the instruments will be applied during the mid-line survey. The timing of the mid-term survey will be organised so that the survey final report is available for the Project Mid-Term Review. This will be undertaken by the same qualified consulting/research firm outsourced for the baseline study.

240. **Annual Outcome survey (AOS)**. The AOS will be done in-house with statistical sampling and analysis of data, using a panel survey methodology to compare changes before and after the project's implementation for the profiled beneficiaries receiving project services. Part of the contract with is to provide technical assistance for the conduct of AOS. The AOS will be administered on the 3rd year of project implementation and henceforth.

241. **Final outcome/impact survey.** This survey will be conducted six months before project completion to determine if project objectives have been achieved and to measure changes at farmers and enterprise level, compared to the baseline study. The same COI methodology including the instruments will be applied during the end-line survey. Based on the survey's results, the CPMO will prepare a Project Completion Report to be submitted to GoP and IFAD within three months after project completion of activities. qualified consulting/research firm who administered the baseline/midline studies.

242. **M&E Plans** will be formulated at the CPMO, RPMOs and PPMOs by the M&E staff. Execution of the plans will be assessed annually especially on how the M&E system and processes contribute to decision making, learning, and policy dialogues. The PIM will expound on the format and process of M&E planning. See

243. Table **18** for M&E plan matrix sample. For the elaboration of the M&E plan, please refer to the IFAD's latest M&E plan template: <u>https://ifadbox.ifad.org/_inline/owncloud/s/MX4N882tfd3urdv#pdfviewer</u>

Table 18: Sample M&E Plan Matrix

Level of	Narrative		Data/	Forms/	Methods	Frequency	Responsible	Users of
Results	Summary	Indicators	Information Needs	Methods of Gathering	of Analysis		Entity/ Persons	Report
Project			neeus	Gathering			Persons	
Outcomes								
Component								
Outcomes								
Component A								
Component B								
Component C								
Component								
Outputs								
Component A								
Component B								
Component C								
Component								
Activities								
Component A								
Component B								
Component C								

6.2. Management Information System (MIS)

244. The Project will establish a **management information system (MIS)** to store, process, and disseminate data, information, documents, files, and reports which are needed by the Project staff/management and other implementing partners for decision making. The MIS is part of the Project's M&E system. Having an operational Project MIS will help the project increase its efficiency in generating timely reports for decision making and learning.

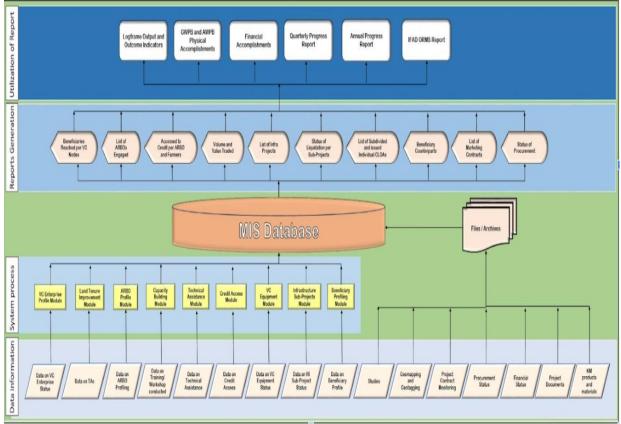
- 245. There are three stages in the MIS operation:
 - **Data collection**. Through the M&E system, data are collected in files, documents, cloud storage, hard copies, and soft copy formats. Type and manner of data collection are discussed under the M&E system section.
 - **Data storage**. MIS requires a database that stores information, documents, files, and reports. For data storage, the Project needs to invest in hardware and software discussed in the succeeding sections. The data can be categorized into modules, e.g. beneficiary profiling module, ARBO profiling module, Infra Module, et.
 - **Data processing and report generation.** This is where the project has to develop a program to consolidate data either by ARC, province, region or project wide, by component or any configuration needed for analysis and decision making. Report generation has to be customized to respond to the needs of the users: i.e., concerned ARBO, project staff, project management, oversight agencies, IFAD, implementing partners, etc.

246. **Database Building**. The project will adopt the methodology of ConVERGE and RAPID in collecting baseline data/information by profiling beneficiary households, ARBOs/POs, ARCs, enterprises. Profiling will start in PY1 and will continue on a rolling basis as the Project touches the intended targets. Data/information gathered from profiling will serve as the baseline which will be used for delivery of services and measuring results. The Project may build on existing DAR's Information Technology-enabled Assessment System for Agrarian Reform Communities' (IT-eASy) or from the profiling forms developed under ConVERGE and RAPID. As to software, the Project may adopt the Kobo Toolbox utilised in Project SPLIT of DAR/WB, with modifications based on the lessons learned from the application of the tool (e.g., use of tablet instead of mobile phone). Data collection and database building will include geo spatial maps for both Components 1 and 2.

247. **Data Contents** will be formulated based on the Logframe indicators and on the data capture forms that will be developed by the project. Other data contents will be determined at the onset of project implementation.

248. **MIS Framework**. In constructing the Project's architecture, it will help if the project has a MIS Framework. Figure 4 below is the MIS Framework of Project ConVERGE which the Project's information system is constructed. The figure shows four parts of ConVERGE MIS, namely: Data Information, System Process, Report Generation, and Utilization of Report. These correspond to the earlier discussions on the three stages of MIS operation: data collection, storage, processing and report generation. VISTA may pattern its MIS framework from Project ConVERGE. For details how the MIS of ConVERGE, the VISTA Project can refer to the ConVERGE MIS User Manual which has been turned-over to DAR FASPO.





249. **Data Information** refers to the yearly, quarterly, and monthly monitoring reports of the project and other installed monitoring tools (e.g. M&E reporting forms with means of verification, and physical and financial accomplishments). It also contains documents from other sectors such admin and finance and KM (products and materials).

250. **System Process** connects to the data information, where the monthly monitoring forms are consolidated into project- wide data that can be filtered or sorted per operating unit or per region. There are 10 modules as part of the data consolidation, which the project may adopt or build on.

251. **Report Generation and Utilization of Report**. This will show the actual progress of the project. It can be customized to present critical data that will help project management in decision making (e.g. calculating the weighted physical accomplishment, disbursement rate against project allotment, global target versus the actual balances, percent of liquidation of rural infrastructure sub-projects, among others). The Utilization of Report is where the M&E staff can obtain quantitative and qualitative data based on the indicators of the project outcome. These are comprehensive reports that will be submitted to funding institutions and other government agencies such as NEDA.

252. **Basic Software and Hardware Requirements.** The following gadgets, equipment and software were used by the Project ConVERGE in operating its MIS, as reference for VISTA Project.

• Smartphone/Tablet

- Any browser (Recommended: google chrome)
- OS: Android Marshmallow 6.0 or latest
- Any IOS device
- Desktop/Laptop
- Any browser (Recommended: google chrome)
- OS:Windows 7, Windows 8, Windows 8.1, Windows 10 or latest
- OS X El Capitan 10.11 or latest
- 64-bit Ubuntu 18.04+, Debian 10+, openSUSE 15.2+, or Fedora Linux 32+
- Processor: An Intel Pentium 4 processor or latest.
- Reliable Internet connection

6.3. Knowledge Management



A. Objectives

253. Knowledge management plays a critical role in VISTA, particularly in target areas, where access to information is crucial for sustainable progress. It will facilitate informed decision-making, innovation, and ensuring the efficient utilization of resources. In target region, communities possess a wealth of traditional knowledge, hence effective knowledge management becomes the bridge that integrates the traditional approaches with modern project advancements. By systematically capturing, organizing, and disseminating this diverse knowledge, communities will optimize their resources, enhance their livelihoods, and foster resilience in the face of challenges, thereby facilitating holistic development.

254. The implementation of Knowledge Management (KM) practices within rural development initiatives not only benefits local communities and stakeholders directly involved in the project but also extends significant advantages to governmental bodies and local institutions.

255. As KM initiatives foster the documentation and dissemination of best practices in sustainable resource management, value chain optimization, and policy insights, government agencies responsible for agriculture, environmental conservation, and rural development can benefit immensely. Access to well-structured, evidence-based knowledge repositories aids policymakers in crafting informed and effective policies, leveraging insights derived from successful on-ground practices and lessons learned within the project.

256. Moreover, local institutions, such as educational entities and research organizations, stand to gain from KM practices. They can access comprehensive repositories of documented knowledge, enabling them to conduct research, refine academic curricula, and develop training programs aligned with practical, community-driven approaches. This integration of real-world insights into academia enhances the relevance and applicability of educational initiatives within rural contexts.

257. By leveraging KM, governments and local institutions including LGUs can streamline decision-making processes, develop more targeted interventions, and create policies and programs that are responsive to the evolving needs and challenges of rural communities. This synergy between knowledge generated at the grassroots level and its utilization at higher administrative levels facilitates a more coherent, evidence-based approach to rural development, ultimately contributing to more impactful and sustainable outcomes.

A1. General Objectives of Knowledge Management

258. Knowledge Acquisition and Consolidation: The primary objective of knowledge management is to systematically gather, document, and organize both traditional and contemporary knowledge relevant to a specific context. This process involves identifying key sources of information, capturing tacit knowledge from local experts, and consolidating it into accessible repositories. By doing so, communities will leverage this collective know how to inform decision-making and action plans.

259. Knowledge Sharing and Dissemination: Another crucial objective is to facilitate the sharing and dissemination of knowledge among stakeholders. This involves creating platforms and networks that enable the flow of information, ensuring that insights, best practices, and innovations are accessible to those who can benefit from them. Through workshops, training sessions, digital platforms, and community engagement, knowledge becomes a shared resource that empowers individuals and communities to make informed choices.

260. Continuous Improvement and Innovation: Knowledge management is a dynamic process that aims for continuous improvement and innovation. It involves creating a culture of learning, adaptation, and innovation within communities. By encouraging experimentation, adopting feedback loops, and developing an environment that values learning from both successes and failures, knowledge management in VISTA will drive ongoing improvement and sustainable development.

A2. Specific Objectives of the Knowledge Management

Natural Resource Management:

261. Knowledge Acquisition: Gather, document, and consolidate traditional and scientific knowledge regarding local natural resources, including land, water, and biodiversity.

262. Best Practices Documentation: Identify, catalog, and disseminate sustainable practices for resource conservation, ensuring their accessibility to the community.

263. Capacity Building: Empower local stakeholders with the necessary tools and knowledge to manage natural resources effectively through training programs and workshops.

264. Monitoring and Evaluation: Implement a system to monitor resource usage, analyze trends, and assess the impact of interventions on ecosystem health and resilience.

Value Chain Development

265. Information Exchange: Create a platform for sharing market information, technological advancements, and innovative practices along the value chain.

266. Skill Enhancement: Facilitate skill development programs to enhance the quality of products, promote green interventions, and increase profitability for rural producers.

267. Networking and Collaboration: Promote collaborations among stakeholders, encouraging partnerships between producers, processors, distributors, and markets to strengthen the value chain.

268. Adaptation and Innovation: Encourage innovation and adaptation of modern technologies suitable for rural settings to improve productivity and access to markets.

Policy

269. Policy Advocacy: Compile evidence-based insights and success stories to advocate for policies that support sustainable resource management and equitable value distribution.

270. Policy Implementation Support: Assist in translating policy frameworks into actionable plans at the grassroots level, ensuring alignment with community needs.

271. Knowledge Dissemination: Distribute policy-related information widely, making it accessible and understandable for all stakeholders.

272. Feedback Mechanisms: Establish channels for continuous feedback between policymakers and the community to ensure policy relevance and effectiveness.

B. KNOWLEDGE MANAGEMENT FOCUS AREAS:

273. A detailed KM plan will be further developed in the first year of the project by considering the following priorities:

Sustainable Land Practices and Biodiversity Preservation

274. The KM plan involves establishing detailed protocols for data collection on sustainable land practices and biodiversity preservation. This includes comprehensive documentation of successful reforestation practices, soil enrichment methodologies, and measures promoting biodiversity conservation. By cataloging these practices, the plan aims to create a repository of proven strategies that enhance ecosystem health and promote sustainable land management. The project will particularly leverage learning from the implementation of consolidation of NRM plans available at various local and national institutions and NGOs/FOs and the execution of Farmer Business Schools, extension services and demonstration programmes.

Efficient Resource Utilization

275. In addition, the plan will focus on collating information on best practices in water conservation and soil enrichment. It seeks to document and disseminate methods that optimize resource usage, ensuring efficient water management and promoting soil health. This knowledge repository will equip stakeholders with practical approaches to maximize yields while minimizing environmental impact, fostering long-term sustainability.

Policy Studies

276. To address the impact of governmental policies on agriculture, specifically coffee and cacao cultivation, the plan includes rigorous policy studies. This involves researching and documenting the effects of policies on these sectors, identifying opportunities and challenges for the rural community. By comprehensively understanding policy implications, stakeholders can advocate for changes that positively influence agricultural practices and livelihoods. KM system will facilitate policy dialogue including:

-Sustainable agriculture: Discussions on the need to promote sustainable agriculture practices, including soil conservation and protection of biodiversity, as well as reducing the use of agrochemicals that can harm the environment and human health.

-Land tenure and access to natural resources: Discussions on policies that promote secure land tenure for smallholder farmers, as well as access to natural resources such as water and forest areas, which are critical for coffee and cacao production.

-Access to finance: Discussions on policies that promote access to finance for smallholder farmers, cooperatives, and other value chain actors. This can include policies that support the establishment of rural financial institutions or improve the ability of smallholders to access credit.

-Market access: Discussions on policies that support smallholder farmers to access markets for their products, including improving market linkages and promoting market-oriented production practices.

-Public-private partnerships: Discussions on the need for public-private partnerships that bring together government, private sector, and civil society actors to address challenges in the coffee and cacao value chains and promote sustainable development.

Value Chain Insights Documentation

Value Chain Efficiencies

277. The KM plan will document successful collaborations and partnerships with local cooperatives, showcasing value chain efficiencies. This involves capturing insights into effective collaborations, logistics, and cooperative models that optimize the movement of goods from production to market. The detailed VIPs will be leveraged to draw lessons from their implementation. By disseminating these insights, the plan aims to encourage similar partnerships, strengthening the entire value chain.

Policy Implications in Value Chain Development

278. Moreover, the plan seeks to document the implications of policies on upland agriculture development and upgrading/modernization along the value chain. This includes analyzing the effects of policies on market access, infrastructure development, and technological advancements within the value chain. By documenting these implications, stakeholders can advocate for policies that foster growth and inclusivity within rural value chains.

C. Methodologies for Gathering Knowledge

279. The KM Plan to be developed during the start up mission will include detailed methodologies for gathering knowledge. Specifying methodologies for knowledge gathering within a Knowledge Management (KM) plan is critical for an organized and purpose-driven approach to information collection. These methodologies serve as a roadmap, guiding the systematic acquisition of data that aligns with the project or organization's specific needs. By outlining clear procedures and guidelines, this approach ensures the relevance, accuracy, and completeness of the information gathered. Utilizing diverse methodologies, provided below, allows for a comprehensive exploration of various perspectives and sources, providing a holistic view crucial for informed decision-making. Moreover, tailoring these methods to suit different contexts or stakeholders enhances engagement, reduces biases, and ensures a high standard of data quality by mitigating errors and inconsistencies.

280. In essence, presenting methodologies for knowledge gathering in a KM plan acts as a quality control mechanism, fostering a structured and thorough process. It facilitates a more effective and targeted acquisition of information, ensuring that the knowledge collected is robust, well-rounded, and aligned with the objectives of the VISTA Project and the priorities of the partner institutions involved.

Methodology
1. Interviews and Focus Group Discussions
1. Interviews and Focus

2. Surveys and Questionnaires	Gather quantitative data and opinions from a wider audience within the community.	Design and distribute surveys targeting various groups involved in NRM and value chain activities, focusing on topics like resource utilization, challenges faced, and aspirations for development.
3. Participatory Rural Appraisal (PRA)	Foster community involvement and empower local voices in identifying key issues and solutions.	Conduct participatory activities such as mapping exercises, seasonal calendars, and wealth- ranking exercises to collectively assess natural resource use, identify local knowledge, and understand community priorities.
4. Field Studies and Observations	Gain firsthand knowledge of on-ground practices and observe the implementation of NRM techniques and value chain processes.	Conduct field studies to document practices, observe resource management techniques, and understand the dynamics of value chains by interacting directly with stakeholders in their working environments.

D. Creating a Repository for Collected Information

281. Creating a repository for collected information in a Knowledge Management (KM) system is a cornerstone for effective information management. This centralized hub serves as a housing and organizing valuable data, making it easily accessible to stakeholders. Beyond mere storage, this repository preserves knowledge over time, safeguarding it from loss or fragmentation across various sources. Its accessibility and organization streamline information retrieval, empowering decision-makers with a wealth of insights for informed and efficient decision-making. Additionally, a well-structured repository encourages collaboration, allowing team members to contribute and share their expertise, fostering a culture of collective learning and growth within the project. Furthermore, this central repository standardizes information storage, ensuring consistency and reducing discrepancies. Its role extends beyond storage—it becomes a platform for knowledge sharing, facilitating learning for new team members and enhancing the collective insights of the project.

282. The project manager oversees the overall implementation and ensures that the repository aligns with project goals. KM expert will lead the design and implementation of the repository. IT specialists will play a crucial role in setting up the technical infrastructure, selecting the appropriate platform or software for the repository, and ensuring data security and accessibility. Team members, subject matter experts, or stakeholders will contribute to the repository by providing data, insights, and expertise relevant to the project. The needs and preferences of those who will use the repository

will be considered during development. Their feedback and requirements help in designing a user-friendly interface and ensuring the repository meets their needs.

Setting up the KM Repository:

-Digital Repository Development

283. Platform Selection: Choose an appropriate digital platform or software for storing and organizing data, ensuring accessibility, and user-friendly navigation.

284. Information Categorization: Develop a structured grouping to categorize collected data based on themes such as NRM practices, value chain insights, policy implications, and success stories.

-Documenting Knowledge

285. Data Entry and Compilation: Systematically input gathered information into the repository, ensuring accuracy and completeness.

286. Documentation Formats: Standardize formats for storing different types of information, including text documents, multimedia content, images, and geographical data (maps).

-Accessibility and Security Measures

287. User Access Protocols: Establish protocols for access to the repository, ensuring appropriate permissions based on roles and responsibilities.

288. Data Security: Implement measures to safeguard sensitive information, ensuring data integrity, confidentiality, and backup mechanisms.

-Training and Capacity Building

289. User Training: Provide training sessions for stakeholders on how to access, contribute to, and utilize the repository effectively.

290. Capacity Building: Empower designated personnel to manage and maintain the repository, ensuring its sustainability and relevance over time.

-Continuous Update and Improvement

291. Feedback Mechanisms: Create channels for continuous feedback to improve the repository's usability and relevance based on evolving needs and changing circumstances. 292. Regular Maintenance: Implement routines for updating and verifying the accuracy of information stored in the repository.

E. Guidance for Selection of Tools and Technologies for Knowledge Management

293. VISTA will utilize various tools and technologies that have been applied in various rural development contexts, aiding in knowledge exchange, capacity building, data-driven decision-making, and improving sustainable practices in agriculture and natural resource management. The choice of tool depends on the specific needs, local contexts, and available resources within the rural community.

1. Mobile Applications for Agricultural Advice and Information

294. mAgri Apps: Mobile applications providing farmers with real-time information on weather forecasts, market prices, crop management techniques, and pest control measures. Examples include apps like AgriApp and mKrishi.

2. Geographic Information Systems (GIS) for Land Use Planning

295. GIS Mapping Tools: Utilized for mapping and analyzing land use, identifying suitable areas for agriculture, water resource management, and planning infrastructure development. Tools like QGIS and ArcGIS are widely used.

3. Participatory Video and Multimedia Platforms for Knowledge Sharing

296. Community Video and Multimedia Tools: Platforms enabling communities to create and share their own videos and multimedia content showcasing local practices, success stories, and traditional knowledge. Tools like Participatory Video (PV) and Storyvine are used for such purposes.

4. Open Data Platforms for Information Access

297. Open Data Portals: Online platforms that provide access to a wide range of agricultural and environmental data, allowing stakeholders to access information crucial for decision-making. Examples include platforms like Data.gov and FAOSTAT.

5. Knowledge Repositories and Collaborative Platforms

298. Online Knowledge Repositories: Platforms facilitating the sharing and storage of documents, research papers, best practices, and reports relevant to rural development. Tools like DSpace and EPrints are used in creating such repositories.

299. Collaborative Platforms: Tools enabling remote collaboration, discussion forums, and knowledge exchange among stakeholders working on rural development projects.

6. Offline-Accessible Tools for Low-Connectivity Areas

300. Offline-Enabled Apps and Content: Applications and content designed to function offline, catering to areas with limited connectivity. These apps allow users to access information even without an internet connection, ensuring accessibility in remote locations.

7. Decision Support Systems for Agricultural Planning

301. Agricultural Decision Support Systems: Tools providing guidance and recommendations to farmers based on data analytics, supporting informed decision-making related to crop selection, irrigation scheduling, and resource management. Tools like FarmLogs and Climate FieldView fall under this category.

1. Needs Assessment and Analysis	Stakeholder Consultation	Engage with project stakeholders, including community members, experts, and project team members, to understand their knowledge management needs and preferences.
	Identification of Requirements:	Determine specific requirements for knowledge capture, storage, retrieval, and dissemination, considering factors such as connectivity, accessibility, and ease of use in rural settings.
	Assessment of Existing Infrastructure	Evaluate the available technological infrastructure in the project area within the institutions involved to determine compatibility and gaps.
2.Research and Evaluation	Market Research	Explore available knowledge management tools and technologies suitable for rural contexts, considering factors like affordability, scalability, and adaptability to low- resource environments.
	Tool and Technology Evaluation.	Conduct thorough evaluations of shortlisted tools based on criteria such as user-friendliness, offline capabilities, data security, and

		compatibility with local devices and
		networks
3.Pilot Testing and Validation	Selection of Pilot Sites	Identify specific project sites for pilot testing the chosen tools and technologies, ensuring representation across diverse rural settings.
	Implementation and Feedback Collection	Deploy selected tools in these pilot sites and gather feedback from users regarding usability, functionality, and adaptability to local contexts.
	Assessment of Impact	Evaluate the impact of these tools on knowledge sharing, accessibility, and decision-making processes within the pilot communities.
4. Customization and Integration	Customization for Local Context	Tailor chosen tools to suit local languages, cultural preferences, and specific community needs, ensuring inclusivity and user acceptance.
	Integration with Existing Systems	Ensure seamless integration of selected tools with existing platforms or technologies used by stakeholders, minimizing disruptions and maximizing usability.
5. Capacity Building and Training	Training Programs	Develop comprehensive training modules to familiarize users with the selected tools and technologies, emphasizing their functionalities, benefits, and best practices.
	Capacity Building Workshops	Conduct workshops and hands-on sessions to empower community members and project staff with the necessary skills to utilize these tools effectively.
6. Monitoring and Adaptation	Ongoing Monitoring and Support	Establish mechanisms for continuous monitoring of tool performance, user feedback, and issues faced, providing timely support and updates.
	Adaptation and Improvement	Iterate and refine the use of tools based on ongoing feedback and changing needs, ensuring that the technology remains relevant and effective.
7. Documentation and Knowledge Sharing	Documentation of Best Practices	Document the process of tool selection, implementation, and lessons learned to create a knowledge base for future reference and replication.
	Knowledge Sharing Sessions	Organize sessions to share experiences and insights gained from the selection and use of these tools with other stakeholders and similar projects.

F. Dissemination Plan for Knowledge Management

302. Dissemination activities within a Knowledge Management (KM) plan are crucial for sharing insights and best practices derived from collected knowledge. To plan these activities and incorporate them into an annual work plan and budget, a strategic approach is essential. The Project will identify target audiences for tailor content, ensure its relevance and impact, choose appropriate dissemination channels, such as workshops, webinars, or reports, and customize messages for different audiences to maximize the effectiveness of sharing knowledge.

303. When including dissemination activities in an annual work plan and budget, the following specific steps will be considered. Setting clear objectives within the plan—such as reach, engagement, or feedback metrics—guides the focus of dissemination efforts. Allocating resources in the budget for content creation, event logistics, and technology platforms ensures the necessary support for these activities. Timelines, milestones, and monitoring mechanisms integrated into the plan allow for systematic execution, tracking progress, and evaluating the effectiveness of dissemination strategies.

304. By integrating dissemination activities into the annual work plan and budget, organizations ensure that sharing knowledge becomes a strategic and intentional part of their broader objectives. This approach facilitates a systematic and resource-aligned strategy, enabling effective sharing of insights and a culture of continuous learning and improvement within the project.

305. The following methods are suggested dissemination of accumulated knowledge, which will be further developed in KM Plan and will be integrated into AWPB each year.

1. Tailored Knowledge-Sharing Sessions and Training Programs

306. Sustainable Resource Practices: Conduct targeted training sessions focusing on soil erosion prevention techniques, conservation methods, and sustainable land management practices. Use interactive workshops and field demonstrations to ensure practical understanding and application.

307. Value Chain Enhancements: Organize workshops dedicated to quality control measures, post-harvest handling, and market-oriented practices. Incorporate hands-on exercises and case studies to illustrate effective value chain improvements.

308. Policy Insights Dissemination: Host seminars and forums centered on the evolving policy landscape affecting coffee and cacao growers. Invite experts, policymakers, and stakeholders for discussions, ensuring comprehensive insights and fostering informed decision-making.

2. Leveraging Technology and Digital Platforms

309. Webinars and Online Forums: Utilize webinars to disseminate knowledge on best practices in NRM and value chain development. Online forums will encourage active participation, facilitating dialogue, and fostering a collaborative learning environment among participants.

310. Digital Learning Resources: Develop digital resources such as e-books, videos, and interactive modules covering diverse topics related to sustainable practices, value chain optimization, and policy impacts. Ensure accessibility and user-friendliness for wider reach.

3. Targeted Stakeholder Engagement

311. Community Engagement Sessions: Organize localized sessions within coffee and cacao-growing communities to disseminate specific knowledge relevant to their contexts. Encourage peer-to-peer learning and knowledge exchange among farmers.

312. Stakeholder Workshops: Conduct focused workshops targeting stakeholders beyond farmers, including processors, policymakers, and market intermediaries, aiming to disseminate specialized knowledge pertinent to their roles.

4. Collaborative Platforms for Continuous Learning

313. Knowledge-Sharing Platforms: Establish digital platforms or online communities dedicated to knowledge exchange, enabling ongoing discussions, sharing of experiences, and updates on best practices. Encourage active participation and contributions from diverse stakeholders.

314. Learning Networks: Foster the formation of learning networks or communities of practice involving project participants, experts, and relevant stakeholders. These networks will facilitate ongoing learning, idea sharing, and problem-solving.

5. Evaluation and Feedback Mechanisms

315. Continuous Evaluation: Regularly assess the effectiveness of dissemination efforts through feedback surveys, participant evaluations, and impact assessments. Use this data to refine and improve future knowledge-sharing activities.

316. Feedback Loops: Create channels for continuous feedback from participants, allowing them to suggest topics, provide input, and express their learning needs. Utilize this feedback to tailor future dissemination strategies accordingly.

317. As a rule, all stakeholders especially the farmers and should benefit from the KM strategy, thus, the Project must endeavour to use existing and other sharing and learning platforms. The following are the recommended platforms:

Project level: The project should maximize all avenues for sharing lessons learnt and knowledge through face-to-face interactions (meetings and consultations, annual reviews and planning, forums and conferences, farmer-to-farmer exchange) and virtual (newsletters, video productions, project website, Facebook, twitter and other social media). Aside from a project website, it is recommended to have VISTA page at the DAR's website and industry councils' websites when available, and will be linked to other project partners;

Country Programme level: The Project will participate in the IFAD-PH country programme institutionalised learning and KM platforms where IFAD financed projects (loans and grants) and partners are involved, namely: (i) annual country portfolio/programme reviews (ACPOR), with the participation of associating project teams, and government implementing and oversight agencies, (ii) annual Knowledge Learning Market and Policy Engagement (KLMPE), which focuses on the sharing of good practices, innovations and policy issues related to agricultural and rural development, and involves other development partners (government agencies, civil society organizations, farmers organizations, academic institutions); (iii) annual IFAD-PH Gender Network (IPGN), which is an assembly of gender focal points of IFAD partners who advocate mainstreaming gender issues in government and non-government programmes and projects; and (iv) e-based: Knowledge Learning Market Facebook;

Regional level: annually, APR conducts regional conferences where IFAD projects are invited. The Project should take this opportunity to share lessons and innovations. At the APR KM exchange, VISTA will be invited to share and learn lessons from other countries. Further, VISTA farmer stakeholders will be encouraged to participate in learning or farmer-to-farmer exchanges sponsored

by IFAD-financed Farmer Organization strengthening projects of which the Philippines is one of the recipient countries;

Project partners level. The project will also participate in learning sessions/exchanges led by coffee and cacao industry cluster associations or other development organisation.

318. **Project Website**. This website will be created and managed at the CPMO. The Project will also organize a community of practice (CoP) among the staff project-wide on thematic concerns. Interaction can be via a portal in the Project website.

319. **Knowledge use is targeted. The main users of knowledge from and for the project include the project** management and staff, ARBOs/POs, enterprises, implementing partners, oversight agencies, development partners including IFAD. There are several media forms for publishing project knowledge, e.g., print media: newsletter, brochures, briefers, bulletins; audio-visual productions: video clips, video productions, ppt and similar type of presentations; social media: FB, twitter, WhatsApp, tiktok, viber, etc.

320. There are two main platforms in building an **enabling environment for knowledge-sharing**: (i) face-to-face, and (ii) virtual. To encourage peer-to-peer learning, the Project will organize cross-visits among farmers, VPOs, and LGUs. The Project will join existing KM face-to-face platforms organized by the IFAD-PHL Country Office: Annual Country Programme Reviews (ACPoR), Knowledge Learning Market and Policy Engagement (KLMPE), and IFAD-Philippines Gender Network (IPGN), and other fora like the Mekong Hub Knowledge and Learning Fair (MKLF), Regional/National Conferences on Coffee and Cacao, etc. It may also organize thematic knowledge sharing through workshops and fora, e.g., IP Forum, Gender Forum, and Youth Forum.

G. Monitoring and Evaluation Plan

321. The Monitoring and Evaluation Plan outlines a structured approach to assess the effectiveness of knowledge management through defined metrics, regular assessments, and continuous feedback mechanisms. By consistently monitoring key metrics and actively seeking feedback, the plan aims to facilitate continuous improvement, ensuring that knowledge dissemination efforts remain responsive, impactful, and aligned with the project's goals for sustainable rural development.

G1. Metrics for Measuring the Effectiveness of Knowledge Management

1. Usage Metrics

322. Access Statistics: Measure the frequency of access to knowledge repositories, tracking user engagement and the popularity of different resources.

323. Content Utilization: Evaluate which types of content (e.g., videos, documents) are most accessed and utilized by stakeholders.

2. Knowledge Impact

324. Application and Implementation: Assess the adoption and application of knowledge acquired through training programs in real-world practices.

325. Change in Practices: Monitor changes in agricultural practices or value chain approaches attributable to disseminated knowledge.

3. User Feedback Metrics

326. Satisfaction Surveys: Administer surveys to gauge user satisfaction with the relevance, accessibility, and usefulness of knowledge resources.

327. Feedback Loops: Collect feedback continuously through user forums or suggestion boxes to understand evolving needs and preferences.

G2. Regular Assessments and Feedback Mechanisms for Continuous Improvement

1. Periodic Assessments

328. Scheduled Reviews: Conduct regular evaluations of knowledge management strategies against predefined objectives and benchmarks.

329. Impact Assessments: Perform in-depth assessments at set intervals to measure the tangible impact of disseminated knowledge on rural development.

2. Continuous Improvement Feedback Loops

330. Feedback Channels: Establish easily accessible channels for stakeholders to provide ongoing feedback on knowledge resources and dissemination methods.

331. Iterative Adjustments: Use feedback to iteratively adjust and refine knowledge sharing sessions, training programs, and dissemination strategies.

3. Key Performance Indicators (KPIs)

332. Establishment of KPIs: Define clear and measurable KPIs aligned with the project's objectives and the effectiveness of knowledge management.

333. Regular Tracking: Continuously track and analyze KPIs to identify areas for improvement and gauge the overall success of knowledge dissemination efforts.

4. Stakeholder Engagement

334. Engagement Workshops: Organize periodic workshops or focus groups involving stakeholders to gather insights, discuss challenges, and co-create improvement strategies.335. Collaborative Decision-Making: Involve stakeholders in decision-making processes based on assessment outcomes, fostering a sense of ownership and commitment.

5. Documentation and Reporting

336. Reports and Documentation: Compile comprehensive reports detailing assessment findings, feedback, and improvement initiatives undertaken.

337. Sharing Best Practices: Share successful improvement strategies and lessons learned across the project team and with relevant stakeholders for collective learning.

H. Sustainability and Continuous Improvement Plan

338. This Sustainability and Continuous Improvement Plan emphasizes strategies for sustaining knowledge management practices by embedding them into workflows, promoting community ownership, maintaining technological infrastructure, and institutionalizing a culture of continuous improvement. By systematically incorporating lessons learned and fostering a culture of adaptability, the plan aims to ensure the enduring effectiveness and relevance of knowledge management practices in driving sustainable rural development initiatives.

H1. Strategies for Ensuring Sustainability of Knowledge Management Practices

1. Capacity Building and Knowledge Transfer

339. Training Programs: Develop sustainable training modules to equip new personnel with knowledge management practices, ensuring continuity.

340. Succession Planning: Establish succession plans to facilitate the transfer of knowledge and responsibilities as team members transition.

2. Institutionalization of Knowledge Management

341. Integration with Workflows: Embed knowledge management practices within standard operating procedures, ensuring their integration into daily workflows.

342. Leadership Support: Garner leadership buy-in and support to institutionalize knowledge management as an organizational priority.

3. Community Engagement and Ownership

343. Community Participation: Involve local communities in knowledge creation, dissemination, and preservation, fostering a sense of ownership.

344. Capacity Enhancement: Empower community leaders to take charge of knowledge management processes for sustained impact.

4. Technology and Infrastructure

345. Technology Upkeep: Ensure the maintenance and updating of technological infrastructure supporting knowledge management practices.

346. Adaptability and Scalability: Evaluate and upgrade systems to ensure they remain adaptable to evolving needs and scalable for future growth.

H2. Processes for Incorporating Lessons Learned and Making Necessary Improvements

1. Lessons Learned Repository

347. Documentation of Experiences: Document successes, failures, and lessons learned from previous initiatives within a dedicated repository.

348. Regular Review: Periodically review and analyze these documented experiences to derive insights for improvement.

2. Continuous Improvement Framework

349. Iterative Assessments: Implement a cyclical approach to evaluate knowledge management practices and dissemination strategies at regular intervals.

350. Feedback Integration: Incorporate feedback received from stakeholders and assessments into iterative improvement cycles.

3.Knowledge Sharing Platforms for Improvement

351. Sharing Best Practices: Encourage team members and stakeholders to share successful improvement strategies through knowledge-sharing platforms.

352. Cross-Functional Learning: Facilitate cross-functional learning sessions where teams share insights and collaborate on improvements.

4. Adaptive Decision-Making

353. Flexible Strategies: Maintain flexibility in strategies, allowing for adaptation based on changing circumstances and emergent needs.

354. Agile Approach: Embrace an agile methodology to implement quick adjustments and improvements based on continuous feedback.

5. Performance Evaluation and Reporting

355. Performance Metrics: Continuously monitor performance metrics related to knowledge management and disseminate findings regularly.

356. Transparent Reporting: Foster a culture of transparency by openly sharing performance reports and improvement initiatives across the organization.

6.4. Policy Engagement

357. **Engaging in Policy Dialogues.** As this project is an innovation from the "business as usual" VC development, there will be policy and program implications which need to be shared and engaged into with government agencies and other players for policy formulation, modifications and/or strengthening. As part of the engagement with a consulting/research firm for baseline/mid-line/endline studies, the latter will be also

engaged into preparing policy studies as practiced in ConVERGE and RAPID. In the contract, the consulting/research firm will organize policy dialogue forums with relevant entities. In addition, the project may engage consultants to prepare policy briefs. Policy briefs will be presented in local legislation gatherings, e.g., SB sessions, RDC sessions, and in national forums like KLMPE for policy dialogues. Policy changes/modifications at the local, regional and national levels emanating from policy dialogues will be monitored and reported by the Project.

358. Policy dialogues may include;

- Sustainable agriculture: Discussions on the need to promote sustainable agriculture practices, including soil conservation and protection of biodiversity, as well as reducing the use of agrochemicals that can harm the environment and human health.
- Land tenure and access to natural resources: Discussions on policies that promote secure land tenure for smallholder farmers, as well as access to natural resources such as water and forest areas, which are critical for coffee and cacao production.
- Access to finance: Discussions on policies that promote access to finance for smallholder farmers, cooperatives, and other value chain actors. This can include policies that support the establishment of rural financial institutions or improve the ability of smallholders to access credit.
- Market access: Discussions on policies that support smallholder farmers to access markets for their products, including improving market linkages and promoting market-oriented production practices.
- Public-private partnerships: Discussions on the need for public-private partnerships that bring together government, private sector, and civil society actors to address challenges in the coffee and cacao value chains and promote sustainable development.

7. Gender and Youth Strategies

This section of the PIM introduces the Gender Strategy and how VISTA aims to be gender transformative and incorporate a focus on youth. It provides the background to development of the strategies and how these will be integrated into implementation.

359. **Background**. In 2022, the Philippines ranked 19th in the **Global Gender Gap** Index, lower than in 2021 (17th), owing to a decline in gender parity in primary education¹². Nevertheless, the Philippines remains the top country in East Asia, with the highest gender parity (78.3%)¹³. The country has advanced in terms of landmark policies and strategies for mainstreaming gender and women empowerment, especially in the agriculture sector. For instance, in recognition of women's vital role in food production, the Magna Carta of Women Section 20 ensures their right to food and resources for food production. The updated Philippine Gender Equality and Women Empowerment (GEWE) Plan 2019-2025 adopted an expanded scope of women in the Agriculture, Forestry, and Fisheries (AFF) value chain to include "women farmers, fishers, and agri-preneurs working in urban areas."¹⁴ This plan contributes to other national plans such as the long-term Philippine Plan for Gender Responsive Development 1995-2025.

360. While there has been progress in gender and women empowerment in agriculture, there is still a gap in recognizing and valuing women's role and workload in agriculture and food production. The gender wage gap in agriculture persists, with women agricultural workers receiving an average daily wage of Php285.51 compared to men's average daily

 ¹² World Economic Forum. 2022. Global Gender Gap Report 2022. July 2022. Retrieved from <u>https://www3.weforum.org/docs/WEF_GGGR_2022.pdf</u>
 ¹³ Ibid.

¹⁴ Philippine Commission on Women. 2022. Updated Gender Equality and Women's Empowerment Plan 2019-2025. April 2022. Retrieved from https://library.pcw.gov.ph/wp-content/uploads/2022/07/PCW-Updated-Gender-Equality-and-Womens-Empowerment-Plan-2019-2025-2022.pdf

wage of Php310.16.¹⁵ Workers in agriculture are predominantly male (7.89 million male, 2.77 million female).¹⁶ In terms of access to productive resources such as land, the number of women (96,017) with Emancipation Patents (EP) and (630, 639) Certificate of Land Ownerships (CLOA) are lower than men (420,826 EP holders and 1,398,422 CLOA holders).¹⁷ The number of women farmers listed in the Registry System for Basic Sectors in Agriculture (RSBSA) is only 41.7%. Typically, the male head of the household is registered as "farmer" and the other household members are considered "farm workers."¹⁸ As such, male farmers are usually recognized and targeted by agri-support services.

361. The number of **Indigenous Peoples (IP)** in the Philippines is unknown, but it is estimated that between 10% and 20% of the country's population. The Philippines has adopted the United Nations Declaration on the Rights of Indigenous Peoples but has not yet ratified the ILO Convention 169. The IPRA Law that was enacted in 1997 has been praised for its support for the cultural integrity of IPs, the right to their lands and to self-directed development of these lands. A more substantial implementation of the law is still sought, as IPs in the Philippines continue to live in geographically isolated areas with lack of access to basic social services and few opportunities for widespread economic activities, education or political participation.¹⁹ Indigenous Peoples Organizations (IPOs) provide leadership within the IP communities and enable the retention of cultural approaches in coordination with Philippines governance structures.

362. Indigenous women in the Philippines are very much part of the traditional subsistence agriculture in their communities and play a major and critical role in traditional agricultural production. However, their role in agricultural production is inadequately recognized and appreciated though. Further, the non-recognition of IP women weavers as workers in the informal economy denies them those rights to fair wages and benefits for their labour.²⁰

363. Numerous enabling policies, guidelines and mechanisms to close the country's **gender gap** have been enacted and institutionalized, including the Magna Carta of Women, the Philippine Plan for Gender-Responsive Development 1995–2025, and the Women in Development and the Nation Building Act. In 2019, the GoP released the Gender Equality and Womens' Empowerment Plan 2019-2025. This plan aims to consolidate the Philippines' international and national commitments related to gender equality and provide guidance for national and local planning. The plan has an overarching goal of "promotion of gender equality in all spheres of life such that women and men equally contribute to and enjoy the benefits of ... development."²¹

364. **Gender disparities** in the Philippine's agricultural and rural sector still exist, and these are impeding the sector's performance and preventing the country from achieving

¹⁸ Rice Watch Action Network. 2022. Enhancing Gender Outcomes of Different Rice Related Agencies through Gender Analysis of Rice Supply Chain and Advocacies. *End of Project Report to PCAF*. March 2022. Retrieved from

http://www.pcaf.da.gov.ph/index.php/enhancing-gender-outcomes-of-different-rice-related-agencies-through-gender-analysis-of-rice-supply-chain-and-

¹⁵ Philippine Statistics Authority. 2019. Gender-Based Indicators of Labor and Employment in Agriculture. *Report No. 2019-9*. November 2019. Retrieved from https://psa.gov.ph/sites/default/files/ais_Genderbased_2019.pdf

¹⁶ Philippines Statistics Authority. 2022. Employment and Wages in Agriculture. In Agricultural Indicators System 2017-2021. December 2022. Retrieved from <u>https://psa.gov.ph/sites/default/files/AIS%20Employment%20and%20Wages%202017-2021%20%28signed%29.pdf</u>

¹⁷ Philippine Statistics Authority. 2022. 2022 Fact Sheet on Women and Men in the Philippines. Retrieved from <u>https://psa.gov.ph/sites/default/files/Agriculture-Fact%20Sheet%20on%20Women%20and%20Men%202022%20done.pdf?zoom=100</u>

ttps://psa.gov.ph/sites/default/files/Agriculture-Fact%20Sheet%20on%20Women%20and%20Men%202022%20done.pdf?zoom=10 8

advocacies/ ¹⁹https://www.iwgia.org/en/philippines.html#:~:text=The%20number%20of%20Indigenous%20Peop

les, yet%20ratified%20ILO%20Convention%20169.

²⁰ https://www.iwgia.org/en/resources/publications/305-books/3147-traditional-livelihoods-and-indigenous-peoples.html

²¹ Philippine Commission on Women, 2019, *Gender Equality and Women Empowerment Plan*, https://pcw.gov.ph/gewe-plan/

sustainable growth. Furthermore, gaps in the knowledge and capacities of designated Gender Focal Points, especially among providers of agricultural research, training and extension services, remain a barrier to the effective enforcement and implementation of the policies and guidelines mentioned above.²² Thus, it is imperative that key national stakeholders and development partners in the agricultural and rural sector coordinate more closely with the Philippine Commission on Women (PCW) for enhanced mainstreaming of gender equality and rural women's empowerment in policy, strategic and planning processes in the sector, as well as to strengthen gender sensitivity among government officials and policy makers.

365. The **Indigenous People's** Rights Act (IPRA) of 1997 is the key policy document outlining and protecting the rights of IPs. These rights include the rights to territorial domain, to self-determination, and the right to practice customary laws, cultural integrity and property and to free and prior informed consent (FPIC). The NCIP serves as the primary government agency through which the interests and well-being of the ICCs/IPs are promoted including the issuance of certificates of ancestral land/domain title.

366. At the core of gender transformative programming lie interventions that aim at addressing women's practical needs (e.g. knowledge, skills, access to productive resources) as well as strategic gender interests (e.g. decision making power, position/status in society) by triggering change in agency, social relations and social structures in particular in social norms, AIM-N will address that through these four domains of change: i)Promoting economic empowerment to enable rural women and men to have equal opportunity to participate in, and benefit from, profitable economic activities; ii) Enabling women and men to have equal voice and influence in rural institutions and Organisations; iii) Achieving a more equitable balance in workloads and in the sharing of economic and social benefits between women and men; while actively seeking to transform gender power relations by addressing social norms, practices, attitudes, beliefs and value systems that represent structural barriers to women's and girls' inclusion and empowerment.

VISTA will tackle the gender-based constraints using household methodologies, as 367. an entry point, to achieve gender transformation. Three principles will be followed to promote gender transformative change in the context of natural resource management, climate adaptation and VCD: (i) using participatory approaches to facilitate dialogue, trust, visioning ownership, and behaviour change various levels at (individual/household/ARBO/community/society levels); (ii) promoting critical reflection on deep-rooted social and gender norms and attitudes in order to change unequal power dynamics and bring about a paradigm shift at all levels; and (iii) explicitly engaging with men including young men to transform personal perspectives, norms, and systemic patterns towards gender equality and inclusion. This will entail working with husbands and sons to encourage support for wives' economic activities/leadership roles etc and avoid husbands limiting wives' mobility thereby limiting her participation in women's economic groups/associations.

368. Through VISTA, Women's empowerment will be achieved via the following pathways:

a) for economic empowerment: promoting equal access to and control over family's resources through the household-based approach; creating new income opportunities for women through tailored support to women through the women's associations for coffee and cacao; access to finance through savings groups; preferential access to project grants; promoting women's employment in the coffee and cacao VCs and promoting better contractual working conditions.

²² https://www.fao.org/3/CA1345EN/ca1345en.pdf

- b) for decision making and representation: promoting women's influence in decision making by promoting women in leadership positions in the ARBOs supported by the project; ensuring women participate and influence project planning; adoption of household methodologies and awareness raising activities against gender-based violence.
- c) for equitable work load balance: Introducing gender sensitive and climate smart productivity enhancing technologies to reduce women's time poverty and enable their enhanced participation in productive activities; engaging men and community leaders in community awareness raising and planning and in the implementation of household methodologies.

VISTA will pay particular attention to the empowerment of indigenous women by: (i) expanding their access to and control over resources such as land, capital, traditional knowledge and technologies; (ii) strengthening their agency, decision-making role in community affairs, and representation in local institutions; and (iii) building on their untapped potential for sustainable development, by recognizing their role as stewards of natural resources and biodiversity, and as bearers of rich traditional knowledge systems.

369. For social norms change, VISTA will invest in the conduct of **region-specific social norms including gender norms assessment** in the early stages of the project to ensure that the project does not exacerbate the barriers faced by women and will integrate mechanisms to transform unequal gender relations for the socio-economic empowerment of women including indigenous women and young women. A local service provider will be engaged for this.

370. **Roll-out of the Household Methodology**. Household methodologies (HHMs) are methodologies that enable family members to work together to improve relationships and decision making, and achieve more equitable workloads. Their purpose is to strengthen the overall well-being of households and all their members. For VISTA, a household-based approach will be implemented, building on successful experiences in other IFAD projects in the region to support behaviour changes equitably involving the whole family, in relation to nutrition, family planning and budgeting, production and financial and business literacy. Existing training modules will be adapted to the project needs, with support from a service provider. The VISTA household-based approach will also ensure that there are follow-up mechanisms (such as champion couples) to initial training to ensure continuity.

371. VISTA will also engage in-country policy frameworks related to gender equality in the agricultural sector and beyond through engagement with the national machineries such as the PCW.

372. VISTA will ensure gender and inclusion is integrated within the project M&E through the collection of data disaggregated by sex/age/IPs; investing in the data collection, analysis, use and reporting on the empowerment indicators; and integrating gender specific indicators in its log frame:

- Gender-disaggregated indicators (including for youth)
- IE. 2.1 Individuals demonstrating an improvement in empowerment budget included for baseline/midline/endline surveys
- Number of women with new jobs
- % of supported groups with women in leadership positions
- Women's groups and women's businesses supported with equipment and marketing services
- Survey results on beneficiary feedback disaggregated by gender; Qualitative data through women focus groups

<u>Pathways</u>

373. The gender transformative goal of VISTA is to increase the socio-economic empowerment of rural women including young women and indigenous women in the

project areas though setting an overall outreach target at 50% women; and through addressing the current barriers faced by rural women in the domains of economic empowerment, in decision making, in achieving equitable workload balance and in overcoming some of the existing social norms that are currently not in favour of rural women. Addressing women's barriers against these domains also mean fulfilling IFAD's gender policy strategic objectives.

- Promoting economic empowerment to enable rural women and men to have equal opportunity to participate in, and benefit from, profitable economic activities;
- Enabling women and men to have equal voice and influence in rural institutions and organizations; and,
- Achieving a more equitable balance in workloads and in the sharing of economic and social benefits between women and men.

Aim

Г

To increase VISTA's impact on gender equality and strengthen women's empowerment in the upland areas of Region XII on the island of Mindanao and the Cordillera Administrative Region (CAR) in Luzon

	At least 50 percer	nt of the beneficiaries will be women (ind	cluding 20% young women and 30% in	ndigenous women)
Objectives	Economic empowerment	Decision-making and representation	Equitable workload balance	Social Norms Change
Activities	 Increasing women's access to and control over assets – natural resources, inputs, technologies and finance - and to economic services – such as extension, training and business development Extension Services conducted for farmers with beneficiaries consisting of at least 50% women Creating new spaces/ opportunities/ markets and support for women's economic engagement Supporting women as role models to break through barriers, demonstrate by example, change mindsets and provide inspiration to other women At least 30% of matching grant recipients are women 	 At least 30% women leadership 's participation in community-based forums, such as village committees, grievance committees and other community-based organizations established under the project At least 50% representation of women in consultation and decision-making forums (such as ARBOS supported by the project) Women will be trained to be local resource persons (project service providers and project local staff) particularly for greater outreach to women farmers and their uptake of best practices and technologies Leadership training for women (women ARBO leaders) 	 Provision of water access points and other facilities to ease women's access to water for their home gardens and household drinking and cleaning needs Promotion of labour- and time-saving technologies (e.g. technologies for water collection, water efficient production technologies, agricultural mechanization technologies) Engage men and community leaders in gender activities 	 Region-specific social norms assessment Roll-out of the Household Methodology Engagement in-country policy frameworks related to gender equality in the agricultural sector Involving local government authorities Engagement with National women machineries at national and regional levels Partnership with national women's machineries to carry out public education campaigns on preventing and addressing gender- based violence

- Sex-disaggregated indicators
- IE. 2.1 Individuals demonstrating an improvement in empowerment
- M&E Gender Indicators integrated within the log frame (Number of women with new jobs; % of supported groups with women in leadership positions; Number of women's groups and women's businesses supported with equipment and marketing services)
 - Survey results on beneficiary feedback disaggregated by age, gender, IPs status; Qualitative data through women focus groups

Targeted sub-groups

374. Women in general constitute a main target group of VISTA, with at least 50 percent of all beneficiaries being women. Nevertheless, there are a number of sub-groups that given their vulnerability will be specifically targeted:

- Young women
- Women-headed households
- Women from vulnerable groups, such as women with disabilities, indigenous women.

Implementation arrangements

375. The following provisions has been taken to ensure the gender-responsiveness of project management:

- Development of a project gender strategy and action plan during the initial stages of project start up
- Setting of targets for women as a percentage of beneficiaries
- Allocation of budget for specific gender-related activities
- Recruitment of a part-time gender and social inclusion specialist in the project management unit (to oversee the implementation of the gender strategy, provide staff capacity building, and support colleagues in mainstreaming gender considerations into their operations, including knowledge management, M&E indicators and results measurement) and full time gender and social inclusion officers at regional levels starting Year 2 and GESI focal points at provincial levels.
- Responsibility for mainstreaming gender will be included in the TORs of all key project staff
- Responsibility for mainstreaming gender will be included in TORs for service providers
- In all its activities, compliance will be sought with IFAD's policy to preventing and responding to sexual harassment, sexual exploitation and abuse. This will be reflected in the TORs of all key project staff and service providers
- At least 30% of project related jobs will be occupied by women

Youth strategy

<u>Background</u>

376. The Philippines is a country with a relatively **young age** profile. The 15-24 age group accounts for 28 percent of the total population²³. According to ABS Labor Force Survey 2020, the youth unemployment in the country is almost twice the overall unemployment rate. Of the youth cohort (15-24 years), 24.1 percent were not in education, employment or training (NEET) in 2020, up from 18.8 percent in 2019. More women (28.1 percent) were in the NEET group than men (20.3 percent).

377. Youth in rural areas often choose to leave their parents' farms to seek jobs in urban areas. Today the average age of Filipino farmers, is fifty-seven (57) years, posing a serious threat to national food security by 2030. Young farmers are burdened by their lack of access to knowledge, information and education; the lack of available land to till or affordable credit; a lack of "green jobs"; and hardly any consultation or participation venues for the youth in agricultural policy debate and formulation²⁴.

378. There is a large window of opportunity for the country to capitalize on youth potential with appropriate policies and investment. It is important to create an enabling environment in the agriculture sector focusing on an innovation ecosystem for supporting youth entrepreneurship particularly in digital approaches to agriculture. The private sector also needs to be involved increasingly to co-create skills programmes that are relevant to the industry

²³ <u>https://philippines.unfpa.org/en/node/15309</u>

²⁴ <u>http://legacy.senate.gov.ph/lisdata/3128228181!.pdf</u>

needs. By challenging the youth sector to participate in agriculture, Philippines will be in a better position to address poverty, inequality, and the lack of social mobility.

<u>Pathways</u>

379. VISTA will take a youth inclusive approach that focuses on their economic empowerment. It will support their profitable engagement in on-and off-farm activities, make sure their voices are heard and empower them as agents of change.

380. Opportunities for engagement of young farmers will be identified in consultation with both community leaders and young groups within the target areas. Youth empowerment will be achieved via the following pathways: a) creating employment opportunities along the selected value-chains, for example through the extension service provision; b) tailored support to young men and women agri-preneurs with access to business packages, including agri-preneurship and enterprise related production training, preferential access to grants and mentorship. This may be pursued in partnership with TESDA (Technical Education and Skills Development Authority) and Department of Labour and Employment and other youth service providers, as well as DAR's proposed initiatives to support young farmers.

Aim	To increase VISTA's impact on the social and economic empowerment of youth in the upland areas of Region XII on the island of Mindanao and the Cordillera Administrative Region (CAR) in Luzon
Outreach	At least 20 percent of the beneficiaries will be young people
Objective s	Economic empowerment Decision-making and representation
Activities	 Access to climate-smart technologies and approaches that attract young people and finance Strengthened links with profitable markets At least 20% of matching grant recipients are under 35 years of age or employ three or more youth under 25 years of age Creating new income opportunities for youth, e.g. ,young professionals program in the project implementation and offfarm agribusiness enterprise development Access to climate-smart technologies and approaches that attract young people and finance Ensure the participation of youth in community-based forums, such as village committees, grievance committees and other community-based organizations established under the project Ensure representation of youth in consultation and decision-making forums At least 40% of farmer group membership is under 35 years of age Leadership training for youth from youth groups supported by the project
M&E	Age-disaggregated indicators

Targeted sub-groups

381. Youth in general constitute a main target group of VISTA, with at least 20 percent of all beneficiaries being between 18 and 35 years old. Nevertheless, there are a number of subgroups that given their vulnerability will be specifically targeted:

- Young women
- Youth from moderately poor, near poor and very poor households who already are or could be served by an ARC
- Landless and unemployed youth who do not benefit directly from the ARC activities, but have opportunities for earning income from project-related activities, such as being

employed as young professionals providing services and off-farm agribusiness enterprise development opportunities

• Young people from vulnerable groups, such as youth with disabilities, Indigenous youth.

Implementation arrangements

382. The following provisions have been taken to ensure the youth-inclusiveness of project management:

- Development of a project youth strategy and action plan
- Setting of targets for youth as a percentage of beneficiaries
- Sensitisation on the prevention of child labour and inclusion of specific clauses in contracts with service providers
- Allocation of budget for specific youth-related activities
- Responsibility for mainstreaming youth inclusion will be included in the TORs of all key project staff including the Gender and Social Inclusion Specialist at PMU
- Responsibility for mainstreaming youth inclusion will be included in TORs for service providers.
- Age-disaggregated data will be collected and analysed.
- Studies undertaken by the project will include an age perspective.

8. Financial Management

8.1.Organization and Staffing

- 383. The Financial and Management Service (FMS) of DAR Central Office shall be primarily responsible for the implementation of adequate and sound financial management system for the Project. The FMS Director will be assisted at R/PPMOs by Regional/Provincial Chief Finance and Administrative Officers, who supervise admin and finance functions (i.e., budgeting, accounting, cashiering, planning, and procurement), approve obligations and disbursements, and are in-charge of accountability reports.
- 384. Regular DAR officers and staff at the central, regional, and provincial offices shall be delegated through Special Order (S.O.). Government's seconded finance staff will be responsible for reviewing project transactions, recording transactions into government accounting software (e-NGAs), authorizing obligations and disbursements, supporting project-hired staff in project FM operation, and ensuring compliance with relevant government budgeting, accounting, and audit policies and procedures, and rules and regulations.
- 385. Finance staff shall be contracted on a fixed term basis to support project FM functions at all levels. TORs will be specifically defined for each position. A Senior Admin and Finance Officer and a Finance Assistant will be hired at the CPMO that will be assisted by an Admin/Finance Associate at every RPMO. A Finance Assistant will also be deployed for each R/PPMOs. Project-hired finance staff will facilitate project FM functions in day-to-day activities such as validating expenditures, preparation of payment requisitions and vouchers, preparation of interim financial reports and annual reports, record keeping and maintaining supporting documentations.
- 386. The Project will need to maintain a steady complement of government delegated regular staff and recruited project finance staff at all levels, including continuous capacity building and supervision, and constant coordination among finance counterparts. Collaborating agencies will also have to delegate their respective finance staff that will be involved in managing project funds received through DAR. FM roles and responsibilities of collaborating agencies shall also be clearly delineated in agreements to be executed with DAR as regards VISTA implementation.

8.2.Planning and Budgeting

- 387. At start-up, the Project management and stakeholders (representatives of beneficiaries, the private sector, etc.) at national and regional levels will prepare a multiyear global work plan and budget for achieving Project objectives and targets for presentation to and approval by the Project Steering Committee.
- 388. **Global Work Plan and Budget at the Project start up**. The FASPO, in coordination with the CPMO, shall review the Logical Framework and prepare the multi-year plan for achieving objectives and targets to come up with the Global Work Plan and Budget (GWPB). The GWPB will be a consolidation of the requirements of the civil works, and materials for farm and enterprise development, equipment and materials for value chains, consultancies, training and workshop and equipment, maintenance and operating costs, monitoring and evaluation and other project management costs. The FASPO will conduct a workshop with CPMO, RPMOs and PPMOs to prepare the GWPB to consolidate the funding requirements of the approved feasibility studies.
- 389. **The Annual Work Plan and Budget (AWPB) and Procurement Plan.** DAR-FASPO shall prepare and submit to IFAD a consolidated Annual Work Plan and Budget (AWPB; also known in DAR as the Annual Work and Financial Plan) based on the following:
 - The GPWB;
 - Feasibility Study Report of the individual agribusiness project;
 - ARC Cluster Value-chain Investment Plan;
 - Forward Obligation Authority and Multi Year Funding Requirements; and
 - Annual Budget Allocation for VISTA per approved GAA.
- 390. The AWPB shall be prepared and processed following the budget preparation cycle and process of the government, including the Project Procurement Management Plan (PPMP) and the Annual Procurement Plan (APP). This shall form part of the DAR's annual Budget Execution Documents (BED), i.e., No. 1 (Financial Plan) and No.3 (Monthly Disbursement Program). The AWPB forms -- Part I narrative report and Part II summary table are attached as *Appendix XXX*.
- 391. The PPMOs shall prepare their annual budget proposal based on references mentioned above and taking into consideration the budget ceiling given by DAR management through the CPMO. The RPMOs shall consolidate the AWPBs of the PPMOs and endorse the same to CPMO, together with their (RPMOs) respective AWPBs. Likewise, the CPMO shall prepare its own AWPB. These should tally with the total approved budget of the Project for the year.
- 392. The CPMO, through FASPO, shall present the AWPB to PSC for approval.
- 393. The PSC shall approve the project's AWPB and APP which will be subsequently submitted by DAR-FASPO to IFAD for its review and issuance of no objection letter (NOL). If the Fund does not comment on the AWPB within 30 days of receipt, the AWPB shall be deemed acceptable to the Fund and the AWPB shall be adopted in the form accepted by the Fund. Adjustments may be proposed by the DAR through the PSC during the project year following the same procedure.
- 394. DAR shall synchronize annual preparations of AWPB and agency budget proposal for respective submissions to IFAD and Department of Budget and Management (DBM).
- 395. DAR will comply with national government budget guidelines and procedures issued by the DBM in preparing annual budget proposals and obtaining budget authorization through the General Appropriations Act (GAA) for IFAD loan and GOP counterpart fund requirements. Annual budget proposals for the succeeding budget period are due for

submission to DBM in April of the current year. DAR shall secure budget authorization through the GAA to ensure availability of budget at the start of each fiscal year.

8.3. Financial Management

B.1 General Policy

- 396. Financial management of the Project shall follow the government systems, rules and regulations (e.g. E-NGAS and E-Budget systems) for receipts and disbursements of proceeds from the Loan to the extent that they are consistent with IFAD's standard disbursement procedures.
- 397. The IFAD Financial Regulations and Rules as stipulated in Financial Management and Financial Control Handbook (FMFC) and Philippine Government Accounting Rules and Procedures shall govern the financial management operations and transactions in undertaking all projects and sub-projects. IFAD will apply a zero-tolerance policy in respect of fraudulent, corrupt, collusive or coercive actions. Where an investigation performed by IFAD, the Borrower or another competent entity has determined that fraudulent, corrupt, collusive or coercive actions in Projects financed through its loans and grants, IFAD will enforce sanctions in accordance with the provisions of applicable IFAD rules and regulations and the Financing Agreement.
- 398. DAR Central Office, through FASPO, shall ensure that the annual budget cover for the project is secured by including the Project AWPB in the Department's budget proposal submitted to the DBM for the preparation of the annual budget appropriations by filling up the required DBM Budget Preparation forms, following the DBM-COA-DOF Joint Circular 2-97 (Revised and Updated Budgeting and Accounting Guidelines and Procedures Applicable to Foreign-assisted Projects (FAPs) Implemented by National Government Agencies[NGAs] and Government-owned and Controlled Corporations [GOCCs]. The costs included in the Project AWPB must be within the ceiling provided in the FOA approved for the project. If a supplemental budget is necessary, DAR Central Office will likewise prepare and submit the necessary documents to the DBM. The AWPB will include both the loan proceeds and GOP counterpart funds.
- 399. DAR will be responsible for the overall management of Project funds. The CPMO will be responsible and accountable for the overall management of Project funds downloaded for project implementation which includes: oversight of Project operations, finance and procurement, implementation support for Project implementers; reviews and consolidation of Project AWPBs; monitor and follow-through on budget execution, physical and financial reports and audits; and consolidation of accounts and withdrawal applications. RPMOs and PPMOs will be accountable for Project funds received for implementation of the Project.

B.2 Sources of Financing and Establishment of Accounts

- 400. Funds for the Project will come from the proceeds of loan from IFAD, counterpart funds from the National Government, LGU equity and beneficiaries' contribution.
- 401. In accordance with the Project Design Document and the Financial Management and Financial Control Letter (FMFCL), the Bureau of Treasury (BTr) through DAR will maintain a Designated Account for the Ioan. FASPO, in coordination with the DAR Financial and Management Service (FMS), will manage the funds in the Designated Accounts of DAR with the Land Bank of the Philippines. In accordance with the FMCH, the Designated Account denominated in currency identified during negotiations (USD or EUR only) will be administered following the Revolving Fund mechanism. The Ioan financing in designated account must be segregated from other funds for the Project.
- 402. DAR, as the lead Implementing Agency, shall administer the loan proceeds from the IFAD in accordance with the provisions in the Financing Agreement. All resources obtained

by DAR from sources other than the IFAD will not be subject to the IFAD rules and regulations. In which case, DAR will be accountable for the administration of such resources subject to GOP accounting and auditing rules and regulations.

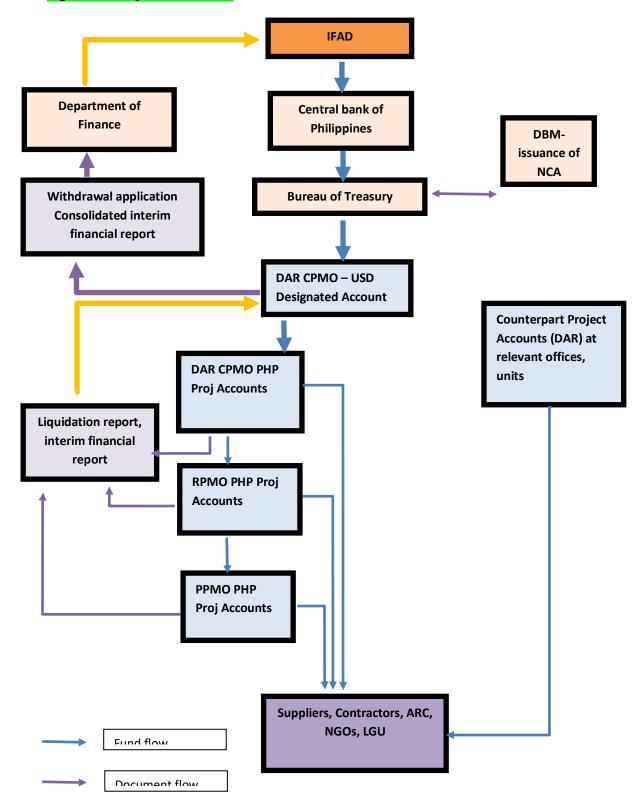
- 403. The funds for activities to be undertaken by other implementing agencies, i.e., DA RIUs and LGUs, will be the subject of a MOA with DAR CPMO, RPMO or PPMO depending on the scope of the activities according to the AWPB and their authority limits. The MOA will specify the considerations, activities and conditions for the payment or release of funds including the documentary requirements for the provision and liquidation of advances. Payments will be made by DAR through the issuance of check from the appropriate project account.
- 404. DAR-FASPO shall control and manage the loan proceeds taking into account the Revolving Fund mechanism, funding will be requested by submission of Withdrawal Application (WA) and the Interim Financial Report (IFR) though IFAD Client Portal (ICP). The fund shall be transferred by the DBM to the operational account maintained by DAR at Central Office. However, transfers from the Central Office shall be made to the operating units only when the operational accounts are opened and the offices of DA RIU, CPMO, RPMOs and PPMOs are established.
- 405. Likewise, Government of the Philippines (GOP) counterpart funding of the Financing Agreement shall be made available by the DAR in accordance with government rules and regulations. For such purpose, the DAR shall prepare budgetary allocations, annually in advance for each Fiscal year, equal to the counterpart funds committed for the relevant year in the AWPB.
- 406. Aside from the Designated Account, the Project will open and operate project accounts in PHP as follows:
 - DAR CPMO: One (1) Project Account for the receipt of IFAD Loan from designated account. DAR will use its already existing MDS account for foreign-assisted projects for GOP counterpart (with separate ledgers).
 - DAR RPMOs: Every RPMO will maintain two (2) separate sub-project accounts for the receipt of IFAD Loan and GOP counterpart (as separate books are maintained for each fund).
 - DAR PPMOs: Every PPMO will maintain two (2) separate sub-project accounts for the receipt of IFAD Loan and GOP counterpart.
 - DA Central Office: Two (2) separate sub-project accounts for the receipt of IFAD Loan and GOP counterpart.
 - DA RIUs: Every RPMO will maintain two (2) separate sub-project accounts for the receipt of IFAD Loan and GOP counterpart.f) LGUs: Every LGU will maintain one (1) separate sub-project account for IFAD Loan, DAR ARF, and LGU equity altogether

8.4.Disbursement of Project Funds

- 407. The Project will use mainly IFAD's disbursement procedures through the designated accounts and project accounts. If necessary, it may also use the other methods of disbursement like the Direct Payment or Reimbursement. IFAD's standard disbursement procedures as prescribed in its FMFC handbook and FMFC letter will be followed in the disbursement and replenishment of loan proceeds in the Designated Accounts. In case of direct payment, corresponding national procedures on such method of disbursements will be followed, that is, the issuance of Notice of Non-Cash Allotment Authority (NCAA) by DBM. The extent to which the direct payments can be used for the project purposes will be identified in the FMFCL issued and communicated by IFAD.
- 408. Prior to withdrawal, IFAD should receive from the Finance Department the ICP letter with the authorization of users and approvers for the submission of IFR and WA through IFAD Client Portal.

- 409. The CPMO Senior and Admin Finance Officer will have the Inputter role for submission of IFR and WA in ICP. The CPMO Coordinator will be the 1st WA Approver and the Undersecretary of DAR for Foreign-assisted and Special Projects Office (FASPO) shall be the 2nd WA Approver, while the Undersecretary for Finance, or the Assistant Secretary for Support Services, or the Assistant Secretary for FASPO will be the alternate 2nd Approver in case of the Undersecretary's absence. IFR will be submitted to IFAD through ICP for review and validation.
- 410. The project may use the following disbursement methods under the transaction-based disbursement procedures:
 - a) **Reimbursement.** IFAD may reimburse the Borrower for expenditures eligible for financing in accordance with the Financing Agreement (eligible expenditures), as, that the Borrower has pre-financed from its own resources for the Project Start-up Costs.
 - b) Advance/Justification. IFAD may advance loan proceeds into a Designated Account (DA) operated by the Borrower through DAR to finance eligible expenditures as they are incurred and for which supporting documents will be provided at a later date. Replenishment of the DA will be by way of withdrawal applications submitted regularly by DAR.
 - c) **Direct Payment**. IFAD may make payments at the borrower's request, directly to a third party e.g. supplier, contractor and consultant for eligible expenditures of the value indicated in FMFC letter.
- 411. Once the WA is approved and process by IFAD, IFAD Loan will be transferred to DA and DAR upon receipt of Notice of Cash Allocation (NCA) from the DBM. The NCA is an advice that cash is credited to the designated accounts of the DAR. Finance Department will transfer funds from the Designated Accounts to the Pass-Through Accounts in equivalent PHP and effect full funds transfer without additional documentary requirements, by way of sub-allotment to the Project accounts at the CPMO and subsequently from the CPMO to the RPMOs, and from RPMOs to PPMOs.
- 412. DAR CPMO will transfer project funds through funding checks to R/PPMOs and advances to DA Central Office. DAR PPMOs will manage fund transfers to the LGUs while DA Central Office will be responsible in downloading received project funds to its RIUs. The GOP counterpart will be released to DAR Central Office through its existing MDS account and will be further transferred to operating units and collaborating agencies through funding checks.
- 413. The accounting procedures for payment of project activities shall be in conformity with the policies and guidelines prescribed in the Government Accounting Manual (GAM) for National Government Agencies. Disbursements relating to Project activities undertaken should be within the signing authority based on the latest applicable DAR General Memorandum Order (GMO).
- 414. The general funds flow for the Project is presented in below Figure.

Figure #. Project Fund Flow



8.5.Fund Replenishment, Liquidation of Cash Advances.

- 415. The liquidation of cash advances/fund transfers shall be monitored by the Accountants/Finance Officer at CPMO, RPMO and PPMO, on a regular basis and the Statement of Subsidiary Ledger of Balances shall be prepared monthly in accordance with the Government Accounting Manual for National Government Agencies Volume I (Accounting Policies, Guidelines and Procedures and Illustrative Accounting Entries).
- 416. Fund transfers to other Implementing Agencies are subject to liquidation, audited by their respective Resident Auditors, in conformity with existing accounting and auditing principles.
- 417. Replenishment and justification of advance shall be effected upon submission of Interim Financial Report (IFR) and Withdrawal Application along with the supporting documents. The IFR will be prepared in the agreed format with IFAD that is outlined in the FMFC letter (IFR template attached as Annex XXX).

8.6.Contract Management

- **418.** DAR shall undertake Contract Management or shall administer contracts between the VISTA and its vendors/partners/employees. The contracts need to be methodically managed in order to ensure that the financial and operational risk is minimized and the performance of vendors/partners/employees are maximized.
- 419. Two areas of focus in contract management shall be observed:
 - a. Contract Administration

This is the management of the physical contract, that is, the copies of the contract must be properly labeled and filed; and,

b. Service Delivery

This is the management of the delivery of the products and services by the vendors/partners/ employees. This will ensure that the vendors/partners/employees meet with the required service performance and quality that is required in the Contract.

- 420. To ensure that the above areas of focus will be observed, the Project "VISTA" shall:
 - a. Maintain a subsidiary ledger for each contract which shall be kept updated all the time, for the monitoring of all the payments made to the vendors/partners/employees; and;
 - b. Maintain a contract monitoring form for the individual contract to monitor the service delivery of the vendors/partners/employees. Templates are provided in the FMFC Handbook.
- 421. In case an advance payment on contract is made to the vendor/partners/employees, a close monitoring on the recoupment and liquidation shall be established, including the aging analysis.

8.7.Financial Auditing

422. The project will be audited annually. *The project audit will follow the IFAD's "Guidelines on Financial Reporting and Auditing (Borrowers' Use)"* as may be amended from time to time, to audit the Consolidated Financial Statements relating to the Project for the first Fiscal year covering the period from the date of effectiveness of the Loan until 31st December. *Within 90 days after the Effective Date, the DAR will execute an Engagement Letter with COA.*

Project Audits shall be conducted by the Commission on Audit (COA) for both loan proceeds and GOP counterpart funded activities. The auditors will be requested to visit the project areas, review the procedures used and check sample transactions to confirm that: a) goods and services were obtained locally or from the Fund's Member States; b) they were within the project and category description defined in the Financing Agreement; c) they were procured in accordance with the provisions of the Financing Agreement; d) payments were made or due for goods, works and services that were provided after the date of signing the Financing Agreement or any date specified for retroactive financing and before the loan closing date; and e). withdrawal applications were in an acceptable form and accompanied by satisfactory supporting documentation.

COA resident auditor at DAR Central Office will consolidate results of regional and provincial audits. COA Regional Offices will issue Regional Consolidated Annual Audit Report (CAAR) for the project, which will cover R/PPMOs.

- 423. The CPMO will prepare the Consolidated Financial Statements (both Loan Proceeds and GOP counterpart funds) relating to the Project audited each Fiscal Year by such auditor in accordance with the International Standards on Auditing until the Loan completion Date, in accordance with Section 9.03 of the General Conditions for Agricultural Development Financing of the Financing Agreement.
- 424. The unaudited financial statement will be submitted to IFAD within 4 months after the fiscal year. In addition to the audit opinion on the Consolidated Financial Statements, the Auditors will provide a management letter, addressing the adequacy of the accounting and internal control systems. The CPMO will submit to IFAD through the reply to the management letter of the auditor within one month of receipt thereof. The CPMO through MLO will deliver the above-mentioned items to IFAD within six months of the end of each such Fiscal Year.
- 425. A log of Audit Observations shall be maintained and kept updated to record the status of implementation of recommendations and/or DAR's compliance to the agreed upon actions.

8.8. Financial system, Reporting and Information

- 426. E-NGAs accounting software will be used for recording project transactions, the software will be configured to ensure the project component and category are captured for all transactions and financial reports are compliant to IFAD financial reporting requirements.
- 427. The DAR shall maintain separate accounts and records in accordance with consistently maintained appropriate accounting practices adequate to reflect the operations, resources and expenditures related to the Project until the Financing Closing Date, and shall retain such accounts and records for at least ten (10) years thereafter. The books will be maintained as prescribed in the Government Accounting Manual (GAM).
- 428. DAR Central Office will perform the consolidation of project financial transactions of C/R/PPMOs. Liquidation reports from collaborating agencies and LGUs will the basis for recording project transactions by DAR at appropriate level.
- 429. Monthly, Quarterly and Annual Financial Statements on Project funds will be prepared in accordance with acceptable government accounting standards as long as these converge towards internationally recognized best practices and/or are deemed to provide minimum disclosures.

- 430. The DAR CPMO shall prepare the following Financial Statements which shall be submitted to IFAD and Oversight Agencies (as necessary):
 - a. Annual and cumulative of sources and application of Project funds, which discloses separately IFAD's funds (Loan Proceeds), GOP (National Government) Counterpart funds, Beneficiaries' contributions/Equity and Other Donors' funds (if applicable);
 - b. Statement of Cash receipts and Disbursements;
 - c. Withdrawal application statement;
 - d. Designated account statement / Reconciliation;
 - e. Statement of fixed assets
 - f. Statement of Comparison of Budget and Actual Amounts;
 - g. Notes accompanying the Financial Statements, and,
 - h. Other statements or disclosures relevant to the Project that maybe required by IFAD or Oversight Agencies like DBM, NEDA, DOF.
- 431. The DAR, through the FASPO, shall submit to IFAD within three (3) months of the end of each Fiscal Year the Financial Statements of the operations, resources and expenditures related to the Project for each Fiscal Year prepared in conformity with the Accounting Standards acceptable to IFAD (i.e. IPSAS Cash basis accounting).

432. **Principles of IFRs.** The guiding principles can be summarized as follows:

- a) The first objective is to provide regular, timely financial information, offering fiduciary assurance to IFAD that the funds are being used for the purposes intended and in the most efficient way. IFRs should also provide comparative figures with respect to the approved AWP/B.
- b) A second objective of IFRs is to support disbursements / justifications of eligible expenditures incurred at projects.
- c) At the minimum, IFRs should include only sources and uses of funds from IFAD Financing and other Project financing sources administered by IFAD. Any additional financing sources (such as counterpart financing or beneficiary contribution) may be included as supplementary information, if considered necessary by the Finance Officer to monitor financial progress. Annual financial statements, on the other hand, include all project financial sources and uses.
- d) The format of IFRs should provide the minimum information indicated in the reporting template provided. However, some customisation may be necessary based on specific project features. (IFR template attached as Annex XXX)
- e) Projects should prepare IFRs using the same accounting basis/standard and currency that they use for annual financial statements.
- f) The reporting currency of IFRs can be either the functional currency (the currency in which transactions are recorded in the accounting system usually the local currency) or the currency of the DA (e.g., US\$). Selection of a presentation currency other than the functional currency should be agreed with IFAD/FMD during preparation and should be consistently followed throughout the project period.
- g) The DA Activity Statement (Report III in the template) will always be in the currency of the Designated Account. When the report on Sources and Uses of Funds (Report II)

433. **Content of the IFR and report template**

1) The aim of IFRs is to answer the following questions regarding a reporting period: what expenditures were incurred, paid for by which financing source, at what time and purpose. The financing sources will normally include IFAD Financing / instrument and other sources that are administered by IFAD.

- 2) These reports should be accompanied with a set of brief explanatory notes on the financial variances and some supplementary information to facilitate monitoring.
- 3) Mandatory reports:
 - **433.3.1** Cash flow forecast (his should cover next 2 quarters on a rolling basis);
 - **433.3.2** Sources and uses of funds (iFAD financing and financing administered by IFAD
 - **433.3.3** Summary of expenditures by loan/grant categories and by component
 - **433.3.4** DA activity statement.
- 4) Supplementary reports are to be customized to fit a project's activity and risk profiles, and may include the following:
 - 433.4.1 Procurement progress report
 - **433.4.2** Rural finance/credit line report
 - **433.4.3** Project management cost report
 - 433.4.4 Fixed asset register
 - **433.4.5** Progress report on resolving audit findings / recommendations
 - **433.4.6** List of Withdrawal Applications (WAs) submitted to IFAD to date, to help reconcile with IFAD's Loan Account.
- 5) Some documents will normally not be required for disbursement purposes, but may be requested prior to or during supervision missions, especially for High / Substantial Risk projects. These include:
 - **433.5.1** Transaction lists / Statements of Expenditures \ (SOEs) for specific expenditure categories
 - **433.5.2** Copies of bank statements (of DA and project bank statements) or a summary of closing balances in each bank account

434. Submission & Recording IFRs in FMDB

- 1) IFRs should be submitted on a quarterly basis no later than 45 days of the quarter-end. IFRs should be submitted along with the WAs. Only in exceptional circumstances will WAs for disbursements be accepted without an IFR being attached.
- 2) Submission of IFRs is due by projects even though no cash disbursement to the DA is being sought from IFAD, so four are mandatory each year, except of Year 1 or the final year, where the reporting period can be shorter than one full year. In cases when project becomes effective in the middle of the calendar quarter, the first quarterly submission should be for a period less than a quarter.



IFR templates

9. Procurement

9.1.Procurement Procedure

Procurement of goods, works and services under VISTA financed from resources provided or administered by IFAD will be undertaken in accordance with the national procurement law of the Philippines, that is, Republic Act 9184, also known as the Government Procurement Reform Act (GPRA), its 2016 Revised Implementing Rules and Regulations(2016RIRR) as may be amended from time to time to the extent they are consistent with the provisions of IFAD's Project Procurement Guidelines and IFAD Procurement Handbook.

To assist in mitigating the lack of procurement and contract management capacity of the newly formed institutions the CPMO/RPMOs/RIUs will have dedicated Procurement Officer at CPMO and Procurement Associates at RPMOs..

9.2.Procurement Planning

VISTA will prepare the Procurement Plan using currently launched IFAD's OPEN online procurement End to End System, each year synchronised with the AWPB during the implementation. Each Annual Work Plan and Budget (AWPB) will contain a Procurement Plan, identifying procurement to be undertaken by the Project, endorsed by PSC and to IFAD for review and no objection. The procurement plans, will include as a minimum:

- a) A brief description of each procurement activity to be undertaken during the period by each and every Programme Party;
- b) The established value of each procurement activity;
- c) The method of procurement or selection to be adopted for each activity; and
- d) An indication as to whether IFAD shall carry out prior or post review in respect of each and every procurement activity.

Any amendments to the procurement plan are subject to the IFAD No Objection.

The application of different methods of procurement for goods, works and consulting services will be in accordance with the methods of procurement for goods, works and consulting services as established and approved in the Procurement Plan or in the Program Procurement Arrangement (PPA) letter.

9.3.Method of procurement for goods/ works and services

Methods for procurement of goods/works and services (non-consulting) as per thresholds and other Procurement Methods or Arrangements will be established as follows:

- a. Works and works-related Non-Consulting Services:
 - (i) International Competitive Bidding (ICB): This procurement method applies to contracts estimated to cost US\$ [5 000 000] or more. Under ICB, the borrower/recipient may apply a margin of domestic preference to local contractors of 7.5% excluding industrial plants;
 - (ii) National Competitive Bidding (NCB): might be applied to contracts estimated to cost less than US\$ [5 000 000]. A waiver for the use of this method beyond this threshold can be requested for individual activities with proper justification;
 - (iii) Shopping: might be applied to contracts estimated to cost US\$ [45 000] or less. A waiver for the use of this method beyond this threshold can be requested for individual activities with proper justification; and
 - (iv) Direct Contracting: applies to the indicated contracts in the Procurement Plan with due justification (as mentioned in the Handbook) subject to IFAD's NO under prior review²⁵ or alternatively without prior IFAD's NO for low-value unforeseen purchases with estimated cost per each purchase of US\$ [*5 000*] or less up to an aggregate amount of US\$ [*400 000*] per annum.
- b. Goods and Goods-related Non-Consulting Services
 - (i) International Competitive Bidding (ICB): This procurement method applies to contracts estimated to cost US\$ [2 000 000] or more. Under ICB, the borrower/recipient may apply a margin of domestic preference of 15%;
 - (ii) National Competitive Bidding (NCB): might be applied to contracts estimated to cost less than US\$ [2 000 000]. A waiver for the use of this method beyond this threshold can be requested for individual activities with proper justification;
 - (iii) Shopping: might be applied to contracts estimated to cost US\$ [45 000] or less. A waiver for the use of this method beyond this threshold can be requested for individual activities with proper justification; and
 - (iv) Direct Contracting: applies to the indicated contracts in the Procurement Plan with due justification (as mentioned in the Handbook) subject to IFAD NO

²⁵ A sufficiently detailed justification shall be submitted to IFAD to obtain its NO and shall include the rationale for the choice of direct contracting instead of competitive procurement and the basis for recommending a particular contractor/service provider in all such cases. Direct contracting could be justified under any of the circumstances listed in section 6, Module F1: Procurement Methods for Goods, Works and Non-consulting Services of the IFAD Procurement Handbook.

under prior review²⁶ or alternatively without prior IFAD's NO for low-value unforeseen purchases with estimated cost of US\$ [5 000] or less per purchase up to an aggregate amount of US\$ [200 000] per annum.

- c. Consulting Services and related Non-Consulting Services
 - Quality and Cost Based Selection (QCBS): This selection method is the default for contracts with firms estimated to cost US\$ [1 000 000] or more; International Advertisement is mandatory for consultancy contracts estimated to cost US\$ [500 000] or more, regardless of the selection method;
 - (ii) Quality Based Selection (QBS): might be applied to contracts of any value if a proper justification is provided;
 - (iii) Fixed Budget Selection (FBS), or Least Cost Selection (LCS)²⁷: might be applied to contracts with firms estimated to cost less than US\$ [1 000 000]. A waiver for the use of this method beyond this threshold can be requested for individual activities with proper justification;
 - (iv) Consultants Qualification Selection (CQS): might be applied to contracts with firms estimated to cost US\$ [250 000] or less. A waiver for the use of this method beyond this threshold can be requested for individual activities with proper justification;
 - (v) Individual Consultants Selection (ICS): applies to contracts with individuals regardless of the value;
 - (vi) Shortlisting following a Request for Expression of Interest is mandatory for all CQS and ICS procedures. In addition, Shortlisting is mandatory for all consulting services contracts estimated to cost US\$ [250 000] or more;
 - (vii) Sole/Single Source Selection (SSS): applies to contracts with firms designated under SSS in the Procurement Plan with due justification (as mentioned in the Handbook) subject to prior review²⁸ and/or contracts estimated to cost US\$ [5 000] or less, up to an aggregate amount of US\$ [200 000] per annum; and
 - (viii) Sole/Single Source Selection (SSS): applies to contracts with individuals designated under SSS in the Procurement Plan with due justification (as mentioned in the Handbook) subject to prior review²⁹ and/or estimated to cost US\$ [5 000] or less and with a contract duration of three months or less and up to an aggregate amount of US\$ [100 000] per annum.
- d. Other Procurement Methods or Arrangements:
 - (i) The use of Force Account is not allowed.
 - (ii) Extensions of contracts funded by IFAD for Goods, Works or related Non-Consulting Services to cover items of similar nature not listed in the original contract may not exceed 10% of the contract value and require IFAD's No Objection (such extension shall be considered as Direct Contracting). However, extensions of existing contracts, issued in order to increase/decrease items already listed in the original contract as a result of evolutionary changes during contract execution and subject to the contractual

²⁶ A sufficiently detailed justification shall be submitted to IFAD to obtain its NO and shall include the rationale for the choice of direct contracting instead of competitive procurement and the basis for recommending a particular supplier/service provider in all such cases. Direct contracting could be justified under any of the circumstances listed in section 6, Module F1: Procurement Methods for Goods, Works and Non-consulting Services of the IFAD Procurement Handbook.

²⁷ The choice among QBS, FBS and LCS shall be made by the borrower/recipient in the Procurement Plan based on the nature and circumstances of the relevant procurement activity following the guidance of the IFAD Procurement Handbook.

²⁸ Any request for SSS by the borrower/recipient must be accompanied by a detailed justification, which will be carefully examined by IFAD to ensure that no alternative selection methods can be used. To receive IFAD's NO, it must be demonstrated that there is a clear advantage to SSS over competitive selection. Examples of such circumstances are listed in Section 6, Module F2: Selection Methods for Consulting Services of the IFAD Procurement Handbook.

²⁹Any request for SSS by a borrower/recipient must be accompanied by a detailed justification, which will be carefully examined by IFAD to ensure that no alternative selection methods can be used. To receive IFAD's NO, it must be demonstrated that there is a clear advantage to SSS over competitive selection. Examples of such circumstances are listed in Section 7, Module F2: Selection Methods for Consulting Services of the IFAD Procurement Handbook.

clauses governing such change may exceed 10%. In this case, the extension is subject to IFAD's No Objection.

- (iii) Procurement with Community Participation is allowed³⁰.
- (iv) (To be updated) All Detailed Investment Plans (DIP) shall be subject to post review. The project is required to include each independent investment proposals, its evaluations, draft contracts, and signed contract in the OPEN system under Grant/Investment Agreement workflow. All independent investment agreement which requires IFAD share of financing above USD 150,000.00 shall be subject to IFAD's prior review.
- (v) Procurement from United Nations Agencies is allowed³¹.
- (vi) Secondary Procurement (orders against existing Long-term Agreements, national e-catalogues etc.) follows the regulations and applicable thresholds of the national legislation. The prior review threshold of the respective procurement category (goods, works, consulting services and related nonconsulting services) applies.
- (vii) The borrower/recipient shall adopt and use the Standard Procurement Documents issued by IFAD (for ICB and (if applicable) for consulting services) and the ones issued by National Authorities for other methods as long as the latter are supplemented/adapted to meet IFAD's SECAP standards and grievance mechanisms and the IFAD's Project Procurement Guidelines and IFAD Procurement Handbook. This includes adding the IFAD self-certification form at bidding and at contract stage.

9.4.Consultancy service Selection Process:

Consultancy services, will be selected in accordance with any one of the selection methods as per the IFAD Project Procurement Guidelines and its Project Procurement Handbook as listed below:

- (a) Quality and Cost Based Selection (QCBS)
- (b) Fixed Budget Selection (FBS)
- (c) Least Cost Selection (LCS)
- (d) Selection based on Consultants Qualification (CQS)

Selection of Individual Consultants: Individual consultants will be selected on the basis of their qualifications for the assignment of at least three candidates among those who have expressed interest in the assignment or have been approached directly by the CPMO/RPMOs/RIUs/PPMOs. Individuals employed should meet all relevant qualifications and shall be fully capable of carrying out the assignment. Capability is judged on the basis of academic background, experience and, as appropriate, knowledge of the local conditions, such as local language, culture, administrative system, and government organization.

Individual consultants or consultancy firms may be selected on a sole-source basis with due justification in exceptional cases such as: (a) tasks that are a continuation of previous work that the consultant has carried out and for which the consultant was selected competitively; (b) assignment lasting less than six months; (c) emergency situations resulting from natural disasters; and (d) when the individual consultant is the only consultant qualified for the assignment.

9.5.Procurement of Vehicles and Equipment

The vehicles, desktop computers, laptops, multimedia projectors, furniture, other office equipment and materials etc. will be procured through competitive bidding process. The procurement method will be proposed in respective year's annual procurement plan considering the budget allocation of the year and estimated amount of each packages. Procurement of goods and services will be carried out by the RPMOs/PPMOs by bulking into

³⁰ If the Project Design has provisioned for the involvement of communities of the borrower/recipient in the regions where the project is to be implemented in the procurement activities and has analyzed the regulatory environment, organizational capacity, skills, etc. of such communities, then community participation can be allowed for particular activities as outlined in the Project Design and details will be included here in the Procurement Arrangements.

³¹ If the Project Design has provisioned for the procurement from United Nations Agencies (See IFAD Procurement Handbook Module F1, Section 9) then this can be allowed for particular activities as outlined in the Project Design.

sizeable bid packages to attract national competitive bidding except those with Approved Budget of the Contract (ABC) not exceeding P1Million which may be procured by shopping/small value procurement, as appropriate. These covers procurement of office supplies, small maintenance works, beneficiaries training and material.

9.6.Procurement of studies, survey, and other specialized services

A number of studies, survey and other specialized services like institutional development and delivery of specialized trainings will be implemented by contracting government agencies or other outside organizations. These tasks include baseline surveys, market assessment, IFAD RIMS surveys, project completion surveys, impact studies, specialized training, recruiting services, etc. Procurement of consultants/service providers to carry out those tasks will follow NCB method, with either QCBS or FBS or LCS or CQS to select successful bidder. FBS (Selection under Fixed Budget) may be useful for studies, surveys and trainings where the scope and costs are well defined – and the competition is for the firm who can make the best technical proposal within the fixed amount. In some cases, Single Source Selection (SSS) may also be used if the tasks that are a continuation of previous work that the consultant has carried out and for which the consultant was selected competitively, if the topic is highly specialized and there is only a single qualified bidder. Based on the nature of services/studies the RPMOs/PPMOs will select appropriate procurement method and proposed in the procurement plan for IFAD review and no objection.

Recruitment of Contract positions: Recruitment of contracted staff for RPMOs/PPMOs, will be carried out in accordance with applicable issuances by appropriate agencies of the Government of the Philippines such as the Civil Service Commission.

9.7.Review of Procurement Decisions

IFAD will undertake review of the provisions for the procurement of goods, works and services to ensure that the procurement process is carried out in conformity with its procurement guidelines.

In accordance with paragraphs 49, 66 and 67 of the IFAD Project Procurement Guidelines and IFAD's Procurement Handbook, the following will be subject to prior review by IFAD and requires IFAD's No Objection:

1	Procurement Plans submitted as part of Annual Work Plans and
1	Budget and any subsequent amendment of these plans;
2	General Procurement Notices
3	The TOR (Job Description), Advertisement and selection
	proceedings for the hiring of any staff responsible for carrying out
	or administering procurement processes as part of the project
4	Award of any Memorandum of Agreement irrespective of its value
5	Award of any contract for goods and goods-related non-consulting
6	services estimated to cost US\$ [200 000] or more;
6	Award of any contract for works and works-related non-consulting
7	services estimated to cost US\$ [400 000] or more;
/	Award of any contract for consulting services provided by firms estimated to cost US\$ [150 000] or more;
8	Award of any contract for individual consulting services estimated
0	to cost US\$ [40 000] or more;
9	Award of any contract via Direct Contracting for Goods and related
-	Non-Consulting Services above the low-value threshold specified
	in paragraph method of procurement for goods/ works and
	services b) iv) above. Any contract below this low-value threshold
	does not need N.O. as long as the cumulative value of such low-
	value contracts does not exceed the cumulative threshold stated
	in paragraph 6 b) iv) in the current fiscal year;
10	Award of any contract via Direct Contracting for Works above the
	low-value threshold specified in paragraph method of
	procurement for goods/ works and services a) iv) above. Any
	contract below this threshold does not need N.O. as long as the cumulative value of such low-value contracts does not exceed the
	cumulative threshold stated in the same paragraph;
11	Award of any contract via Single/Sole Source Selection of
11	Consulting Services to firms above the threshold specified in
	paragraph method of procurement for goods/ works and services
	c) vii) above. Any contract below this threshold does not need No
	Objection. as long as the cumulative value of such low-value
	contracts does not exceed the cumulative threshold stated in the
	same paragraph;
12	Award of any contract via Single/Sole Source Selection to
	individuals above the threshold specified in paragraph method of
	procurement for goods/ works and services c) viii) above. Any
	contract below this threshold does not need No Objection as long
	as the cumulative threshold stated in the same paragraph is not
	exceeded and the contract duration is three months or less.

In addition, the following interim steps of the procurement process for Goods/Works/Services also require IFAD's No Objection for contracts designated for "prior review" in the project's procurement plan. No downstream procurement action by the Borrower/Recipient can proceed until prior No Objection is issued by IFAD as to the propriety and compliance of the undermentioned steps with the IFAD PPF:

	Activity / Step of the procurement process for Prior Review Contracts	IFAD "NO" is required
1	Call/Request for Prequalification document and related advertisement	Yes
2	REOI (Request for Expression of Interest) document for consultancy services and related advertisement	Yes
3	Terms of Reference for consultancy services and related non-consulting services	Yes, usually as part of NO request for issue of the RFP (step 9 below)
4	Technical Specifications for Goods/Works/NCS	Yes, usually as part of NO request for issue of the bid docs (step 9 below)
5 6	Composition of evaluation committees	No
	Prequalification report for Goods/Works/NCS	Yes
7	Shortlisting report for consultants' selection	Yes
8	The use of "prior lists" for shortlisting consultants	Yes
9	Complete Bidding Documents and RFPs and CfPs and related advertisement if applicable	Yes
10	Use of a Performance Guarantee template if other than unconditional, irrevocable and on- demand guarantee	Yes
11	Amendments to the Bidding Documents and RFPs, CfPs	Yes
12	Opening bids/quotes/proposals that are less than 3 (excluding DC/SSS)	Yes
13	Technical evaluation report (in two envelope procedures)	Yes
14	The combined evaluation report (in two envelope procedures)	Yes
15	The single evaluation report (in one envelope procedures) for Goods/Works/NCS/Consulting Services (SSS)	Yes
16	Decisions concerning abnormally low bids	Yes
17	Draft contract	Yes
18	Minutes of negotiation at award for consultancy services (where applicable) or when using DC for Goods/Works/NCS	Yes
19	Rejection of all bids/proposals and cancellation of the procurement procedure	Yes
20	Failure of negotiations and proceeding to next ranked consultant	Yes
21	Proceeding to next ranked bidder if top ranked fails to sign the contract in Goods/Works/NCS	Yes
22	Determination to reject a bid/proposal because of cross-debarment	Yes, usually as part of steps 13, 14 or 15
23	Amendments to contracts exceeding 10% in value (increase/decrease in quantities as a result of evolutionary changes). Additional unforeseen new items exceeding 10% of the contract value is a new procurement subject to Single Source/DC conditions.	Yes
24	Extension of time to contracts exceeding 25% of the original contractual duration in Goods/Works/NC Services/Consulting Services	Yes

	Activity / Step of the procurement process for Prior Review Contracts	IFAD "NO" is required
25	Termination of a contract in Goods/Works/NC Services/Consulting Services	Yes

The aforementioned thresholds may be modified upon approval from IFAD during the course of Project implementation.

Monitoring of procurement activities: For successful implementation of the procurement plan, the strong procurement monitoring systems need to be established in the Project. The monitoring system will focus in two key areas, tracking status of implementation and monitoring the process of each implementation.

Tracking status of procurement activities will be compared with the approved procurement plan. This includes comparisons of cost, procurement method, deadline for preparation of bid documents, bid invitation, bid opening, bid evaluation, award of contract and contract signing etc.

The process monitoring will focus on ensuring compliance with applicable regulations, rules, policies, procedures and guidelines of Government of the Philippines and IFAD. Such monitoring will take place in each quarter by the Procurement Officer and Regional Procurement Associates. They will prepare and deliver a detailed monitoring report to the National Project Manager and Deputy Project Managers that will include recommendations and action plan for improvement/correction and future strategy. A copy of such report (respective section only) will be sent to the concerned RPMO/PPMO.

Contract Management and Documentation: Contract management and administration refers to all actions undertaken after the award of a contract relating to the administrative aspects of the contract, such as contract amendment, contract closure, record retention, maintenance of the contract file, and handling of security instruments (e.g., performance security). Contract administration is the responsibility of the Procurement Officer and Procurement Associates, with involvement of the finance officers, and relevant project component/sub-component in charge.

The period for active contract management usually starts at the moment the contract is signed and ends when the final completion certificate, including defects liability or warranty period as applicable, is issued. The task of contract monitoring is to ensure that both parties to the contract perform in accordance with that contract agreement and to take action as required to address any problems or delays, whether actual or anticipated. On the contract of supply of goods and materials, the monitoring process ensuring that goods are delivered on time, are acceptable to the Project in terms of quantity, quality and supporting documentation. When contracting services, the Senior Procurement officer and Procurement Associates must monitor the performance of the contractor by ensuring timely receipt and acceptance of the deliverables specified in the contract (e.g., inception reports, progress reports, reports from workshops or training sessions etc.). IFAD Contact Monitoring Tool (CMT) will be used for managing and updating contracts where data on contracts will be recorded as required.

Maintenance of Records and files: The Project must establish a procurement file for each procurement process/activity. In addition to information documentation of the procurement process (cost estimate to contract signing), the file must include all information required to successfully administer the contract. Any issues of clarification or change of the contract must be fully documented in this file. In order to provide their input throughout the contract administration phase, the procurement officers will normally have a separate file with a copy of the contract as part of each procurement activity separate from the copies of the Accounting Section and BAC Secretariat.

The Project should maintain all documents and records related to the bid and contract for at least three years after the completion of the bid or contract as specified in Section 7.05, clause

b (ii) of IFAD General Condition for Agricultural Development Financing (as amended September 2010).

Environmental and Social Safeguards					
Biodiversity conservation	Risk Rating	Consequence	Guidance for Project		
1.7 Could the project involve or lead to the handling or utilization of genetically modified organisms?	Moderate	Minor Possible introduction of genetically modified organisms, but the project can be modified to exclude them if stakeholder concerns are high.	regulations. Introduce provision based on seed and other commodities in consultation with the LPA as applicable in the event the GMO seeds and commodities are available in the market. Alternatively exclusion clauses could also be introduced in the specification and tender document if genetically modified organisms are to be excluded		
1.8 Could the project involve or lead to procurement through primary suppliers of natural resource materials?	Moderate	Moderate Project requires procurement of natural resources through primary suppliers, and resource extraction is tightly regulated	No major construction envisaged however depending on type of construction project in discussion with PPMU will incorporate adequate requirement as part of bid document. These provision does not need to be incorporated for types of construction work or activities where it is not feasible to obtain nor identify sources of materials in remote rural locations.		
Resource Efficiency and Pollution Prevention	Risk Rating	Consequence	Guidance for Project		
2.1 Could the project involve or lead to the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	Moderate	Moderate Pollutants may possibly be released, either routinely or by accident, but treatment systems are proven and verified. Receiving environment is highly senstive.			

Environmental and Social Safeguards			
Biodiversity conservation	Risk Rating	Consequence	Guidance for Project
2.4 Could the project involve or lead to significant consumption of raw materials, energy, and/or water?		Moderate The project will require consumption of raw materias, energy, and/or water. This will be a significant component of the project, but impacts can be appropriately managed.	No major construction envisaged however depending on type of construction or activity, project in discussion with PPMU will incorporate adequate requirement as part of bid document to favour ethical and efficient use of raw materials. These provision does not need to be incorporated for types of construction work or activities where its does not identify significant use of raw materials, energy, and/or water materials in remote rural locations. Develop impact assessment tool in term of water usage to identify use of water resources based on type of construction or activity.
2.6 Could the project involve inputs of fertilizers and other modifying agents?	Moderate	Minor The project requires use of fertilizers, but options are available to replace polluting fertilizers with alternatives.	Project to include in the tender document a list of approved/certified chemicals and incorporate them in the tender. The list of approved/certified would be based on existing national regulation.
2.7 Could the project involve or lead to procurement, supply and/or result in the use of pesticides on crops, livestock, aquaculture or forestry?	Moderate	Moderate The project requires use of pesticides, but options are available to replace potentially polluting pesticides with alternatives.	Project to include in the technical specifications the use approved pesticides and respect WHO-FAO codes for safe labelling, packaging, handling, storage, application and disposals of pesticides. Incorporate the list of approved/certified pesticides in the tender document. The list of approved/certified would be based on existing national regulations.

Environmental and Social Safeguards					
Biodiversity conservation	Risk Rating	Consequence	Guidance for Project		
Cultural Heritage	Risk Rating	Consequence	Guidance for Project		
3.1 Could the project be located in areas that are considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage?	Moderate	Minor The project is not located in an area that is considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage	As applicable the project will include a requirement for bidder qualifications previous experience in carrying out works in areas that have cultural heritage. Contract clauses to include safeguards to protect chance finds. Provision to be incorporated in consultation with PPMU		
3.6 Could the project involve or lead to utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?	Moderate	Moderate The project would be more profitable if it had a commercial component, but this is not necessary.	Involve community or community based organisation in the process and to use knowledge.		
Indigenous Peoples	Risk Rating	Consequence	Guidance for Project		
4.5 Could the project lead to impacts on the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	Moderate	Major Significant component of the project involves use of cultural heritage for commercial purposes. The project could possibly be redesigned to exclude the commercial component, if stakeholder objections were strong.	local NGO with indigenous knowledge, technology and material. Bidder require to have past knowledge or experience and potential include some form of compensation to community if it is contracted out.		
Labour and Working Conditions	Risk Rating	Consequence	Guidance for Project		
5.1 Could the project operate in sectors or value chains that are characterized by working conditions that do not meet national labour laws or international commitments? (Note: this may include	Moderate	Minor The project operates in sectors or value chains that have, in the past, not met national labour laws, or international commitments, but is now adequately nationally regulated.	Project to include an eligibility, qualification requirement or a self- declaration that the bidder does not have any previous convictions for infringement of labour laws.		

Environmental and Social Safeguards			
Biodiversity	Risk Dating	Consequence	Guidance for Project
conservation discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants)	Rating	However, international value chains are not regularly audited for environmental or social performance.	Contract conditions to include respect of ILO core labour standards (no child or forced labour; equal opportunity, non- discrimination and freedom of association). Provisions to be incorporated in consultation with PPMU for all procurement packages and contracts.
5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced labour may be increased for projects located in remote places or where the status of migrant workers is uncertain)	Moderate	Moderate The project does not operate in sectors or value chains where forced labour was evident in the past. The status of forced labour regulation is currently unclear.	Project to include an eligibility, qualification requirement or a self- declaration that the bidder does not have any previous convictions for infringement of labour laws. Contract conditions to include respect of ILO core labour standards (no child or forced labour; equal opportunity, non- discrimination and freedom of association).
	M 1 .		Provisions to be incorporated in consultation with PPMU for all procurement packages and contracts.
5.3 Could the project involve children (a) below the nationally- defined minimum employment age (usually 15 years old) or (b) above the nationally- defined minimum employment age but below the age of 18 in supported activities or in value chains?	Moderate	Moderate The project operates in value chains where there have been credible reports of use of child labour. However, child labour is now regulated and is illegal under national law.	Project to include contract clauses that require contracted parties including sub contracted parties to comply with International Labour Law for prohibition of child labour by referring to the ILO directives as well as available National Labour Laws.
			Provisions to be incorporated in consultation with

Environmental and Soc	Environmental and Social Safeguards					
Biodiversity conservation	Risk Rating Consequence		Guidance for Project			
			HOPE/IFAD for all procurement packages and contracts.			
5.4 Could the project: (a) operate in a sector, area or value chain where producers and other agricultural workers are typically exposed to significant occupational and safety risks, and/or (b) promote or use technologies or practices that pose occupational safety and health (OSH) risks for farmers, other rural workers or rural populations in general? (Note: OSH risks in agriculture might include: dangerous machinery and tools; hazardous chemicals; toxic or allergenic agents; carcinogenic substances or agents; parasitic diseases; transmissible animal diseases; confined spaces; ergonomic hazards; extreme temperatures; and contact with dangerous and poisonous animals, reptiles and insects. Psychosocial hazards might include violence and harassment.)	Moderate	Moderate The project operates in a sector, area, or value chain where workers are occasionally exposed to significant OSH risks, and where regulation is known to be weak or non- existent.	Project to include contract clauses for OSH measures to protect project's workers from injury, illness or impacts encountered in the workplace or while working to be included contract provision Bid evaluation criteria to favour contractors with a high-quality Health and Safety Management Plan (HSMP) may be introduced as applicable in consultation with PPMU for specific value chain actors based on assed risk factors and exposure. Provisions to be incorporated in consultation with PPMU			
Community Health, Safety and Security	Risk Rating	Consequence	Guidance for Project			
6.3 Is there a possibility of harm or losses due to failure of structural elements of the project (e.g. collapse of buildings or infrastructure)?	Low	Moderate The project has significant reliance on buildings or infrastructure. Risk of failure is unlikely to lead to loss of life or significant environmental damage. The structural integrity of the required infrastructure has				

Environmental and Social Safeguards					
Biodiversity conservation	Risk Rating	Consequence	Guidance for Project		
		been independently verified.	insurance. Independent assessment of structural integrity would be undertaken by government during construction.		
6.8 Could the project lead to increases in traffic or alteration in traffic flow?	Moderate	Minor The project will result in minor increases to traffic volume. Only minor increase in risk of injury or death.	Applicable traffic rules and road safety measures in the rural road network will need to be adhered to and road signs installed as needed according to the national regulations.		
Financial Intermediaries and direct investments	Risk Rating	Consequence	Guidance for Project		
8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)?	Moderate	Moderate The institution does not have an ESMS in place, but several individual E&S policies. The policies are therefore not considered as transparent. The reporting on E&S is available upon request.	Detailed ESMS provision in PIM for FIs and Direct Investment. Ensure adoption of measure and monitoring and reporting		
8.2 Could the investment be granted to an institution with insufficient capacities (i.e. unqualified personnel e.g. ES Officer) to implement the ESMS?	Moderate	Moderate The institution does not employ an ES Officer, but has sufficiently trained field staff available to monitor the impact of the operations of the institution.	Project ES To provide support and oversight to and potential hire additional consultants to support implementation, monitoring and reporting.		

The IFAD Self Certification which includes IFAD Right to Audit, Anticorruption and SEA/SH Safeguards is mandatory for all projects. This is simply to ensure that this provision which are not necessarily adequately referenced in the National SBD's (Standard Bidding Documents) are included and adhered to, in line with provision of the GC and IFAD policy documents.

10. Terms of Reference for Key Staff, Service Providers and Committees

Terms of Reference (ToR) for National Project Manager

1. The National Project Manager (NPM) will be responsible for the day-to-day administration, coordination, and supervision of the project. He/she will assist the Project Director oversee that the project will achieve its targeted outputs and outcomes as planned and its development objectives within the project life cycle. He/ she will be under the direct supervision of FAsPO Project Director

2. Duration: 72 months

3. Location: Central Project Management Office with domestic travel to project sites.

4. Specific Responsibilities:

- Coordinate with and provide technical guidance and support to the various implementing units, RPMOs, and implementing partners for the smooth planning, implementation and monitoring and evaluation of the project.
- Ensure resource availability and allocation for the implementation of project activities through the Annual Work Plan and Budget (AWPB), Annual Procurement Plan in support to the implementation of the VISTA Investment Plans and other strategic interventions of the Project.
- Ensure that the project outputs are delivered on-time, within scope and within budget by developing detailed project operations plan to monitor and track progress with project's M&E Officer.
- Track project performance (physical and financial), specifically to analyze the successful completion of short and long-term outcomes, and review/endorse the required reports such as project progress reports, NEDA Alert Mechanism Reports, inputs to the ODA Portfolio Review, IFAD results monitoring reports, COA, DBM and other oversight agencies, among others.
- Coordinate and provide technical guidance/support in the conduct of the supervision and implementation support mission of IFAD and the Philippine Government.
- Establish, maintain, and manage relationship with clients and relevant stakeholders such as the IFAD and the donor community, national government agencies, local government units, relevant private sector, farmer's organizations, industry councils and development bodies.
- Organize, lead, motivate and develop leadership skills of project team members for effective, efficient and responsive project implementation.
- Lead in the review and assessment of project and staff performance using appropriate project management tools and techniques.
- Establish, update, and maintain a comprehensive project documentation/ knowledge management and learning and communicate the results of the project to relevant stakeholders.
- Participate in meetings, conferences, and trainings to maintain proficiency/ competency in project management.
- Serve the head of the secretariat in support to the Project Steering Committee.

5. Qualifications:

- Master's Degree in Economics, Public Policy/Administration, Agribusiness, or other related fields
- At least ten years in position/s involving management and supervision, preferably in foreign assisted projects implemented by an economic government agencies
- Ability to manage multi-component and multi-sectoral rural and agricultural development project involving the public and the private sectors
- Demonstrated an understanding of rural development, agriculture, agrarian reform, indigenous peoples, smallholder agri-based value chain
- Has familiarity with economic development tools, particularly in value chain development, results-based management, and other related tools and approaches utilized by the government and development partner agencies
- Has good communication and interpersonal skills

Terms of Reference (ToR) for Regional Deputy Project Manager³²

- **3.** The **Regional Deputy Project Manager (RDPM)** will be responsible for the day-to-day administration, coordination, and supervision of the project at the Regional. He/she will assist the National PM oversee that the project will achieve its targeted outputs and outcomes as planned and its development objective within the project life cycle. He/ she will be under the direct supervision of Regional Project Director (DAR or DA as it applies) and also reports to the NPM for guidance, direction, synergy and coordination.
- 4. Duration: 72 months
- **3. Location:** Regional Project Management Office with domestic travel to project sites.

4. Specific Responsibilities (Will undertake similar functions of the NPM, but on a regional level):

- Coordinate with and provide technical guidance and support to the various implementing units, PPMOs, and implementing partners for the smooth planning, implementation and monitoring and evaluation of the project.
- Ensure resource availability and allocation for the implementation of project activities through the Annual Work Plan and Budget (AWPB), Annual Procurement Plan in support to the implementation of the VISTA Investment Plans and other strategic interventions of the Project.
- Ensure that the project outputs are delivered on-time, within scope and within budget by developing detailed project operations plan to monitor and track progress with project's M&E Associate.
- Track project performance (physical and financial), specifically to analyze the successful completion of short and long-term outcomes, and review/endorse the required reports such as project progress reports, NEDA Alert Mechanism Reports, inputs to the ODA Portfolio Review, IFAD results monitoring reports, COA, DBM and other oversight agencies, among others.
- Coordinate and provide technical guidance/support in the conduct of the supervision and implementation support mission of IFAD and the Philippine Government.
- Establish, maintain, and manage relationship with clients and relevant stakeholders such as the IFAD and the donor community, national government agencies, local government units, relevant private sector, farmer's organizations, industry councils and development bodies.
- Organize, lead, motivate and develop leadership skills of project team members for effective, efficient and responsive project implementation.
- Lead in the review and assessment of project and staff performance using appropriate project management tools and techniques.
- Establish, update, and maintain a comprehensive project documentation/ knowledge management and learning and communicate the results of the project to relevant stakeholders.
- Participate in meetings, conferences, and trainings to maintain proficiency/ competency in project management.
- Lead in secretariate support to the Regional Coordination Committees.

5. Qualifications:

- Preferably has a Master's Degree in Economics, Public Policy/Administration, Agribusiness, or other related fields
- At least five years in position/s involving management and supervision, preferably in foreign assisted projects implemented by an economic government agencies
- Ability to manage multi-component and multi-sectoral rural and agricultural development project involving the public and the private sectors

³² This ToR will apply to the DA-RIU Deputy Regional Project Manager, but responsibility will focus on the implementation of sub-components 1.2. and 2.1.

- Demonstrated an understanding of rural development, agriculture, agrarian reform, indigenous peoples, smallholder agri-based value chain
- Has familiarity with economic development tools, particularly in value chain development, results-based management, and other related tools and approaches utilized by the government and development partner agencies
- Has good communication and interpersonal skills

Terms of Reference (ToR) for Senior M&E/KM Officer

- The Senior M&E/KM Officer will be responsible for the Project's overall planning, monitoring, evaluation, knowledge management in close coordination with the Project's officers and implementing units/agencies
- 2. Duration: 72 months
- **3. Location:** Central Project Management Office with domestic travel to project sites.

4. Specific Responsibilities:

4.1. **Planning,** He/she shall support the preparation of the Project's AWPB and establish planning guidelines and tools. He/She shall provide technical assistance to the national team and Project implementers in coming up with evidence-based planning exercise.

4,2, **Monitoring & Evaluation**. He/she shall ensure the effective and efficient monitoring and reporting project accomplishments and results. In close coordination with the Project Manager, he/she shall ensure the operationalization of the Project's M&E plan/system. His/her specific roles and tasks related to M&E are the following:

- Design and establish a project monitoring and evaluation system to regularly monitor and evaluate the physical and financial progress of the project, progress in achieving the project's results (outputs, outcomes, impact) and changes in external conditions/factors that affect likelihood in achieving the project's objectives. The design will be aligned with the DAR FASPO's M&E system and should meet the requirements of oversight agencies (DBM, NEDA) and IFAD's core output/outcome indicators (COI);
- Together with the project team, develop a SECAP and GESI-responsive M&E system/plan aligned with the target indicators and outcomes of the Project's Logical Framework and work closely with the Sr. SECAP and Sr. GESI Specialists in mainstreaming SECAP and GESI-responsive indicators and data in the Project's M&E Plan/Logical Framework and monitoring tools.
- Design and install a reliable database that will include gender disaggregated data and is user friendly for timely storage and retrieval of data on sub-project investments, ARCs, EARCCs. VPOs, and other data required;
- Design a system for the evaluation of the performance of partner institutions and staff implementing the project, other implementing agencies and service providers;
- Prepare, organize and supervise the conduct of the project baseline study, interim results monitoring surveys (e.g. annual outcome surveys, project completion surveys and other studies e.g. case studies and end-line surveys to measure outcomes/interim impact, capture good practices and generate lessons learned; and such he/she will work closely with IFAD to ensure that such surveys are consistent with the IFAD's COI;
- Develop a plan for project-related M&E capacity-building and for any computer-based support that may be required;
- Conduct M&E capacity building and technical skills enhancement programs for the Regional Project Management Offices (RPMOs), Provincial Project Management Offices (PPMOs) and implementing agencies and partners;

- Prepare and submit consolidated overall project status and accomplishment reports on a monthly, quarterly and annual basis taking into consideration the required reports from DAR FASPO, oversight agencies and IFAD;
- Provide timely feedback to the Central Project Management Office (CPMO), Project Steering Committee (PSC) and other management teams to guide project management's operational and policy decisions;

4,2, **Knowledge Management**. In coordination with the NPM and other key project staff, he/she will be responsible in the formulation of the project KM strategy and implementation, development of knowledge products and IEC materials in various communication platforms.

- Prepare a KM plan knowledge and implement this plan in coordination with the RPMOs, PPMOs and other implementing agencies/partners;
- Install a project website that is aligned with the DAR's website;
- Promote knowledge sharing activities among project staff and other stakeholders to improve project implementation;
- Lead in the generation of knowledge products on natural resources and responsible VCs which can be sources for policy briefs;
- Actively participate in knowledge sharing activities initiated by the IFAD Philippines Country Programme and the Asia Pacific Regional Division.

5. Qualifications

- A Bachelor's degree holder in planning, public administration, or relevant course; masters in relevant course, an advantage
- At least five years' experience in the monitoring and evaluation of rural development projects in the public, private or NGO sectors and have at least three years managerial work experience;
- Proven experience in setting up monitoring and evaluation system, management information system/data base in rural development projects;
- Must be computer literate, have documentation, analytical and report writing skills;
- Have excellent communication skills, interpersonal and teamwork abilities, including proven ability to work cohesively with senior officials and international consultants.

Terms of Reference for Procurement Officer Position

Under the supervision of the Project Director and/or Project Manager:

- 1. In general, in close coordination with RPMO Procurement Associates, provide strategic and operational guidance and assistance to different project procuring entities.
- 2. In collaboration with RPMO Procurement Associates review project wide Procurement Plan in the IFAD OPEN(Online Procurement End to End system).
- 3. Monitor implementation and primarily responsible for project wide contracts management.
- 4. Ensure timely updating of data in IFAD Client Portal Contract Management Tool(ICP-CMT)
- 5. Provide technical assistance to project procuring entities in the preparation of draft bidding documents including technical specifications of goods and terms of reference for consulting services ensuring compliance with national procurement law consistent with IFAD Project Procurement Guidelines.
- 6. Conduct initial review of proposed bidding documents, bid evaluation reports, draft contract in procurement packages subject of request for IFAD No Objection as per applicable Project Procurement Arrangements Letter.

- Assist the procuring entities of the VISTA Project in the preparation of the PPMP and consolidate and prepare the Government of the Philippines Annual Procurement Plan (APP) taking into account the type of procurement per item and threshold requiring prior review;
- 8. Upload the approved APP in GoP format to the PhilGeps;
- 9. Evaluate and assess every item in the APP i.e. services, goods and works, and ensure the procurement of the same within the timelines in close coordination with the procuring entity;
- 10. Assist the Senior Rural Infrastructure Engineer in the review, evaluation, procurement and monitoring of the FMR Infrastructures to be procured by the LGU;
- 11. Assist project proponents of Matching Grants in their procurement process, i.e. procurement recording/documentation, identification of suppliers, conduct due diligence and evaluation of supplied items among others. Ensures that procurement processes are completed within the agreed timelines.
- 12. Maintain and update procurement records and stock inventory and indicating therein re-order points to ensure availability of needed office supplies at CPMO;
- Monitor, assess and ensure that all project procurements abide with existing national procurement regulations/procedures and consistent with IFAD Project Procurement Guidelines;
- 14. Require procuring entities to retain electronic copies of all project wide procurement documents for IFAD review.
- 15. Review purchase contracts and provide recommendation to management;
- Conduct field visits to monitor, evaluate, and assess procurements process. Conduct physical check of records and stock inventories at the RPMO level to ensure compliance to existing rules and standards;
- 17. Prepare Monthly Calendar of activities and Monthly Accomplishment Report;
- 18. Performs other duties and responsibilities that may be assigned by the Project Director/ Project Manager.

Qualification Standard:

- Education: Bachelor's degree in either Accounting, Economics, Marketing, Public Administration, Engineering or other related discipline. Master's degree or units earned is preferred.
- Experience: At least four (4) years in position/s involving the conduct of public procurement by government procuring entities and contract management with suppliers, consultants and contractors. Background in foreign assisted projects implementation will be preferred.
- Training: Previous training under the Government Reform Procurement Act(RA 9184) of the Government of the Philippines.

Competency:

- Knowledgeable in Philippine Government Procurement processes (RA 9184)
- Knowledgeable in the procurement processes and tools from selecting vendors / due diligence, establishing payment terms, strategic vetting, selection, the negotiation of contracts and actual purchasing of goods;

- Experience in the preparation of AWPB, APP, PPMP, and the competitive bidding process;
- Knowledgeable in Microsoft Office (Word, Excel, and Powerpoint)

Terms of Reference (ToR) for MIS/IT Specialist

- 1. The **MIS/IT Specialist** will provide support to the NPCO as the lead and oversight in the implementation and monitoring of the Project's web-based Management Information System (MIS) in support to the Results-based Monitoring and Evaluation and Knowledge Management in the Project.
- 2. Duration: 72 months
- **3. Location:** Central Project Management Office with domestic travel to project sites.

4. Specific Responsibilities:

- Install and maintain a functional MIS of the Project building upon existing data, report formats, information flow and responsibility centers to improve data generation, data processing and decision-making protocol;
- install and maintain reliable set of user-friendly databases that include gender disaggregated and other GESI related data and for timely storage and retrieval of data on EARCCs, VPOs, agribusiness/value chain enterprises, subproject investments (to include VC related infrastructures, value chain equipment and facilities), production and processing inputs, credit access, market access, farm production data, enterprise level processing and marketing data and training;
- Install a reliable finance database using web-based reporting systems; and reliable procurement tracking system using web-based applications;
- Design, install and manage a dynamic Project MIS dashboard containing graphical and statistical presentations of physical and financial performance and progress of implementation;
- Assist the CPMO ME/KM Officer in the retrieval and extraction of data for the preparation of overall progress reports on a quarterly and annual basis;
- Assist the CPMO ME/KM Officer in the collection and analysis of baseline/initial conditions and secondary data in areas covered by the Project;
- Provide capacity building, technical skills enhancement, technical guidance, coaching and mentoring to M&E Associates in the RPMOs and M&E Assistants in the PPMOs for effective management of the MIS and databases;
- Provide technical back-up in the preparation of consolidated annual work plan and budgets (AWPBs), annual procurement plans (APPs) for approval by the Project Management, Project Steering Committee (PSC) and issuance of no objection by IFAD;
- Regularly provide the National Project Manager and National Project Director with data extracted/retrieved from the MIS for decision making;

5. Qualifications:

- Graduate of Information Technology Courses. Bachelor's degree holder in Information Technology, Statistics, Economics, Computer Engineering or related courses is an advantage;
- Has work experience in design and application of management information systems, design and establishment of databases and design of web-based records management system;
- Well versed in use of Microsoft Excel, Word, Power Point, Outlook and Access. Basic knowledge in SPSS and other statistical data processing software an advantage, but not required;
- Fluent in oral and written communication in English; knowledge of other dialect in Mindanao is an advantage;

Terms of Reference (ToR) for M&E/KM Associate

- 1. The **M&E/KM Associate** will assist RPMOs and DA-RIUs in the regional overall planning, monitoring, evaluation, knowledge management in close coordination with the Project's officers and implementing units/agencies
- 2. Duration: 72 months
- **3. Location:** RPMOs and DA-RIUs with domestic travel to project sites.

4. Specific Responsibilities:

- **4.1. Planning,** He/she shall support the preparation of the Regional AWPBs based on the planning guidelines and tools prepared by the CPMO. He/She shall provide technical assistance to the regional team and Project implementers in coming up with evidence-based planning exercise.
- **4.2. Monitoring & Evaluation**. He/she shall ensure the effective and efficient monitoring and reporting project accomplishments and results at the PPMOs and EARCCs. He/she shall prepare a regional M&E operation plan based on the Project's M&E plan, and in close coordination with the Deputy Project Manager and other key staff, he/she shall ensure the implementation of regional Project's M&E plan and the administration of the M&E/MI systems. The specific roles and tasks include the following:
 - Ensure the functionality of project monitoring and evaluation systems at the RPMO and PPMOs to regularly monitor and evaluate the physical and financial progress of the project, progress in achieving the project's results (outputs, outcomes, impact) and changes in external conditions/factors that affect likelihood in achieving the project's objectives at the regional level based on the regional MYPB and AWPB.;
 - Supervise and coach on the implementation of the SECAP and GESI-responsive M&E system/plan aligned with the target indicators and outcomes of the Project's Logical Framework and closely work with the SECAP Specialist and Gender and Social Inclusion Associate in mainstreaming SECAP and GESI-responsive indicators and data in the conduct of project activities and in the analysis and reporting of data/information.
 - Ensure the functionality of reliable databases at the regional and provincial levels that will include gender disaggregated data for timely storage and retrieval of data on sub-project investments, ARCs, EARCCs. VPOs, and other data required;
 - Assist in the evaluation of the performance of partner institutions and staff implementing the project, other implementing agencies and service providers;
 - Assist in the conduct of the project baseline study, interim results monitoring surveys (e.g. annual outcome surveys, project completion surveys and other studies e.g. case studies) and end-line surveys to measure outcomes/interim impact, capture good practices and generate lessons learned; and such he/she will work closely with IFAD to ensure that such surveys are consistent with the IFAD's COI;
 - Assist in the conduct M&E capacity building and technical skills enhancement programs for Provincial Project Management Offices (PPMOs) and implementing agencies and partners down to EARCC levels;
 - Prepare and submit regional project status and accomplishment reports on a monthly, quarterly and annual basis taking into consideration the required reports from DAR FASPO, DA, oversight agencies and IFAD;
 - Provide timely feedback to the RPMO, RCCs and other management teams to guide project management's operational decisions;

4,2, **Knowledge Management**. In coordination with the Senior M&E/KM Officer and other key project staff, he/she will be responsible preparation and implementation of KM action plan, development of knowledge products and IEC materials in various communication platforms.

- Prepare a KM action plan implement this plan in coordination with the RPMO key staff, PPMOs and other implementing agencies/partners at the regional level;
- Contribute to the administration of project website that is aligned with the DAR's website;
- Promote knowledge sharing activities among project staff and other stakeholders at the regional and provincial level to improve project implementation;
- Actively participate in the generation of knowledge products on natural resources and responsible VCs for policy engagement;
- Actively participate in knowledge sharing activities initiated by the IFAD Philippines Country Programme and the Asia Pacific Regional Division.
- •

5. Qualifications

- A Bachelor's degree holder in planning, public administration, or relevant course; masters in relevant course, an advantage
- At least three years' experience in the monitoring and evaluation of rural development projects in the public, private or NGO sectors and have at least three years managerial work experience;
- Proven experience in administering monitoring and evaluation system, management information system/data base in rural development projects;
- Must be computer literate, have documentation, analytical and report writing skills;
- Have excellent communication skills, interpersonal and teamwork abilities, including proven ability to work cohesively with senior officials and international consultants.

Terms of Reference (ToR) for Technical Partner

1. Background: To support the capacity development of implementing partners and prepare all necessary technical documents, including comprehensive needs assessment identifying any knowledge gaps and necessary resources.

- **2. Position:** VISTA Technical Partner
- **3. Duration:** Year 1: 6 months Year 2-4: 12 months x 3 years
- **4. Location:** [Home Location], with potential domestic travel to project sites.

5. Key Responsibilities:

Assessments:

- Lead the preparation of specialized studies that focus on integrated planning, feasibility assessment, and investment prioritization.
- Responsible for quality assurance of technical studies prepared as part of Component 1 ensuring that the studies are comprehensive and targeted.
- Facilitating farmer registrations and training on interpreting this climate data will be prioritized. In collaboration with GIS specialists and IT experts, producing mapping and integration of findings of targeted studies into a central database.

• Review findings into comprehensible thematic geospatial maps and lead validation with communities and IP groups. These will then be digitized to form a user-centric database, aimed for the usability of VISTA stakeholders.

Capacity Building:

- Organize and facilitate thematic technical workshops, which will be organized periodically, based on the capacity needs assessment prepared by the TP and technical areas covered by VISTA.
- The technical partner will be responsible for ensuring seamless coordination between implementing partners through collaborative capacity building and targeted technical training.
- Training sessions for DAR and DA staff on the interpretation and optimal use of this data will round off the processes under this sub-component.

Monitoring & Reporting:

• Oversee compliance, providing regular updates to the PMU and ensuring alignment with IFAD's requirements.

Stakeholder Engagement:

• Collaborate with governmental agencies, environmental organizations, community leaders, and other stakeholders, ensuring harmony with broader social, environmental, and climate objectives.

6. Qualifications:

- A Master's degree (or higher) in Environmental Science, Data Management, Climate Change, Project Management or a related discipline.
- At least 7 years experience in training and capacity development for government and international agencies in the areas outlined below
- Geospatial Mapping: Demonstrated proficiency in preparing thematic geospatial maps, including land use mapping, crop-site suitability assessment, hydrological assessments, protected area mapping, climate vulnerability mapping, and related assessments.
- Data Analysis & Management: Expertise in analysing large datasets, digitizing data into user-friendly databases, and implementing quality control measures to ensure data accuracy and integrity.
- Satellite Imagery: Experience with high-resolution satellite imagery and platforms like the EU financed Copernicus initiative or similar.
- Experience in community consultation and participatory engagement in thematic studies
- Familiarity with local and international social, environmental, and climate regulations and norms.
- Robust analytical, communication, and stakeholder engagement skills.

Terms of Reference (ToR) for a SECAP Specialist for the Project

1. Background: To ensure the project's undertakings align with IFAD's rigorous standards, a specialist familiar with IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) is essential.

- **2. Position:** IFAD's SECAP Specialist
- **3. Duration:** Year 1-2: 12 months Year 2-4: 3 months intermittent
- **4. Location:** [Project Location], with potential domestic travel to project sites.

5. Key Responsibilities:

• Strategic Planning: Formulate, execute, and periodically revise the project's SECAP in alignment with IFAD's standards.

- Assessments: Lead social, environmental, and climate impact assessments for proposed project interventions to ensure they meet IFAD's SECAP criteria.
- Capacity Building: Facilitate workshops and training sessions for project stakeholders on IFAD's SECAP, enhancing their understanding and implementation capacity.
- Monitoring & Reporting: Oversee SECAP compliance, providing regular updates to the PMU and ensuring alignment with IFAD's requirements.
- Stakeholder Engagement: Collaborate with governmental agencies, environmental organizations, community leaders, and other stakeholders, ensuring harmony with broader social, environmental, and climate objectives.

6. Qualifications:

- A Master's degree (or higher) in Environmental Science, Social Development, Climate Change, or a related discipline.
- At least [X years] of hands-on experience with IFAD's SECAP or similar international standards.
- Demonstrable expertise in social, environmental, and climate impact assessments.
- Familiarity with local and international social, environmental, and climate regulations and norms.
- Robust analytical, communication, and stakeholder engagement skills.

Terms of Reference (ToR) for a Senior Forester for the Project

1. Background:In light of the pressing challenges of climate change and the importance of sustainable natural resource management, the project recognizes the need for expertise in forestry. Thus, the role of a Senior Forester is paramount to enhance our endeavors in agroforestry, reforestation, ANR, and enrichment planting.

2. Position: Senior Forester

3. Duration:

Year 1: 6 months Year 2-4: 12 months x 3 years

4. Location: [Project Location], with the possibility of travel to forested sites and project locations.

5. Key Responsibilities:

- Planning and Design: Aid in the comprehensive planning, feasibility studies, and blueprint design for reforestation, agroforestry, ANR, and enrichment planting projects.
- Mapping and Biodiversity Assessment: Oversee and conduct site mapping, biodiversity evaluation, and terrain analysis, ensuring projects align with local ecosystems and maximize biodiversity benefits.
- Monitoring & Evaluation (M&E): Regularly inspect project sites, evaluate the progress and health of planted areas, and recommend course corrections as necessary.
- Technical Support: Provide technical expertise on SALT/Agroforestry techniques, ensuring the project's forestry initiatives meet industry best practices.
- Stakeholder Engagement: Collaborate with local communities, environmental bodies, and governmental agencies to harmonize project objectives with broader forestry and environmental goals.
- ٠

6. Qualifications:

- A Bachelor's degree or higher in Forestry or a related discipline.
- A licensed Forester, with at least 5 years of experience specifically in reforestation planning.
- Extensive knowledge in natural resource management and the implications of climate change on forestry.
- Proven expertise in SALT/Agroforestry techniques.
- Strong analytical, communication, and collaborative skills.
- •

Terms of Reference (ToR) for an Agricultural Engineer for the Project

Background: Amidst the challenges of climate change and to support sustainable agricultural productivity, the project underscores the need for specialized expertise in soil and water conservation technologies. The role of an Agricultural Engineer will be pivotal in ensuring sustainable water management practices and enhancing soil conservation.

Position: Agricultural Engineer (Ag Eng)

Duration:

- Year 1: 6 months
- Year 2-4: 12 months x 3 years

Location: [Project Location/Country], with potential field visits to agricultural sites and other project locations.

Key Responsibilities:

- Planning and Design: Aid in the comprehensive planning and design of soil and water conservation systems, ensuring they meet the unique needs of each project location.
- Mapping: Oversee and conduct mapping activities, analyzing terrains and identifying optimal sites and methods for water storage, irrigation, and soil conservation.
- Feasibility Studies: Undertake feasibility studies to ensure the proposed conservation technologies are viable, cost-effective, and sustainable.
- Technical Guidance: Provide expertise on state-of-the-art soil and water conservation technologies, ensuring the integration of best practices into project implementations.
- Collaboration: Work closely with other experts, stakeholders, and local communities to ensure the efficient use of water resources and preservation of soil quality.

Qualifications:

- A Bachelor's degree or higher in Agricultural Engineering or a related field.
- Licensed as an Agricultural Engineer.
- A minimum of 5 years of professional experience, with a specific focus on irrigation and water distribution systems.
- Extensive knowledge of soil and water conservation principles and technologies.
- Proven analytical, communication, and collaborative skills.

Rural Finance Service Provider Guidelines: (brief description to be detailed further in PIM and as an RFP at start up)

1. Project Description Background

For the purposes of expanding outreach (depth and breadth of investments) and ensuring sustainability of these investments in a diverse financial sector environment, VISTA will develop a comprehensive rural finance strategy which will address the fact that despite the numerous (mostly government) lending and insurance programs (through public sector financial institutions, rural banks and others), there remains significant agribusiness and agriculture investments that are not able to access credit. This gap between the supply and the demand is for both investment credit and to a lesser degree input credit. This fact is confirmed in the specific experiences of farmer members and their organizations in the

Converge and RAPID projects. The strategy and its implementation will be developed by an external service provider, guided by DAR's Rural Credit and Microfinance Division (RCMD) and the PIM, and be structured to be opportunistic rather than dogmatic in its approach. The use of an external service provider mirrors the recent redesign of RAPID's Access to Rural Finance activities, after MTR illustrated its access to finance weaknesses.

2. Objective

The objective of the services to be provided will be to a) develop and implement a strategy to leverage the capacities, the assets and the opportunities of project qualified VPOs, Smallholders and where qualified, MSMEs to increase access to financial services, predominantly credit, but also guarantees, savings, insurances, remittance-based product and others.

- 3. Proposal Considerations:
- 1. The strategy will have four closely related elements to address the identified demand and supply constraints for rural finance: DEMAND 1. Facilitate linkages of VPOs, MSMEs and producers to financial institutions providing credit and insurance products 2. Business and financial literacy and capacity building for farmer members, VPOs and MSMEs in the VC. SUPPLY 3. Development of wholesale and retail accessible financial products (not limited to credit) with financial institutions, utilizing complementary and alternative collateral and risk sharing instruments and partnerships, including private sector through VC co-finance and customized to the VISTA market demand, including green investments, investments by IPs and women led investments. 4. Improve outreach and footprint of partner financial institutions, utilizing VC actor/VPO marketing, screening and delivery mechanisms including supporting ICT4D designed to improve outreach, reduce costs and minimize risks. Underpinning this strategy will be the assumption that the project is building good businesses and therefore attractive investment/lending opportunities.
- 2. The strategy will include the possibility (in conjunction with financial institutions) to jointly capitalize and strengthen the ability for qualified VPOs to onlend to farmer members, drawing from some success with CONVERGEs pilot. Project funds will be extended to VPOs that have or are willing to establish a revolving credit fund. VPOs would then augment the revolving fund to enhance their capacity to on-lend to farmer members under agreed VPO lending criteria to ensure reflows for future lending. Based on the CONVERGE experience with PCF, the revolving fund will only be established at VPOs through a qualified partner financial institution (PFIs i.e. banks, MFIs) and after VPOs complete necessary assessment and financial trainings conducted by the financial intermediaries. Any remaining balance of the grant portion of the related portfolio will be transferred to the VPOs' retained earnings ledger upon project completion.
- 3. The rural finance strategy will also include the development and Piloting of Financial Instruments for more effective use of matching grants mechanism, addressing both the need for capitalization and improve ability to leverage additional finance.
- 4. As part of the rural finance strategy development, a market intelligence study for demand and supply for these financial products will test VPOs, producers and financial institutions for interest, structure and leveraged value for loan and collateral requirements.
- 5. The strategy's implementation will have 4 phases:
 - A. Diagnostic
 - B. Workplan Phase
 - C. Implementation
 - D. Monitoring and Evaluation
- 6. Essential Qualifications of the Rural service provider would be: The entity must be registered under the legal framework of the Philippines Qualifications for Bidders: The bidder may be a private sector firm, a financial organization, an NGO, or an accredited education institution. It may be an independently operated and audited government-owned corporation not a public operated government entity.

Past relevant experience of at least seven years of working in the rural finance, specifically agriculture and value chain finance communities and commodities. The entity must have worked with financial institutions (preferably a broad range of rural based or rural focused financial organizations and/or institutions, both commercial and public sector financial organizations. Exceptionally credible new entities with less than five years' experience can also be considered. In such cases, experience of its principal leadership team in rural agrifinance related to relevant value chains would be considered. Desirable Qualifications of FM would be: Past relevant experience in facilitating access to finance for producer organizations and agri-entrepreneurs. Past relevant experience in technology identification, locating technology service providers, organizing training sessions, acquisition of technology for clients in agriculture sector. Past relevant experience in project/business performance tracking and development of operational manuals for different types of entities. Past experience in the development of farmer organizations to deliver credit to members.

Proposals will be graded as to the experience and qualifications of the bidders and evaluated against a weighted scoring system. (scoring system to be outline in RFP but should include):

- a. Experience in delivering training and facilitation, product development and technical assistance to financial organizations and institutions.
- b. Experience in delivering training and technical assistance for producer organizations to deliver credit.
- c. Experience in working in the agriculture finance sector and/or value chain finance sector.
- d. Experience in managing high impact, high performance technical services
- e. Previous experience in working with financial organizations to deliver green finance, inclusive of new technologies.

VPO Capacity Building Service Provider Guidelines

Vista project staff will develop guidelines and Terms of References for service providers who will be contracted to help VPOs develop business plans along the lines of what has been done in RAPID. VISTA national staff with STTA and in coordination with DAR's Bureau of Agrarian Reform Beneficiaries Development Division, should develop a framework/strategy for ARBO capacity building, prioritizing key investments and business lines, as a guide to both ARBO capacity building by project staff and to inform the identification and selection of qualified business development service providers.

Several modalities can be considered in packaging the capacity building assessment and implementation- as a complete assessment, planning and implementation, separating the assessment and planning development from the implementation, and breaking down the capacity building package into smaller, subcomponents i.e. training, mentoring, systems installation. Consideration will include the availability of qualified and competent providers who can take on the whole package. Other modalities include deployment of enterprise managers to be supported by the project on a gradually decreasing scale or management contracts. The project will develop a process for identifying and qualifying business development service providers, including crafting performance-oriented terms of reference. This process will build on the experience of Converge and RAPID's database of accredited business development service providers.

Implementation of the capacity building will be done in stages linked to VPO batching, the development and implementation of the agri extension and investment program (Component 2.1), installation of major investments (Activity 2.2.2) and will be captured in VPO annual workplans. One service provider will be recruited early in the project with the dual role of (1) supporting capacity development of VPOs in Batch 1; and (2) further developing procedures and working methods as a basis for recruiting up to four additional service providers based

either on groups of ARCs or specific capacity building needs (coffee processing, credit, agribusiness engineer) from Year 2 onwards.

Larger VPOs, may also receive support for professional agribusiness management officers on a declining scale to ensure sustainability of management, and in view of the likely complexity of operations and agribusinesses.

The service provider will also modify DAR and DA's current system of rating their VPOs to better reflect the trajectory of the projects, building a form of graduation methodology.

VPO-Based Agricultural Extension Brief and TOR Guidelines VISTA - VPO-Based Agricultural Extension

(TO be updated for expanded project)

Rationale:

Agricultural extension services play an important part in improving smallholder farmer productivity and incomes. Conventional training for farmers only work minimally. Farmers tend to forget what they learn in trainings and/or apply them selectively. The investment in providing on field extension services for good agricultural practices (GAP) and new technology can yield high returns because their impact on increased productivity can be exponential.

In the Philippines, the reach of public sector agriculture extension remains limited. Table 1 combines data from the 2012 Census of Agriculture and Fisheries 2012 (Decennial) and the May 2022 Agriculture Indicator System report to provide a rough indication of the extension reach. Worth noting is the low 0.027 training per farming household ratio.

Table 1 Derived Agriculture Extension Ratios

No. of Farming Households*	5,600,000
Estimated Areas in Agriculture*	7,300,000
Government Agriculture Extension Workers**	13,057
No. of Beneficiaries provided Trainings and Other related extension activities**	149,447
No. of Beneficiaries provided e-learning**	24,633
No. of Beneficiaries provided Farmers' contact Center**	3,220,925
Ave. Farming Household /Extension Worker***	429
Ave. Area/Extension Worker***	559
Trainings/Farming Household***	0.027

*Census of Agriculture and Fisheries 2012 Phil. Statistics Authority (Decennial Survey)

** Table 6a. Agriculture Indicator System. Philippine Statistics Authority. May 2022. Beneficiaries are not unique individuals

The Philippines' Local Government Code has also devolved agriculture extension together with many other functions to the municipal level in an effort to make these services more responsive. As a result, both the Dept.of Agriculture and Dept. of Environment and Natural Resources only have personnel up to the Regoins. However, the limited resources of municipalities constrain their ability to effectively carry out their agriculture extension role. A cursory review of the he Dept. of Budget and Management Local Budget Memorandum No. 82 June 14, 2021 Guidelines on the Preparation of FY 2022 LGU Annual Budgets will lead to the conclusion that agriculture extension will have to compete with many other priorities.

Past IFAD value chain projects (Converge and RAPID) aimed at improving smallholder incomes through increases in agriculture productivity of selected commodities (including coffee and

cacao). The projects provided investments in inputs (seedlings, fertilizers), tools for rehabilitation of existing crops, and extension services. Extension services were provided primarily through engagement with government agencies (DA, LGUs), non-government organizations, and private extension providers (Nestle, Kennemer) and aid agency funded programs (USAID funded Philcafe). While such approaches/arrangements leveraged the project investments, Outreach and sustainability continue to be limited by the capacities of the partners and may not be sustained, particularly for aid funded projects. In order to improve the outreach, effectiveness, efficiency and sustainability of agriculture extension which is an important complement to project investments in other inputs, VISTA proposes to invest in setting up an extension system in farmer organizations/cooperatives (Agrarian Reform Beneficiary Organizations. The system will serve as a channel for delivering extension services to farmer households and a channel for gathering feedback and information from farmer households.

This system builds on the LARBO-ARBO model that was developed under CONVERGE. Several small Agrarian Reform Beneficiary organizations consolidate farm produce from their members and sell the consolidated produce to Large Agrarian Reform Beneficiary Organizations. Depending on the commodity, these LARBOs trade the consolidated produce or do further processing and sell to downstream players in the value chain. The basic business model is for ARBOs and LARBO to charge a fee that is enough to cover the cost of the services they provide.

The design and implementation of the ARBO-based extension system will be contracted to Agricultural State Universities/Colleges in CAR and Region 12.

The scope of the design work includes: Extension Models, Model Farming Systems, expected outcomes, outputs, activities, implementation and sustainability plan, design and testing of training and extension modules, extension modalities, monitoring and evaluation and indicative budget.

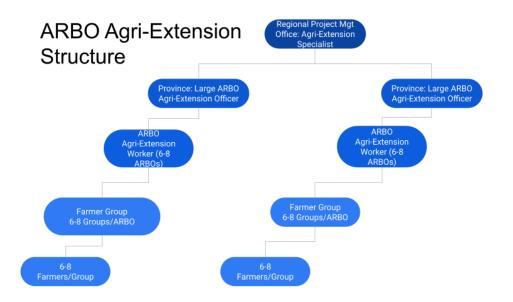
Design to include qualifications, selection criteria and selection process, compensation and incentive schemes, work schedules, performance assessment of agriculture extension officers and volunteer extension workers.

Training and extension topics include Climate Smart Agriculture, Good Agricultural Practices (coffee and cacao), natural resource management (topics to be specified), farm planning and budgeting, household budgeting, financial literacy, gender sensitivity.

This outsourcing arrangement can result in creating effective delivery mechanisms for agri extension, develop ARBOs capability to cascade acquired extension services to their members, and evolve a local market for extension services that can flourish after project ends.

Figure 1 below shows the structure of the ARBO based extension system. The State Agriculture College will have full time agri-extension specialist. He/She supervises around 4 to 8 agricultural extension officers- depending on the number of LARBOs in the region. And will also be supported by a team of agriculture technical experts in various related fields. The agriculture extension officers that are to be hired and employed by Large/more established Agrarian Reform Beneficiary Organizations or cooperatives. Smaller ARBOs designate a volunteer extension worker. Each ARBO based extension worker oversees 6 to 8 groups of farmers. Farmer group size can range from 5 to 10 or more members.

The State College Based Agri-extension specialist will train and develop the LARBO based agriculture extension officers. The agriculture extension officers will in turn train the ARBO based volunteer extension workers.



Estimated Budget

The budget for the ARBO based extension model is based on a reach of 8 LARBOs, 64 ARBOs and 5,120 ARBs (Table 2).

The total estimated budget for the extension system is php 36.840 million (Table 3). This is about 3.5% of the estimated total budget of php 1.045 billion available for Component 2. (From the PCN -Component 2 total IFAD Loan portion is USD 27 million. Less USD 8 million for farm to market roads = USD 19 million x php 55/USD). The extension budget is about 41% of the estimated rejuvenation and expansion budget assuming 1 HA/ARB and with the 5,120 hectares divided equally between rejuvenation and expansion.

The project will invest in the design of the extension system, and invest in the full-time agriculture extension specialist to be hired by the State Agriculture University.

The project will also invest in the LARBO's agriculture extension officer with a decreasing or sliding support (See Table 3c, 3d, 3e). The cost of supporting the agriculture extension officer will be shared by the LARBO and the participating ARBOs in the cluster/chain. It is expected that the increase in revenues from the farmer/ARBO/LARBO expanded activities arising from project interventions should be more than sufficient for the LARBO to sustain employing a full time agri-extension officer.

Table 3 e shows that each ARBO (assuming 64 ARBOs) will shoulder php 51,250 at year 6 - bearing the full cost of the agriculture extension officer. Each ARB (assuming 80 members/ARBO) will pay php 641 for the full cost of the agriculture extension officer. For comparison, the Coffee RoadMap p.31 (verify) estimates a net return of php 39,500 per 1000 kg of GCB/HA (or 2 kg/tree x 500 trees/HA).

LARBOs will be encouraged to hire youth as their agri-extension workers. Table 2 provides the various staff to outreach ratios and targets an outreach of 5,200 ARBs. Table 3 estimates the total budget for the agri-extension system

Tab	ble	2:	Estimated	Reach

No. of LARBOs (@ 1 per province)	8
No. of ARBOs	64
No. of Agri Extension Officer/LARBO	1

No. of Agri Extension Officers	8
No. of Volunteer Extension Workers/ Agri Extension Officer	8
No of Volunteer Extension Workers	64
Volunteer Extension Worker/ARBO	1
No. of Groups/Volunteer Extension Worker	8
No. of Members/Group	10
No. of Members/Volunteer Extension Officer	80
Total NUmber of members served	5,120

Table 3 Indicative Budget for Design and Implementation of ARBO Extension System (AgSUC) + LARBO Extension Worker Subsidy (php x 1000)

ARBO Based Extension System Design (One time)	2,000
Model Integrated Farming Systems Design and Establishment (2 models/province x 4)	2,000
ARBO Based Extension System Implementation (Budget for 6 Years)	
Agri Extension Specialist and Technical Team (Table 3 a)	7,440
Training and Workshops (Table 3 b)	2,880
Total/Region	14,320
No. of REgions	2
Total for 2 Regions	28,640
LARBO Extension Worker Subsidy (for 8 Extension Workers for 6 years (Table 3c and 3d)	8,200
Total	36,840

Table 3 a - Agriculture Extension Specialist and Subject Matter Specialists Budget (php)

Salary/Month of Supervisor (Lodged at Agricultural College)	40,000.00
Annual (13th month plus SSS etc) x 14 mos/AEO	560,000.00
Transportation Allowance/month	5,000.00
Annual Transportation Allowance	60,000.00
No. of Supervising Extension Officers	1.00
Project Total/Year	620,000.00
Subject Matter Specialists on Call	620,000.00
Total/Year	1,240,000.00
Total for 6 Years	7,440,000.00

Table 3b Training and Extension Budget

	Number		No. of Trainings/Year	Budget/Training/Batch	Total Training Budget/Year x php 1000
Training of Agriculture Extension Officers	4	4	12	20,000	240
Training of Volunteer Agriculture Extension Workers	30	30	12	20,000	240
				Per Year	480
				6 Years	2,880

Table 3 c Estimated Salary of Agriculture Extension Officer (php x 1000)

Salary/Month of Agriculture Extension Officer	25
Annual (13th month plus SSS etc) x 14 mos/AEO	350
Transportation Allowance/Month	5
Transportation Allowance/Year	60
Total Monthly Cost	34
Annual Cost	410
No. of AEWs	8
Project Total/Year	3,280
No. of Years	6
Total Project Cost for Agriculture Extension Officer	19,680

Table 3 d Schedule of Project Share vs. LARBO Share in Agri extension Officer Salary (php x 1000)

	Project Share	Project Grant	LARBO Share	Total
Year 1	90%	2,952	328	3,280
YEar 2	70%	2,296	984	3,280
YEar 3	50%	1,640	1640	3,280
YEar 4	30%	984	2296	3,280
YEarr 5	10%	328	2952	3,280
Year 6	0%	0	3280	3,280
Total		8,200	11,480	19,680

Table 3e Estimated Cost of ARBO Share in Agriculture Extension

	No. of ARBOs	Cost/ARBO (of ARBO Share)	No. of ARBs	Cost/ARB (of ARBO Share)
Year 1	64	5,125	5,120	64
YEar 2	64	15,375	5,120	192
YEar 3	64	25,625	5,120	320
YEar 4	64	35,875	5,120	448
YEar 5	64	46,125	5,120	577
Year 6	64	51,250	5,120	641

Table 4: Estimated Project Investment in Inputs for Rejuvenation and Expansion (php x 1000)

	Cost/HA	No. of HA	Total Cost
Rehab Tools Cost/HA	10	2,560	25,600
Seedlings/Fertilizers/HA (@ 600 hills /HA)	25	2,560	64,000
Total			89,600

Terms of Reference: Senior Rural Infrastructure Engineer (SRIE)Duty Station: VISTA Regional Project Management Office (RPMO)Responsibilities and Scope of Work:

The **Senior Rural Infrastructure Engineer (SRIE)** shall be locally contracted and would be based in each RPMO of CAR and Region 12. He/she would manage in accordance with the Project's Operations and Implementation Manual the VC-related infrastructure under sub-component 2.3 of VISTA and be responsible for all matters related to the implementation of this sub-component. He/she shall also extend assistance to the DA RIU BSWM focal person and DA RFO RAED in the management and implementation of the NRM-related infrastructure under sub-component 1.2.

Specifically, and together with the DA BSWM and DA RFO RAED, he/she would:

- 1. Conduct a thorough evaluation of relevant LGUs to determine their eligibility for project support in relation to their technical, administrative and financial capacity to implement proposed VC and NRM-related infrastructure activities;
- 2. Review specifications for VC-related infrastructure works and assist DA BSWM and DA RFO RAED in reviewing NRM-related infrastructure works and prepare and agree on standard designs and specifications for use by MLGUs and VPOs;
- 3. Define the scope and purpose of the standard work items to be undertaken by MLGUs;
- 4. Check, review and evaluate detailed engineering plans, design, drawings, PERT/CPM, Gantt Chart and S-Curve, detailed estimates and programs of work submitted by the MLGU and

recommend such for funding and project inclusion. Otherwise, return all documents to its origin for modification, correction or revision as the case may be;

- Establish mechanisms and standard costs to be used in determining the work item unit costs that would be used as the means to release funds to MLGUs for completed work and establish procedures for approving variations in planned work and resolving claims for extra payments;
- 6. Review contractors' claims for additional payments, extension of time or other such claims and make recommendations on appropriate actions to be taken;
- 7. Propose revision, where necessary, to procedures, standard specifications and work item unit cost calculations;
- 8. Review, analyze and evaluate periodic reports of sub-projects implementation as submitted by the MLGU through the PPMO, conduct field inspecton if necessary and recommend solutions to problems encountered; and
- 9. Review Sub-Project Completion Reports (SPCR), conduct final field inspection with the inspectorate team, assist in the preparation of final inspection report and recommend turnover of completed facilities to the MLGU and/or VPO.

The **Senior Rural Infrastructure Engineer** would work closely with DAR RSSD, DA BSWM focal person, DA RFO RAED, MLGUs, NIA if needed, Central and Provincial Project Management and Coordination Offices/Units of DAR and DA in all aspects of the project, and ensure that competitive bidding and other contractual procedures conform with the requirements of R.A. 9184 and IFAD. He/she would report directly to the VISTA DAR RPMO Regional Director.

Qualification Requirements:

The **Senior Rural Infrastructure Engineer (SRIE)** would hold a professional qualification in civil engineering and be a member of the Philippine Institute of Civil Engineers (PICE). He/she would have at least five (5) years experience of implementing rural infrastructure in collaboration with Municipal Local Government Units including design, construction and maintenance of PCCP roads, gravity and drip irrigation schemes, streambank and slope protection works, and post-harvest facilities (dryers, warehouses, processing centers), and ability to impart knowledge and train technical staff in all phases of rural infrastructure development. He/she should also have adequate knowledge and experience in climate proofing infrastructures and carrying out these works without adverse effect to the environment. The SRIE would have technical and administrative experience on civil works undertaken by private contractors and communities as well as adequate knowledge of R.A. 9184, evaluation of construction and maintenance of infrastructure projects. The SRIE would be engaged on full time basis for the six (6) year period of the project.

Terms of Reference:Senior EconomistDuty Station:VISTA Regional Project Management Office (RPMO)Responsibilities and Scope of Work:

The **Senior Economist** shall be locally contracted and would be based in in each RPMO of CAR and Region 12. He/she would manage in accordance with the Project's Operations and Implementation Manual the review of VC-related infrastructure sub-project proposals and feasibility studies under sub-components 2.3 of VISTA and be responsible for all matters related to the financial and economic appraisal of this sub-component. He/she shall also extend assistance to the DA RIU BSWM focal person and DA RFO RAED in the review of project proposals of the NRM-related infrastructure under sub-component 1.2. Specifically, he/she would:

- 1. Evaluate and assist the MLGU staff particularly the Municipal Planning and Development Officers (MPDOs) and ensure they have the capacity to prepare sub-project proposals for both the NRM and VC-related infrastructures and feasibility studies for the proposed standard FMRs;
- 2. Set up investment benchmarks to be used in initial sub-project screening for different types of investment and establish detailed models and working procedures in coordination with the Sr. RIE, DA BSWM, and DA RFO RAED and ensure that MLGUs are clearly aware of the methodology used in both NRM and VC-related sub-project evaluation;
- 3. Establish and disseminate a set of procedures (in line with the Operation and Implementation Manual) to ensure an orderly and timely flow of sub-component investment proposals;
- 4. Together with the Sr. RIE, DA BSWM, and DA RFO RAED, agree on a series of time-bound processing targets for sub-projects' appraisal process;
- 5. Conduct thorough review and evaluation of NRM-related sub-project proposals with DA BSWM and DA RFO RAED and VC-related sub-project proposals and feasibility studies with the Sr. REI of documents submitted by MLGUs and conduct field appraisal visits if necessary;
- 6. Undertake thorough review and evaluation of Cost-Benefit-Ratio (CBR) of sub-project proposals and Economic Internal Rate of Return (EIRR) of proposed FMRs focusing on the assumptions and calculation of costs and benefits;
- Prepare documents and recommend feasible sub-projects for deliberation by the Regional Coordinating Committee prior to endorsement to the RPMO or CPMO for final approval and uploading to NOTUS for IFAD NO;
- 8. Arrange orientations, seminars, trainings, and coaching schedule for the MLGUs and partner agencies in Sub-Project Proposal (SPP) and Feasibility Study (FS) preparations.

The Senior Economist shall work closely with the DAR RSSD, Sr. RIE, DA BSWM focal person, DA RFO RAED, MLGUS, NIA if needed, Central and Provincial Project Management and Coordination Offices/Units of DAR and DA in all aspects of sub-project proposal and feasibility study preparation, review and evaluation. He/she would ensure that sub-project proposal and FS documents have incorporated social and environmental safeguard measures as well as climate change considerations. He/she shall also maintain contact with both public and private sector agencies involved in rural economic and development activities and ensure the flow of up-to-date information which would be necessary to guarantee the quality of the sub-project appraisal process. He/she would report directly to the VISTA DAR RPMO Regional Director.

Qualification Requirements:

The **Senior Economist** would either be an economics or engineering graduate with strong background in agriculture economics or agribusiness with training and experience in economics and environment. He/she would be a university graduate and preferably would have at least five (5) years "hands on" professional experience in Financial and Economic Analysis (FEA), investment project proposal or feasibility study preparation and appraisal.

Terms of Reference Gender and Social Inclusion Officer (GSI)

VISTA PMU will ensure adequate human and financial resources are allocated to drive the successful implementation of the gender and social inclusion (with particular emphasis on Indigenous Peoples and youth engagement and empowerment) activities of the programme. In this regard, VISTA will recruit full time regional Gender and Social Inclusion officers at the regions, as well as appoint a Gender and Social Inclusion focal point at community levels in addition to the Sr. National Gender and Social Inclusion Officer at PMU level.

The Regional GSI Officer will be 100% dedicated to VISTA roles and responsibilities on gender and social inclusion, as follows.

Roles and responsibilities

The GSI Officers will be responsible to coordinate and facilitate the implementation of the gender transformative programming, IPS engagement, youth inclusion interventions defined in the programme at national, provincial and community levels. She/he will work closely with the Sr. National GSI Officer at PMU level, IFAD country team, IFAD Gender and Social Inclusion specialists (regional), to ensure the operationalization of gender transformative programming, IPS and youth mainstreaming in the project investments.

Under the general supervision of the Sr. National GSI officer and regional project coordinators, the project regional GSI Officers will perform activities in five main areas to mainstream gender and social inclusion:

Project Implementation:

- Advise and support the provincial coordinators, other members of the PIU and field officers in the effective mainstreaming of targeting, gender and social inclusion in project activities.
- Support the Sr. National GSI officer to conduct the analysis of gender and social inclusion situation in the project locations, tailor the project's gender and social inclusion strategy and develop the action plan (that needs to be updated regularly) in coordination with the other PMU experts
- Support the National GSI officer to facilitate the implementation of the gender transformative programming, youth inclusion activities in close collaboration with relevant stakeholders (e.g., provincial, zonal and community experts, national women's machineries, NGO and research partners, any other service providers)
- Support the national GSI officer to work with other PMU experts to critically review project design to see how each component and subcomponent addresses gender and social inclusion issues, and identify opportunities for strengthening implementation for a gender and social inclusion perspective
- Support the national GSI officer to review basic project implementation processes to provide feedback and suggestions on how to achieve the best possible project outcomes with respect to targeting, gender equality and women's empowerment, and social inclusion
- Support the national GSI officer to ensure that activities of the gender, targeting and social inclusion strategy are reflected in the following:
 - Preparation of the AWP/B
 - Design and implementation of the project M&E system
 - Project progress reports
 - Project supervision

M&E and Knowledge Management:

- Together with the M&E and knowledge management staff, support the national GSI officer to establish an M&E system that captures disaggregated data on gender and social inclusion (age, disability, etc)
- Document and share M&E, learning and communication products
- Support the national GSI officer to analyse data to ensure that there are no adverse impacts on target groups as a result of project implementation and suggest remedial measures if necessary

Capacity Building:

- Support the national GSI advisor to undertake regular capacity assessment on gender and social inclusion issues and provide capacity-building for staff at the field level, PMU, implementing partners and service providers

Communication:

- Liaise with the national GSI officer on questions regarding gender transformative

programing and social inclusion in implementation, knowledge sharing and other aspects

- Serve as a channel of communication between the province, project and others working on gender and social inclusion issues in government, implementing agencies, other development partners and IFAD
- Help project colleagues access the information they may need on gender and social inclusion issues and share good practices

Advocacy and networking:

- Be familiar with gender and social inclusion policies of the institutions linked to the project, including national policies and those of ministries, implementing institutions and financing agencies, including IFAD
- Establish linkages with other gender, women's or social inclusion programmes implemented by provincial and national, international and intergovernmental agencies
- Develop strategic partnership with relevant agencies from the government, CSOs, national women's machineries and other service providers engaged in gender, women's and social inclusion programmes at the provincial level
- Present evidence-based information on good practices in gender transformative programming and social inclusion in provincial forums

Qualifications and Experience:

- Undergraduate degree in social sciences, rural development or related discipline
- At least three years working experience on gender and social inclusion issues
- Experience in agriculture and rural development projects
- Experience in designing and delivering training modules
- Highly motivated and committed to gender equality and social inclusion
- Working knowledge of spoken and written English and the local language

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Terms of Reference for Senior Procurement Officer Position

Under the supervision of the Project Director and/or Project Manager:

- 19. In general, in close coordination with RPMO Procurement Associates, provide strategic and operational guidance and assistance to different project procuring entities.
- 20. In collaboration with RPMO Procurement Associates review project wide Procurement Plan in the IFAD OPEN(Online Procurement End to End system).
- 21. Monitor implementation and primarily responsible for project wide contracts management.
- 22. Ensure timely updating of data in IFAD Client Portal Contract Management Tool(ICP-CMT)
- 23. Provide technical assistance to project procuring entities in the preparation of draft bidding documents including technical specifications of goods and terms of reference for consulting services ensuring compliance with national procurement law consistent with IFAD Project Procurement Guidelines.
- 24. Conduct initial review of proposed bidding documents, bid evaluation reports, draft contract in procurement packages subject of request for IFAD No Objection as per applicable Project Procurement Arrangements Letter.
- 25. Assist the procuring entities of the VISTA Project in the preparation of the PPMP and consolidate and prepare the GoP Annual Procurement Plan (APP) taking into account the type of procurement per item and threshold requiring prior review;
- 26. Upload the approved APP in GoP format to the PhilGeps;
- 27. Evaluate and assess every item in the APP i.e. services, goods and works, and ensure the procurement of the same within then timelines in close coordination with the procuring entity;
- 28. Assist the Senior Rural Infrastructure Engineer in the review, evaluation, procurement and monitoring of the FMR Infrastructures to be procured by the LGU;
- 29. Assist project proponents of Matching Grants in their procurement process, i.e. procurement recording/documentation, identification of suppliers, conduct due diligence and evaluation of supplied items among others. Ensures that the procurement process are completed within the timelines as agreed.
- 30. Maintain and update procurement records and stock inventory and indicating therein re-order points to ensure availability of needed office supplies;
- 31. Monitor, assess and ensure that all project procurements abides with existing national procurement regulations and procedures;
- 32. Require procuring entities to retain electronic copies of all project wide procurement documents for IFAD review.
- 33. Review purchase contracts and provide recommendation to management;
- 34. Conduct field visits to monitor, evaluate, conduct physical check and assess procurements process, records and stock inventories at the RPMO level to ensure compliance to existing rules and standards;
- 35. Prepare Monthly Calendar of activities and Monthly Accomplishment Report of the Unit assigned and attend meetings to represent project office as required;
- 36. Performs other duties and responsibilities that may be assigned by the Project Director/ Project Manager.

Qualification Standard:

- Education: Bachelor's degree in either Accounting, Economics, Marketing, Public Administration, Engineering or other related discipline. Master's degree or units earned is preferred.
- Experience: At least four (4) years in position/s involving the procurement process, contract management between the suppliers, with background in project development, and evaluation, preferably in foreign assisted projects implemented by an economic government agency.
- Training: At least twenty-four (24) hours of training in planning and procurement, project development, coordination or related field.

Competency:

- Knowledgeable in Philippine Government Procurement processes (RA 9184)
- Knowledgeable in the procurement processes and tools from selecting vendors / due diligence, establishing payment terms, strategic vetting, selection, the negotiation of contracts and actual purchasing of goods;
- Experience in the preparation of AWPB, APP, PPMP, and the competitive bidding process;
- Knowledgeable in Microsoft Office (Word, Excel, and Powerpoint)

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Terms of Reference for Procurement Associate Position

Under the supervision of the Regional Project Director and/or Deputy Project Manager:

- 37. In general, in close coordination with the PMU Senior Procurement Officer, provide strategic and operational guidance and assistance to different procurement activities of the RPMO/RIU/PPMO.
- 38. In collaboration with the PMU Senior Procurement Officer review region wide Procurement Plan before submission in the IFAD OPEN(Online Procurement End to End system). Respond to requests for information forwarded in IFAD OPEN.
- 39. Monitor contract implementation and primarily responsible for RPMO/RIU wide contracts management.
- 40. Ensure timely updating of RPMO/RIU data in IFAD Client Portal Contract Management Tool(ICP-CMT)
- 41. Provide technical assistance to project procuring entities in the preparation of draft bidding documents including technical specifications of goods and terms of reference for consulting services ensuring compliance with national procurement law consistent with IFAD Project Procurement Guidelines.
- 42. Conduct initial review, at RPMO/RIU level, of proposed bidding documents, bid evaluation reports, draft contract in procurement packages subject of request for IFAD No Objection as per applicable Project Procurement Arrangements Letter.
- 43. Assist the procuring entities of the VISTA Project in the preparation of the PPMP and consolidate and prepare the GoP Annual Procurement Plan (APP) taking into account the type of procurement per item and threshold requiring prior review;
- 44. Upload the approved APP in GoP format to the PhilGeps;
- 45. Evaluate and assess every item in the APP i.e. services, goods and works, and ensure the procurement of the same within then timelines in close coordination with the procuring entity;
- 46. Assist the Senior Rural Infrastructure Engineer in the review, evaluation, procurement and monitoring of the FMR Infrastructures to be procured by the implementing Local Government Units;
- 47. Assist project proponents of Matching Grants in their procurement process, i.e. procurement recording/documentation, identification of suppliers, conduct due diligence and evaluation of supplied items, among others. Ensures that the procurement processes are completed within the timelines as agreed.
- 48. Maintain and update procurement records and stock inventory and indicating therein re-order points to ensure availability of needed office supplies;
- 49. Monitor, assess and ensure that all project procurements abide by existing national procurement regulations and procedures;
- 50. Require procuring entities to retain electronic copies of all project region wide procurement documents for IFAD review.
- 51. Review purchase contracts and provide recommendation to management;
- 52. Conduct field visits to monitor, evaluate, conduct physical check and assess procurements process, records and stock inventories at the RPMO level to ensure compliance to existing rules and standards;
- 53. Prepare Monthly Calendar of activities and Monthly Accomplishment Report of the Unit assigned and attend meetings to represent project office as required;
- 54. Performs other duties and responsibilities that may be assigned by the Regional Project Director/ Deputy Project Manager.

Qualification Standard:

- Education: Bachelor's degree in either Accounting, Economics, Marketing, Public Administration, Engineering or other related discipline. Master's degree or units earned is preferred.
- Experience: At least four (4) years in position/s involving the procurement process, contract management between the suppliers, with background in project development, and evaluation, preferably in foreign assisted projects implemented by an economic government agency.
- Training: At least twenty-four (24) hours of training in planning and procurement, project development, coordination or related field.

Competency:

- Knowledgeable in Philippine Government Procurement processes (RA 9184)
- Knowledgeable in the procurement processes and tools from selecting vendors / due diligence, establishing payment terms, strategic vetting, selection, the negotiation of contracts and actual purchasing of goods;
- Experience in the preparation of AWPB, APP, PPMP, and the competitive bidding process;
- Knowledgeable in Microsoft Office (Word, Excel, and Powerpoint)

Terms of Reference (ToR) for Grant Approval Committee (GAC)

1. Background:

A Grant Approval Committee (GAC) will be established to ensure the transparent, efficient, and effective evaluation and approval of grant proposals.

2. Objectives of the GAC:

- To assess grant applications based on established criteria.
- To ensure that approved grants align with the project's objectives and deliver the desired outcomes.
- To promote transparency, fairness, and integrity in the grant approval process.

•

3. Key Responsibilities:

- Review and evaluate grant proposals based on the approved criteria.
- Ensure compliance with financial guidelines and ensure value for money.
- Ensure all proposals undergo the weighted scoring system and baseline screening.
- Approve or reject proposals based on merit, feasibility, and alignment with project objectives.
- Provide feedback to applicants, especially when proposals are declined, to foster learning and improvement.
- Regularly review and update the criteria and guidelines for grant approval, ensuring they remain relevant and effective.
- Ensure the timely evaluation of proposals to meet set service standards.
- Oversee the continuous improvement of the grant application and approval process.

4. Composition of the GAC:

Committee should have reps from DAR and DA and respective LGU as well as technical specialist with expertise in innovation, finance, technology (especially blockchain), environmental management, and stakeholder engagement.

5. Working Modality:

- The GAC will meet regularly, with the frequency of meetings determined by the volume of grant applications.
- Decisions will be made by consensus. If consensus cannot be reached, a voting system will be established.
- The GAC will maintain records of all meetings, decisions, and feedback provided to applicants.

6. Duration & Review:

- The GAC will function throughout the duration of the project.
- The terms of reference and performance of the GAC will be reviewed annually to ensure it remains effective and aligned with the project's objectives

Attachment 1a: AWPB Part 1

Financial year:	Indicate financial/fiscal year for the proposed budget
Planning period:	<i>Indicate which period is covered by the proposed AWP&B</i> (e.g. June 2006/May 2007)
Year of implementation	Situate proposed planning period within the overall project duration (e.g. Year 3)

Total project budget (in USD):	
Total expenditures to date (<i>in USD</i>):	

Date of loan effectiveness:	
Date of project start:	<i>Indicate date of actual start of project implementation³³</i>
Project duration:	Indicate number of years for total project duration
Date of project closing:	Indicate estimated year of project closing

Date of latest Logical framework revision	Indicate date of latest <u>approved</u> Logical framework revision
Date of baseline survey:	Indicate date when the initial baseline survey was carried out
Date of mid-term survey:	<i>Indicate date when the mid-term survey was (or will be) carried out</i>
Date of completion survey:	Indicate estimated date for carrying out the completion survey
Date of Mid-Term Review	<i>Indicate date when the Mid-Term Review was (or will be) carried out</i>
Date of Completion Review	<i>Indicate date when the Completion Review will be carried out</i>

A. Background

[This Chapter summarizes the most important external developments with a probable impact of project implementation that are to be expected over the AWP&B period. In particular, this Chapter identifies whether any Logical framework assumption is unlikely to hold true.]

 $^{^{\}rm 33}$ e.g. official date when the CPMO $\,$ was formed or first field activities implemented.

The following elements may be discussed, if relevant:

- Government policies: Indicate any upcoming change or new policies that will become effective over the AWP&B period and how they may impact on project implementation. Briefly explain the measures planned to mitigate potential negative effects or to take advantage of potential opportunities.
- Implementation arrangements: Discuss major changes in initial implementation arrangements or PMU staffing situation that are expected to take place over the next AWP&B period.
- Target Group: Indicate any changes that may become effective over the AWP&B period as regards the situation or attitude of the project Target Group (e.g. increasing reluctance of women to attend agricultural training courses). Briefly explain the measures planned to mitigate potential negative effects or to take advantage of potential opportunities.
- Production factors/local economic context: Discuss major changes in the external economic context with a probable impact on the sustainability or economic rate of return of project's investments (e.g. decline in market prices, persistent droughts in target area). Briefly explain the measures planned to mitigate potential negative effects or to take advantage of potential opportunities.

B. Achievements to date and proposed implementation focus for upcoming year

[While the detailed achievements of previous AWP&B period should be detailed in the Annual Progress Report, this Chapter provides a very rapid overview of the status of implementation of the various Logical framework Components, as a basis to then justify the choice of objectives and implementation focus for the new AWP&B period. This is done by filling the table below and providing some further textual information]

Components	% of achievement	Focus for new
	to date	AWP&B period?
	(estimation)	(Yes/No)
Component 1		
Component 2		
Component 3		
Etc.		

Table 1 - Summary of main achievements to date

• Changes in objectives: Indicate whether there are any substantial changes in objectives and physical targets for the remaining implementation period following a major change in the context or a revision of the project Logical framework during the last AWP&B period.

<u>Note:</u> If the Project Logical framework has been revised and duly approved, it should be annexed.

• Changes in implementation strategy: Briefly indicate any changes in the project implementation strategy as compared to previous year(s). Justify why these changes were required and present what are the expected benefits of this change in strategy.

C. Costs and financing

[This Chapter discusses issues related to project implementation costs and financing.]

- Costs: Highlight any major changes in unit costs due to inflation/deflation or changes in design compared to previous years and their probable impact on project budget. Indicate the manner in which these changes are being dealt with in the proposed budget (e.g. budget re-allocation).
- Financing: Indicate foreseeable issues related to the flow of funds, to the timeliness of budget approval and funds availability and to disbursement procedures for all project financiers. Suggest measures to overcome these constraints.

D. Annual Procurement

[While a detailed Annual Procurement Plan should be annexed, this Chapter presents any major changes in the overall Procurement Plan, together with justification, and highlights any difficulty that might be anticipated in the area of procurement based on previous experience and identifies mitigating measures].

- Procurement Plan: Highlight any major changes in procurement as compared to the overall, agreed Procurement Plan and provide justifications for these changes.
- Procurement process: Indicate foreseeable issues related to overly complex procurement methods or delays in tendering and related decision-making processes. Suggest measures to mitigate these constraints.

E. Expected benefits and target group outreach

[With reference to the specific criteria or thresholds³⁴ for target group identification and selection identified in the Appraisal Report, this Chapter provides information on the number of beneficiaries reached so far, by "category", and on the number of new beneficiaries who are planned to be reached this year. This is done by filling up the following table]

Target Group	Total number of	Number of	people	Total number of				
"category"	people to be reached	reached	so far	additional people				
	by the end of project	(cumulative)		expected to be				
	implementation			reached this year				
	period			(annual)				
		Total	Of which,					
		number	women					
Example:								
Landless rural	30% total target	10,000	500	2,500				
people	group	(34% total)						
Women	10% total target	1,000 (3%	1,000	500				
heads of	group	total)						
households								

³⁴ For example: the Appraisal Report may specify that the project should target 20% of landless people; 40% of very poor households and 40% of poor households, with "very poor people" being defined as people experiencing at least 4 months food insecurity per year and "poor people" being defined as people experiencing at least 2 months of food insecurity per year.

Farmers owning less than 0.5 ha of land	30% group	total	target	8,000 (27%)	NA	3,000
Farmers from ethnic minority	30% group	total	target	10,000 (34%)	2,000	2,000

F. Implementation support needs [Suggested length 0.5 page maximum]

[This Chapter presents the principal capacity gaps currently identified among the PMU staff -or any other staff from other implementing agencies- and highlights proposed mitigating measures. For measures that are beyond PMU capacities to implement or finance, the Chapter also identifies the type of implementation support that will be required from the Cooperating Institution or IFAD throughout the AWP&B period, how badly is this support needed and the best period for this support to be provided.]

Capacity gaps	Capacity o	aps and	Implementation	support requi	rements
Capacity gaps			Implementation	Support requi	rements
	proposed	mitigating			
	measures				
	Staff/persons	Proposed	Implementation	In which	When is
	in need of	capacity	support needed	specific	it
	capacity	building	from?	area is it	needed?
	building	measure		needed?	

Attachment 1b: A	AWPB Part 2	
------------------	-------------	--

		Perfor	mance	Tim	eta	ble	Respo	Imple	menta	tion Ta	rget	s		Budge	et								
		Indica		tion	1	nenta	nsible Unit/S taff		_				_				-						
	Component/Out puts/Activity	Indic	Unit of measur	-		Q Q 3 4		Appr oved	Revi sed	Plan ned	U ni	Achiev ed	Achi eved	Appr oved	Revi sed	Plan ned	Bud get	Fin iers	anc S	Spent (cumul	Spe nt		
				ator	ement					(tota I)	(tot al)	(ann ual)	t co st	(cumul ative)	(ann ual)	(tota l)	(tot al)	(ann ual)	cate gory	IF A D	G oP	ative)	(ann ual)
C1	C1 Output 1																						
	C1.Activity 1.1.																						
	C1 Activity 1.2.																						
	C1 Activity 1.2.																						
	C1 Output 2																						
C1	C1.Activity 2.1.																						
	C1 Activity 2.2.																						
	C1 Activity 2.2.																						
C1 B	udget Sub-Total																						
C2	C2 Output 1																						
	C1.Activity 1.1.																						
	C1 Activity 1.2.																						
	C1 Activity 1.2.																						
	Budget Sub-Total									-													
С3	C3 Output 1																						
	C3.Activity 1.1.																						
	C3 Activity 1.2.																						
	C3 Activity 1.2.																						
	Budget Sub-Total																						
Tota	Budget																						



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex 9: Integrated Project Risk Matrix (IPRM)

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Overall Summary

Risk Category / Subcategory	Inherent risk	Residual risk
Country Context	Substantial	Moderate
Political Commitment	Moderate	Low
Governance	Substantial	Moderate
Macroeconomic	Substantial	Moderate
Fragility and Security	Substantial	Moderate
Sector Strategies and Policies	Substantial	Moderate
Policy alignment	Substantial	Moderate
Policy Development and Implementation	Substantial	Moderate
Environment and Climate Context	Substantial	Moderate
Project vulnerability to environmental conditions	Substantial	Moderate
Project vulnerability to climate change impacts	Substantial	Moderate
Project Scope	Moderate	Moderate
Project Relevance	Low	Low
Technical Soundness	Substantial	Moderate
Institutional Capacity for Implementation and Sustainability	Moderate	Low
Implementation Arrangements	Moderate	Low
Monitoring and Evaluation Arrangements	Moderate	Low
Project Financial Management	Substantial	Substantia
Project Organization and Staffing	Substantial	Substantia
Project Budgeting	Substantial	Substantia
Project Funds Flow/Disbursement Arrangements	Substantial	Substantia
Project Internal Controls	Moderate	Moderate
Project Accounting and Financial Reporting	Moderate	Moderate
Project External Audit	Substantial	Substantia
Project Procurement	Moderate	Moderate
Legal and Regulatory Framework	Low	Low
Accountability and Transparency	Moderate	Moderate
Capability in Public Procurement	Moderate	Moderate
Public Procurement Processes	Moderate	Moderate
Environment, Social and Climate Impact	Moderate	Moderate
Biodiversity Conservation	Moderate	Moderate
Resource Efficiency and Pollution Prevention	Moderate	Moderate
Cultural Heritage	Moderate	Moderate
Indigenous People	Substantial	Moderate
Labour and Working Conditions	Moderate	Moderate
Community Health and Safety	Moderate	Lov
Physical and Economic Resettlement	Moderate	Lov
Greenhouse Gas Emissions	Moderate	Lov
Vulnerability of target populations and ecosystems to climate variability and hazards	Substantial	Moderate

Risk Category / Subcategory	Inherent risk	Residual risk
Stakeholders	Moderate	Low
Stakeholder Engagement/Coordination	Moderate	Low
Stakeholder Grievances	Moderate	Low
Overall	Moderate	Moderate

Country Context	Substantial	Moderate
Political Commitment	Moderate	Low
Risk:	Moderate	Low
No major risks expected in Government's commitment or its political strategy that may affect the project's implementation and success.		
The current administration has recently been appointed and there is strong commitment from the top Government to attain food security and zero hunger as well as boosting the agriculture sector.		
The new President appointed himself agriculture secretary after he won the Philippines presidency in May 2022, to make agriculture a key priority of his government.		
Mitigations:		
Approval processes in the government are managed through a standard process and there is unlikely to be significant change. Continuous communications between IFAD and the Government at all levels to be aware of emerging issues in the face of political constraints. Focus on rural poor, women and youth can have an important comparative advantage to ensure ongoing support and favorable public opinion. VISTA implementation is less likely to be effected with political risks given the strong commitment from DAR, the collaborating agency DA, as well as oversight agencies NEDA and DoF. VISTA is fully aligned with the key government priorities on poverty reduction, food security, environment protection and climate resilience. The project will directly contribute to the growth of agriculture in marginalized upland areas, which is consistent with Government's commitment to strengthen inclusive and resilient agriculture sector.		
Governance	Substantial	Moderate
Risk: The weak capacity of the national government in managing public finances especially at the local level continues to be a challenge. The incidence of fraud and corruption is not uncommon especially at the local level that requires careful management of fiduciary aspects. Politicization of appointments and inefficient coordination mechanisms poses some risks, however, these risks are manageable at the agency and project level. DAR has long term partnership with IFAD and have extensive experience in implementing IFAD financed projects. Mitigations:	Substantial	Moderate
The Philippines has a robust Commission on Audit and procurement standards. IFAD CO to maintain transparency of operation and portfolio supervision to assess procurement and financial management regularly. The project activities on institutional strengthening, particularly those in the dedicated component 3, will increase the capacity of institutions involved during implementation. Interagency governance structure at the national and regional level is setup considering the risks involved. The standard implementation procedures and systems will be set up during the startup and supported with TA during the implementation. VISTA will develop robust information monitoring and audit systems, including third-party evaluations and oversight by PSC, NEDA and DoF.		
Macroeconomic	Substantial	Moderate

Substantial	Moderate
Substantial	Moderate
Substantial	Moderate
	Substantial

Mitigations:		
Mitigations: The VISTA is designed to foster active community engagement and participation to ensure that local stakeholders' concerns and grievances are addressed promptly as well as will have mechanisms to maintain ongoing dialogue with community leaders. SECAP safeguards will be fully implemented to ensure sustainable and equitable natural resource management practices, which will have clear guidelines and agreements for resource use, such as land and water, to minimize disputes. The project also has a clear and strong targeting strategy to prevent unequal access to project resources or opportunities. The Project has allocated disaster risk fund to respond in the event of natural disasters which could reduce the risk of social unrest. Also, the strong coordination mechanism will ensure close coordination with local government authorities including NCIP and IFAD CO's engagement with the UNDSS will ensure timely access to early warnings and rely on advice from these authorities on further measures to be adopted depending on the context. The project will follow standard emergency guidelines for calamities. As identified by the SECAP and ESCMF, project resources will be allocated to address climate risks. The budget reserved for disaster risk fund (in component 2) will strengthen the crisis response capacity. Project interventions aimed at increasing income and food/nutritional security will build the resilience of rural households against the economic and environmental shocks. The capacity building of state actors and communities through the provision of equipment and access to climate proof infrastructure, climate information, as well as vulnerability and risk analysis, natural resource management plans, and surveillance tools that are integrated to LGUs and local organizations will contribute to protect the fragile ecosystems of the most vulnerable populations.		
Sector Strategies and Policies	Substantial	Moderate
Policy alignment	Substantial	Moderate
Risk: Although VISTA aligns well with the existing national and regional priorities, the issues tend to arise at the local level, particularly related to the activities under the	Substantial	Moderate
responsibility of LGUs, where lack of understanding or low capacity may lead to delays and overall lack of effectiveness and barriers to achieving strategic objectives. Fragmented policy frameworks on land tenure and implementation plans of agencies on natural resources, and overlap with other development projects (i.e. PRDP) operating in the same locations may create duplications, redundant work, and conflicting priorities.		

Mitigations:		
The Project is designed to align and directly contributes to the Philippines Development Plan (2023-2028).		
VISTA aligns with the key national policies including the National Agricultural and Fisheries Modernization and Industrialization Plan 2021-2030, the National Convergence Initiative (NCI) for Sustainable Rural Development aiming to address fragmentation and protect natural resources through environment-friendly enterprises and livelihood opportunities and the Philippines Nationally Determined Contribution (NDC) 2021. It also supports the National Greening Program of the Department of Environment and Natural Resources (DENR). 204. The project is also aligned with cross-cutting strategies identified in the Cordillera Regional Development Plan (RDP) 2023-2028.		
At present, the project is not expected to encounter any identified risks concerning the absence or conflict of legal frameworks pivotal to its implementation. The established safeguards measures and relevant instruments within the country's system align reasonably well with IFAD's SECAP, ESCMF and DAF. Any certifications and clearances, such as Environmental Compliance Certificate (ECC), FPIC or CP clearances from NCIP, will be obtained as per the practices implemented in previous projects.		
The National Convergence Initiative provides an important framework for each government agency to pursue its own programs but also secure a mandate to coordinate with other agencies in relation to rural poverty, particularly regarding sector policy and strategy. PSC will be established to provide strategic guidance and platform for policy cohesion among the all parties involved. The two main development projects (PRDP and MIADP) operational in the area are implemented by DA. A comprehensive analysis is conducted to identify common areas, build complementarities and avoid redundant/duplicated work with VISTA. A dedicated sub-component 1.1 is designed to conduct comprehensive review and assessment of existing plans across the agencies on natural resources and climate adaptation and ensure collaboration with local communities for wider consensus as well as integration of these consolidated plans into the LGUs and local organizations.		
Policy Development and Implementation	Substantial	Moderate
Risk:	Substantial	Moderate
The complex nature of land tenure and land reform in the Philippines is a potential risk to project progress. Tenurial overlaps are common and the nature of these will be different in every context. There are several legal land use and management instruments which are implemented by the government in response to these overlaps. However, these processes take time, often beyond the life of a single project. Lack of structured and disciplined approach to coordination among many actors and donors may cause conflicting agendas and priorities in the development of policies and their integration into the national programmes.		

There are alternatives to legal resolutions to overlaps that involve joint		
understanding between the parties involved to progress activities. It is likely these types of arrangements, tailored to each situation, will be pursued by the Project. To mitigate, the Project will rely on institutional agreement among DAR, DA, NCIP and DENR in formulating the MOA among the four agencies, the following provisions will be included: (i) areas targeted for inclusion in Project VISTA should be free of tenurial concerns and agreed upon by the four agencies using evidenced-based data such as maps and surveys; (ii) for ancestral lands and domain, NCIP will commit to facilitate approval of FPIC/CP; and (iii) establishment of a working group at various levels if any conflicts arise. Coordination with RLUC/RDC. At the regional level, coordination among the four agencies can be facilitated through the Regional Land Use Committee (RLUC) of the Regional Development Council (RDC), supported by NEDA. The RCC can also provide support in resolving land tenure issues.		
A Project Steering Committee (PSC) will be established at national level to: i) provide policy guidance and strategic directions, ii) facilitate coordination to ensure alignment/complementarity of Programme interventions with other donors, and iii) ensure AWPB is prepared in a consultative manner. IFAD Supervision Missions will provide guidance and closely monitor the effectiveness of coordination mechanism with stakeholders.		
Environment and Climate Context	Substantial	Moderate
Project vulnerability to environmental conditions	Substantial	Moderate
Risk: Natural ecosystems in the Philippines have been radically altered, especially in the	Substantial	Moderate

Mitigations:		
Project component targeted to address risks to the ecosystems and environmental considerations relevant for target value chains. SECAP measures will apply as embedded in the project design and compliance to safeguards requirements will be observed ie preparation of ESCMPs, enhancement of existing disaster risk management plans, and other applicable instruments defined within the country system that is relatively equivalent with IFAD's SECAP. Soil and water conservation technologies would be introduced to the target regions such as agroforestry, terracing or contour farming, reforestation. Rural infrastructure will be climate-proofed to be included in their design from the outset. Technical assistance will be provided to the project beneficiaries to mitigate the environmental risks and at the same time increase their income. The project will follow the SECAP procedures and mitigation measures identified in the ESCMP. The project will also prepare a Regulatory Framework or Risk Assessment of Invasive Species and incorporate in the implementation plans.		
Project vulnerability to climate change impacts	Substantial	Moderate
Risk:	Substantial	Moderate
Research has established the Philippines as one of the most vulnerable countries in the world to the impact of storm surges with increased wave heights due to climate change. Climate projections from PAGASA find increasing trends in rainfall observed over central portions of Luzon and southern sections of Mindanao (within the project areas of VISTA) which may drive increases in landslides and damage from extreme rainfall. Target communities have low adaptive capacities to climate change impacts. Many of the climate changes projected are likely to disproportionately affect the poorest groups in society and may exacerbate this trend.		
Mitigations:		
The project design will be informed by a strong evidence base and analysis on the impacts of climate change on the interventions and be designed with climate resilience considerations across all interventions. The assessment of climate risks will be an integral consideration in all planning processes to ensure that vulnerability to risks is mitigated. Value chain interventions will include climate risk assessment to identify measures to ensure climate resilient VCs. SECAP measures will apply as embedded in the project design and compliance to safeguards requirements will be observed ie preparation of ESCMPs, enhancement of existing disaster risk management plans, and other applicable instruments defined within the country system (includes the NDC) that is relatively equivalent with IFAD's SECAP.		
VISTA will align with the Philippines' Nationally Determined Contributions (NDCs) climate action plan which identified priority mitigation and adaptation strategies. The project will continue to monitor the impacts and provide technical assistance, when needed; introduce cultural practices that would favorably change the micro- climate of the production areas to prevent high moisture that induce fungal growth (disease) and damage the crops; Apply agroforestry practices such as planting nurse trees to protect the coffee and cacao from high intensity rainfall that would cause damage to the crop trees. Tree planting in open areas to mitigate high temperatures in the long term when trees grow and provide shade and lower temperatures for higher farmer productivity. This in turn would protect the water sources from high temperatures and evaporation thus having more water during the dry season. The project will apply SECAP measures identified in the Targeted Climate Adaptation Assessment.		
	Madausta	
Project Scope	Moderate	Moderate

Risk:	Low	Low
No risks envisioned. The project relevance is ensured through the parallel process of the country strategic opportunities programme (COSOP) for 2023-2028 design which ensures alignment of IFAD's programme with national priorities and IFAD corporate priorities.		
The COSOP is guided by the preparation for the Philippines Development Plan (PDP) 2023-2028, the IFAD Strategic Framework 2016-2025 and IFAD's diverse programmatic and operational experiences in the country. It responds to the Government's interests in adding value to its development efforts through strong partnerships between government, private and social sector actors.		
Mitigations:		
The project design is conducted in a participatory Manner with wide range of stakeholders including beneficiaries and regional/national agencies. The design is fully aligned with the national development plans as well as agencies' priorities in the target region.		
Technical Soundness	Substantial	Moderate
Risk:	Substantial	Moderate
The project structure includes implementation of complex activities that necessitates technical support on natural resource management and value chain components. Involving two implementing agencies add more complexity to the institutional set-up, coordination, and implementation arrangements.		
Mitigations:		
The design considers key measures to mitigate the project complexity. The engagement with DA, as a collaborating agency providing technical assistance/support, although it seems adding more complexity in the institutional arrangements, will provide significant benefits to the implementation of technical components given the agency's in-depth experience in NRM and production enhancement activities. The institutional arrangement is not new in the Philippines and is used in other similar projects. The Coordination mechanism combined with IFAD CO support, capacity development, pre-start-up financing, are already put in place in the design modalities. The Project carefully assessed the requirement/need for external service providers to ensure that the implementing agency (DAR) receives critical support during the implementation, particularly from DA. The key project tools including PIM, action plans, and MoAs and key implementation manuals (i.e. grant manual) will be fully developed during the prestart up period and comprehensive start up workshop will be organized.		
Adequate budget has been allocated for the provision of technical services to develop NRM plans and on-site technical designs to support implementing agencies. Rural finance component will be supported by a qualified service provider. The roles and responsibilities are clearly defined and the tasks are assigned considering the comparative advantages of both agencies. Financial management and procurement arrangements are built on the previous experiences of IFAD financed projects in the country. Before the start-up, the Project Implementation Manual will be further developed by groups of experts to provide necessary guidelines and manuals to streamline the processes especially with regards to investment planning, grant procedures, coordination mechanisms, monitoring and reporting, and extension/capacity development services.		
Institutional Capacity for Implementation and Sustainability	Moderate	Low
	Moderate	Low

Risk:	Moderate	Low
DAR and DA had been working with IFAD with several projects in the country which were successful in their implementation (i.e. CHARM Project under DA, ConVERGE Project under DAR), this will be the first time that the two national agencies will collaborate to implement a project on both ARCs and non-ARCs. In addition, the DAR will be working with LGUs which have varied capacities in implementing sub-projects like rural infrastructure. A twin approach of natural resource management and value chain will be challenging to DAR especially that there will be several stakeholders involved like the DA, NCIP, DENR, private sector and people's organizations.		
Mitigations:		
Capacity building. To ensure effective project implementation, an in-depth capacity assessment of the DAR staff involved in the project at various levels will be conducted, along with a quick assessment of the implementing partners' capacities, particularly the LGUs. Based on the assessment results, the CPMO will design and deliver a capacity improvement program in the first year of the project. The progress of capacity building will be evaluated in the second year, and further capacity strengthening will be provided as needed.		
Coordination mechanism: To ensure the full involvement of government agencies in project implementation, the following measures will be put in place: (i) Formalize institutional commitment to the project through Memoranda of Agreement (MOAs) with clear roles and responsibilities; (ii) Conduct project orientation for the assigned staff of each agency; (iii) Establish a Project Steering Committee at the national level, Regional Coordination Committee (RCC) at the regional level, and Expanded ARC Cluster Coordination Committee (EARC-CC) which will be composed of relevant public and private organizations.		
Monitoring and Evaluation Arrangements	Moderate	Low
Risk:	Moderate	Low
Project VISTA will be collecting, processing and reporting several output and outcome indicators related to NRM and VC. In addition, there will be several stakeholders who will be involved in the collection and usage of data/information from the community up to the national level. The risks involved here include the completeness of data, timely processing and reporting so that the M&E results can be available on time for project management decision making.		
Mitigations:		
A robust M&E system with a web-based MIS will be established by the Project in the first year of implementation. There will be M&E guidelines/plan and implementation will have adequate and competent M&E staffing at all levels. The M&E/MI systems will build on the M&E experiences of the CHARM Project and Project ConVERGE. The data/information flow will be embedded in the Project's organizational structure. DAR has put premium on a functional M&E system, thus, it will not be difficult to introduce improvement in the Project's M&E system.		
Project Financial Management	Substantial	Substantial
Project Organization and Staffing	Substantial	Substantial

Risk:	Substantial	Substantial
 DAR's finance staff number and capacity may vary at sub-project levels and may be constrained in some cases considering that they also must perform and prioritize government regular duties and functions. Regular government staff could not provide full time or focus time for project implementation. Projects have difficulty in recruiting experienced individuals and retaining competent technical staff and in addressing turnover of contracted staff. Coordination among finance counterparts could be hindered by ambiguities in FM arrangements due to various levels of project implementation and agencies involved. 		
 VISTA is required to follow DBM processes and procedures to obtain annual budget cover for IFAD loan proceeds and GoP counterpart fund requirements under DAR's regular agency budget in the General Appropriations Act (GAA). Otherwise, there might be significant delays in the use of project funds due to additional processes, and further review and approval by the DBM and Office of the President (OP) of budget authorization. Annual budgets might not be realistic considering actual project implementation conditions and budget execution issues. Implementing units and collaborating agencies having distinct budget concerns and varying absorptive capacity that could lead to slow implementation progress. 		
Mitigations:		
 A steady complement of government delegated regular staff and project-hired finance staff will be retained at all levels. Regular government officers and staff at the central, regional, and provincial offices will be delegated. A special order (S.O.) will be issued by DAR and collaborating agencies to assign regular staff and define roles and responsibilities. Project finance staff will be contracted on a fixed term basis to augment DAR government staff in performing day-to-day project FM functions at all levels. TORs will be specifically defined for each position. Project setting up and recruitment of key staff will be done at early stage by utilizing the retroactive financing. The Project organogram as well as specific tasks and functions of each unit in the organizational structure including accountabilities and responsibilities should be agreed by DAR and other parties involved. The Project will (i) ensure competitive salary and attractive benefit package, (ii) undertake less bureaucratic application, referral, and hiring processes; (iii) provide further capacity enhancement training to staff. Continuous capacity building of government finance staff and project-hired staff on procurement, FM and anti-corruption policies. Detailed collaboration agreements for coordination between DAR, DA, and LGUs will be implemented. 		
Project Budgeting	Substantial	Substantial
Risk:	Substantial	Substantial
 Budgeting • VISTA is required to follow DBM processes and procedures to obtain annual budget cover for IFAD loan proceeds and GoP counterpart fund requirements under DAR's regular agency budget in the General Appropriations Act (GAA). Otherwise, there might be significant delays in the use of project funds due to additional processes, and further review and approval by the DBM and Office of the President (OP) of budget authorization. Annual budgets might not be realistic considering actual project implementation conditions and budget execution issues. Implementing units and collaborating agencies having distinct budget concerns and varying absorptive capacity that could lead to slow implementation progress. 		

Mitigations:		
 DAR must secure annual budget cover for VISTA through the annual GAA. Synchronize annual preparations of AWPB and agency budget for respective submissions to IFAD and DBM. Conduct of start-up training on IFAD AWPB and regular budget workshops for a participatory and wholistic budget preparations. Allocate resources strategically and set periodic disbursement milestones. Consolidated AWPBs to be submitted to IFAD for prior review and approval no later than 60 days before the start of the covered budget period. Government and/or IFAD will conduct supervision and implementation support missions on a regular basis or as needed to monitor and follow-through on budget execution and implementation issues. 		
Project Funds Flow/Disbursement Arrangements	Substantial	Substantial
 Risk: Delays in preparation and consolidation of IFRs and WA for submission to IFAD. Low liquidity and delays in transferring funds to sub-recipients. Long outstanding fund transfers and advances to operating units and collaborating agencies. 	Substantial	Substantial
 Mitigations: eNGAs will be customized for project IFR and financial reporting and regular training to be provided for eNGAS users. Clear funds flow and management, including reporting processes, procedures, and responsibilities must be defined in the PIM and MOAs with collaborating agencies. Monthly reporting and reconciliation of bank account balances. DAR to strictly implement and monitor compliance with relevant COA accounting and audit rules involving fund transfers and advances. 		
Project Internal Controls	Moderate	Moderate
Risk:	Moderate	Moderate
There is risk of internal control weakness or ineffective implementation of internal control systems as indicated by COA observations in the annual consolidated agency audit report of DAR for CY2022.	Woderate	
There is risk of internal control weakness or ineffective implementation of internal control systems as indicated by COA observations in the annual consolidated	Widderate	
There is risk of internal control weakness or ineffective implementation of internal control systems as indicated by COA observations in the annual consolidated agency audit report of DAR for CY2022.		
 There is risk of internal control weakness or ineffective implementation of internal control systems as indicated by COA observations in the annual consolidated agency audit report of DAR for CY2022. Mitigations: DAR CPMO will ensure timely issuance of further guidance on project internal control procedures during implementation. The PIM will provide for project internal control systems and any updates to the PIM will be made and disseminated accordingly. DAR Central Office will cause VISTA to be covered by internal audit activities of 	Moderate	Moderate

Mitigations:		
 The e-NGAs will be enhanced to allow the recording and reporting of project financial transactions by component and categories and comply with IFAD reporting requirements. Separate books of accounts and/or records will be maintained for VISTA by all implementing units and collaborating agencies. DAR Central Office will perform the consolidation of project financial transactions for submissions of IFRs and financial statements or reports. The PIM, in conjunction with existing COA accounting and audit rules, will include policies, procedures, and timelines in recording, reporting, and consolidating project financial transactions. 	Outodoutid	Dub de véril
Project External Audit Risk:	Substantial Substantial	Substantial Substantial
 The Commission on Audit (COA) will conduct the project audits of VISTA at all project levels. There could be delays in the completion of project audits of implementing units and collaborating agencies by their respective COA regional offices, and the consolidation of the results at DAR Central Office. Prior year audit findings could be reiterated in the current year audit report and remain outstanding and unresolved. COA could issue an unsatisfactory audit report. 		
 Mitigations: DAR will closely coordinate the annual project audit TORs and timeline with the COA, implementing units, and collaborating agencies to monitor status for timely completion, resolution of issues, consolidation, and submission to IFAD of satisfactory audit report and project financial statements, including management letter no later than six (6) months after the covered calendar year. DAR will ensure that any audit observation and recommendation will be resolved within 6 months after COA issuance of audit report and submit status for IFAD review and monitoring. 		
Project Procurement	Moderate	Moderate
Legal and Regulatory Framework	Low	Low
Risk: Risk(s): The risk that the Borrower's regulatory and institutional capacity and practices (including compliance with the laws) are inadequate to conduct the procurement in a manner that optimizes value for money with integrity.	Low	Low
Mitigations:		
At start up, capacity developments interventions will be provided with emphasis on procurement planning		
Accountability and Transparency	Moderate	Moderate
Risk:	Moderate	Moderate

Mitigations:		
At start up, orient DAR organic/project hired personnel on IFAD Revised Policy on Preventing Fraud and Corruption in its Activities and Operations including its policy on preventing sexual harassment/exploitation and abuse. Provide capacity development interventions for ARBOs to act as NGO observers during the procurement process. ARBOs to be engaged as observers during contract implementation.		
Capability in Public Procurement	Moderate	Moderate
Risk:	Moderate	Moderate
The risk that the implementing agency does not have sound processes, procedures, systems and personnel in place for the administration, supervision and management of contracts resulting in adverse impacts to the development outcomes of the project.		
Mitigations:		
DAR organic/project hired personnel including MLGU procurement personnel will be trained on the key aspects of procurement (procurement planning and post qualification stages) and contract management		
Public Procurement Processes	Moderate	Moderate
Risk:	Moderate	Moderate
The risk that procurement processes and market structures (methods, planning, bidding, contract award and contract management) are inefficient and/or anti- competitive, resulting in the misuse of project funds or sub-optimal implementation of the project and achievement of its objectives.		
Mitigations:		
At start up, procurement and contract management capacity training to be provided to DAR organic and project hired staff. Similar training to be provided for Implementing Partner MLGUs upon execution of Memorandum of Agreement. IFAD will require the presence of at least three bidders in all procurement activities as provided in its IFAD Project Procurement Guidelines.		
Environment, Social and Climate Impact	Moderate	Moderate
Biodiversity Conservation	Moderate	Moderate
Risk:	Moderate	Moderate
Species selection for reforestation and other agroforest crops may challenge the biodiversity structure of the area; Genetic erosion of traditional crop varieties due to introduction of exotic crops, hybrids and entry of invasive species.		
Mitigations:		
Selection of indigenous and/or commonly found tree-crop species to be planted; Select species that are able to adapt to the projected climate conditions of the project site; Apply precautionary principle and follow the mitigation hierarchy . Participatory land use planning/zoning for protection of soil, water, biodiversity, forestry and climate change initiatives. Engage and consult a species specialist to evaluate species in target areas. Use SECAP and Abbr. ESCMF (Appendix 7) to guide implementing agencies in management of biodiversity.		
	Moderate	Moderate

Risk: Unregulated pesticide use & fertilizers would pollute water sources, reduce population of beneficial insects thereby reducing crop yield & eventually the income of beneficiaries. Agri & nursery waste management is non-existent or is minimal - pollutes waterways & bodies of water. Mitigations: The Project will strictly implement the provisions of PD 1144 governing the sale & use starses of fartilizers & next is an example.	Moderate	Moderate
eventually the income of beneficiaries. Agri & nursery waste management is non-existent or is minimal - pollutes waterways & bodies of water. Mitigations: The Project will strictly implement the provisions of PD 1144 governing the sale &		
bodies of water. Mitigations: The Project will strictly implement the provisions of PD 1144 governing the sale &		
The Project will strictly implement the provisions of PD 1144 governing the sale &		
, , , , , , , , , , , , , , , , , , , ,		
use, storage of fertilizers & pesticides; Support local government initiatives on waste management; Provide trainings on organic agriculture to convert agri-wastes into organic fertilizer. The Project will ensure procurement of natural-resource commodities certified under appropriate certification and verification systems accepted for sustainable management of living natural resources in the Philippines. Extraction of construction aggregates only from approved quarry sites. Limit to suppliers that can demonstrate that they are not contributing to significant conversion or degradation of natural or critical habitats.		
The Project will ensure that individual Certificates of Land Ownership Award (CLOA) recipients are informed of or linked to existing government programs on sustainable farming that they can readily access, including trainings on resource efficiency and pollution control, capacity development, integrated pest management, organic/ natural farming systems, rainwater harvesting, soil and water conservation, slope stabilization and erosion control, among others.		
Cultural Heritage	Moderate	Moderate
Risk:	Moderate	Moderate
Project may impact features or physical and religious values of UNESCO sites that are present for CAR and Region 12 (i.e. Ifugao Rice Terraces and Allah Valley). The project interventions are limited to intangible aspects since there will be no massive earth-moving activities. Civil works are limited to rehabilitation of Communal Irrigation System (CIS) and FMRs and some community infrastructure like PHFs.		
Mitigations:		
All issues related to IP traditions and culture as well as traditional knowledge are robustly considered as part of Standard 4 on Indigenous Peoples and addressed through FPIC-IP and IPPF.		
Implement FPIC-IP and IPPF Capacity-building on FPIC and IPP implementation, monitoring, and reporting; Implement SEP & FPIC-IP; and IP Plan as provided in design.		
Indigenous People	Substantial	Moderate
Risk:	Substantial	Moderate
Exclusion of women including young women and indigenous women from community decision making for project investments; Project may result in temporary impacts on rights of IPs with regards to their lands, territories, and resources, especially during constructions of rural infrastructure.		
Mitigations:		
Community sensitization, adopting quota for women's participation in local decision making (through ARBOs/ARCs); Develop gender and social inclusion checklist for community level trainings/ meetings/workshops/decision making forums (logistical arrangements, facilitation, training/meeting materials used, special measures to ensure women and other marginalised groups' participation etc.).		
Implement FPIC-IP and the IPP as found in the Appendices of the SRN. IP Plans will be prepared for SP/BP and the Free and Prior Informed Consent (FPIC) under IPRA will be processed to secure the Certificate Precondition.		
Labour and Working Conditions	Moderate	Moderate

Risk:	Moderate	Moderate
The Project engages contractors for civil works who will largely hire local communities as laborers. Resistance within community towards women's empowerment and gender transformative actions; Project operate in sectors or value chains that are characterized by working conditions that do not meet national labor laws or international commitments (e.g. discriminatory practices).		
Mitigations:		
The country's labor laws contain key elements of Standard 5, including prohibition against child labor, women's rights, freedom of association, grievance and arbitration. GRM will need to be functional prior to implementation. Project GRM is incorporated in the Stakeholder Engagement Plan (SEP; See SRN Appendix 11).		
Involve men & community leaders throughout the process of gender transformative actions, invest in shifting perceptions & practices around the recognition & promotion of women's empowerment to the whole community; community awareness raising on Gender Equality and Women Empowerment (GEWE) (incl. on gender-based violence).		
Community Health and Safety	Moderate	Low
Risk:	Moderate	Low
Unregulated pesticide use & fertilizers would expose women (of child bearing age) to health risks; Women farmers' increased exposure to health hazards due to women more likely to grow crops on contaminated land. Project may be at risk from vector-borne (ie malaria), water-borne (ie hepatitis) and other communicable diseases (i.e. Covid, AIDS).		
Mitigations:		
Pertinent public health laws will apply to all workers on the Project as well as the host community. Community workers and other employees should be provided with the same personal protective equipment when working in hazardous areas as the project sites are also vulnerable to extreme climate events. Strictly implement the provisions of PD 1144 governing the sale & use, storage of fertilizers & pesticides; provide technical assistance and trainings in the use and application of agri-chemicals; Promote organic farming practices and integrated pest management. Prepare Abbr. ESCMP reflects relevant requirements of SECAP standard 6 (Community Health and Safety).		
Physical and Economic Resettlement	Moderate	Low
Risk:	Moderate	Low
Physical & economic displacement may occur with investments requiring space or restricting access to formerly utilized areas.		
Mitigations:		
Uphold the Abbreviated Resettlement Framework (Abbr. Resettlement Framework; See Social, Environment, and Climate Assessment Procedure (SECAP) Review Note (SRN) Appendix 11) & prepare an Abbreviated Resettlement Action Plan (Abbr. RAP). Install a grievance redress mechanism (GRM) as avenue for information disclosure & serve as feedback loop for appropriate action.		
Greenhouse Gas Emissions	Moderate	Low
Risk:	Moderate	Low
Increase in emissions from heavy equipment during construction of FMRs. Lightning strikes and forest fires increases GHG emissions.		

Mitigations:		
Keep the engines of equipment well-maintained by conducting periodic maintenance servicing. DRRM preparedness for forest fires grass fires.		
Vulnerability of target populations and ecosystems to climate variability and hazards	Substantial	Moderate
Risk:	Substantial	Moderate
Projected climate impacts in the project areas are likely to disproportionately affect the poorest groups in society and may exacerbate this trend. In the Philippines, it is often the poor who are most exposed to its numerous natural hazards, with an increase in heavy rainfall, floods and mudflow exacerbated from climate change more likely to destroy the homes of the country's poor. Typhoons, strong winds and heavy rainfall events damage farm lands, induce crop failure and damage rural infrastructures; Prolonged drought / dry season causes crop failures and dry up ecosystems rendering them vulnerable to forest/grass fires; Target populations become vulnerable to diseases due to lack of water and poor hygiene; Earthquakes induce landslides in production areas, damage rural infrastructures;		
Mitigations:		
The VISTA project is guided by the national priorities for climate change adaptation and environmental management, and the adaptation options assessment will be further explored during the planning and prioritization exercises under sub- component 1.1 of VISTA. A targeted adaptation assessment has been prepared to inform the design the of project.		
Specifically, all infrastructure will be climate – proofed including storage facilities, roads and other infrastructure through the use of climate resilient materials and planning. The project focus on reforestation and agroforestry activities will aim to mitigate the impact of high temperature, rainfall, and stabilize slopes at the same time protect water sources and increase quantity & quality of water.		
The project will also invest in resilient of target population and ecosystems through DRRM preparedness for extreme climatic and environmental events such as typhoons, landslides, flooding and earthquakes.		
Project allocated disaster risk contingency fund to respond for early action and provide immediate and appropriate assistance to the affected communities, as well as support actions to prevent value chain disruptions.		
Stakeholders	Moderate	Low
Stakeholder Engagement/Coordination	Moderate	Low
Risk:	Moderate	Low
Lack of active participation from vulnerable groups and ineffective mechanisms that may not adequately capture the stakeholders' concerns, needs, and priorities.		
Mitigations:		
IFAD CO to monitor setting up of an accessible and culturally and socially appropriate consultations and GRM in SEP during the initial phase of the project and monitor the progress during the supervision missions. Inclusion of non-state actors in the workshops and consultation during the missions will be key to ensure their involvement. IFAD will also use invite relevant stakeholder groups to KLMPE, IPGN annual workshops to strengthen the relationship between the project and diverse interest groups.		
Stakeholder Grievances	Moderate	Low

Risk:	Moderate	Low
Ineffective procedures or lack of trust to grievance mechanism may cause reputational risks to the Project and jeopardize beneficiaries' confidence. Investments may impinge on tenure arrangements of IPs along with social & institutional arrangements around customary use of land and natural resources.		
Mitigations: At the community level, farmers and village level feedback can also be communicated to farmer's cooperatives and associations, at the ARC level through the EARCC-CC, and if not addressed to the PPMOs, RPMOs, and CPMO. Documentation of stakeholder engagement and FPIC processes will form part of project report submissions. Project will observe Indigenous Peoples Planning Framework (IPPF; See SRN Appendix 9) & Free and Prior Informed Consent Implementation Plan (FPIC-IP; See SRN Appendix 10) & Indigenous Peoples Plan (IPP). The project will set-uo GRM as avenue for information disclosure & serve as feedback loop for appropriate action.		



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex 10: Exit Strategy

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Annex 10. Exit Strategy

Goal: The goal of the exit strategy is to enable project stakeholders to sustain the impact of VISTA interventions in the target areas.

Target audience: The target audience for the exit strategy includes:

- National and Local governments: The project will work with national and local governments to ensure that the ownership and operation of project assets is transferred to them once the project is over. All LGUs will be required to allocate maintenance funds for infrastructure in line with Local Government Code and annual budgeting requirements. This will help to ensure that the benefits of the project are sustained long after the project completion. The Project's primary focus lies in crafting a comprehensive exit plan cantered around robust policy engagement with the government. Specifically, it aims to secure sufficient budgetary support from DAR and DA. This strategic endeavour is pivotal in ensuring the continuity and expansion of initiatives post-project closure. Also important to note, a key policy issue is the increased LGU allocation through the Mandanas Garcia ruling. The use of these increased funds to agriculture will be a key entry point for policy engagement on resources for agriculture extension and development - with an aim to support the long-term benefits of project investments. By prioritizing these engagements, the Project seeks to solidify funding channels that will enable us to scale up VISTA initiatives effectively, maintaining their momentum beyond the project's conclusion.
- Value Chain Participating Organizations (VPO): The VPOs will play an important role in VISTA by improving the bargaining power of farmers, reducing transaction costs, providing access to credit and other financial services, providing training and technical assistance, marketing products, and promoting sustainable production practices. The clustering of VC enterprises will help them to achieve scale and efficiency, which will lead to increased profits. The capacity building and other support services provided by the project will also help them improve their operations and become more competitive. These organizations will be involved in the planning and implementation of the exit strategy to better understand and prepare in advance for the transition to self-sufficiency, avoid dependency, improve their governance, build their capacity, increase their resilience, improve their relations with stakeholders, and promote transparency and accountability. The project will also work to support local leaders so that they can share knowledge and resources, especially with regard to leadership and support for women, youth and IPs beyond the project period.
- Private sector actors: Private sector will play a vital role in VISTA Project by actively getting engaged with the producers to set production standards required by the market, promoting market linkages, and providing additional financial and non-financial support to farmers/suppliers. They will eventually have a vested interest in the success of project interventions and it is crucial to receive their commitment to the project's long-term sustainability. This will be ensured by involving these actors in the early stage of planning (i.e. detailed investment plans) to get their buy-in and agree on mutual benefits. The private sector has expertise and experience in a variety of areas including business management, marketing, and finance. This effective and sustainable. They are expected to provide resources, such as financial capital, technical assistance, and marketing support. The project would coordinate with private sector partners during the project and as part of the exit strategies activities to identify what would be financially viable to be sustained by private sector after the IFAD funding is over. Any identified constraints would

be considered and addressed at an early stage so that remedial actions can be incorporated into project planning and implementation.

- NGOs/CSOs: VISTA will partner with the NGOs that are present in the target communities to benefit from their deep understanding of the local context. This can be invaluable in ensuring that the project is sustainable and they can provide valuable technical assistance to help the project transition to self-sufficiency. Often NGOs have on-going programs in the local areas that can continue to offer support where required. The exit strategy will involve NGOs that are committed and willing to work with VISTA to support the VISTA participants where possible. In some cases, this may require working with NGOs to extend their programs into adjacent areas to increase their reach to support VISTA participants that they have not previously supported
- Other donors: Other donors such as ADB, AFD and WB will be included in VISTA exit strategy to increase the potential of securing additional resources to ensure that the project is implemented and sustained after the closure. This will be discussed with GoP oversight agencies to provide assurance for avoiding duplication of efforts, maximizing impact, and that the project is complementing the work of other development partners. Additionally, involving other donors in the exit plan will provide a smooth and coordinated transition in advance with the future concepts/and projects for the benefit of rural target communities.

Exit Plan: A detailed exit plan will be developed with the following considerations:

<u>Consolidate the gains made by the project:</u> The VISTA Project aims to make significant progress in improving the productivity and profitability of coffee and cacao producers. A comprehensive exit plan will be developed focusing on consolidating these gains by ensuring that the knowledge and skills acquired by producers are sustained. Knowledge products will be developed to disseminate the best practices adopted by the farmers and farmer organizations through a variety of activities, such as training, mentoring, and technical assistance. These materials will also be converted into electronic platforms and made publicly available.

<u>Transfer knowledge and skills to national governments and other stakeholders:</u> The project will built the capacity of national governments and other stakeholders in different ways. The NRM and investment plans, vulnerability and sensitivity analysis, and various topographic maps and GIS data will provide extensive data repository. The rural finance strategy and the lessons from its implementation will build evidence and understanding on how to increase the availability of financial services in upland areas, making it easier for farmers, entrepreneurs, and other rural residents to access the capital they need. Innovations from subcomponent 1.3 will create vast knowledge base on different technologies and practices and their use in strengthening and promoting green value chains. The exit plan to be developed will focus on transferring such knowledge and skills to the government to ensure that producers continue to receive the support they need.

<u>Support the development of sustainable mechanisms:</u> The project will aim for the development of sustainable mechanisms supported by professional service providers for the use of natural resources, field extension services and demonstration programs, VC models, access to finance mechanisms and climate resilient rural infrastructure etc. The exit strategy will focus on monitoring and supporting the continued development and implementation of these mechanisms. Although the project is designed with the assumption that the gains can be maintained over the long term without external support, which will be achieved by building the capacity of local stakeholders to manage and sustain the project activities, the detailed exit plan will consider additional resources needed from private sector, national and local government, and other donors after the project closure. The Project will also consider the effectiveness of partnership and collaboration under the

existing MoUs and agreements among government institutions, private sector, farmer organizations, and local communities as well as review and update of policies and protocols affecting these partnerships;

<u>Secure access to funding for sustainable mechanisms:</u> The project will support the development of sustainable credit mechanisms for producers and their organizations. The sustainability of the project gains largely depends on the success of providing farmers with access to loans and other financial services to invest in sustainable farming practices introduced by the Project and build their resilience to cope with shocks, such as droughts and floods. The exit strategy will focus on ensuring that these funding mechanisms are sustained.

The project's exit strategy for the <u>emergency readiness fund under the RED Component</u> involves careful consideration of its role in disaster mitigation. As the project implements resilience and response measures, it anticipates a diminishing need for immediate disaster relief. The exit strategy is designed to integrate the project into national government programs and tap into existing national funding resources for natural disaster management. This strategic transition ensures that the project's achievements in enhancing emergency readiness become an integral part of broader national initiatives, marking a successful handover and sustained impact beyond the project's immediate scope.

<u>Sustainable exit:</u> The project will work with stakeholders to ensure a sustainable exit from the project based on a robust assessment of the project benefits including the sustainability of VPOs/VC enterprises, etc., which should be developed at least 18 months or 12 months before project closure. This will involve (i) developing plans for the phaseout of project activities; (ii) the transfer of ownership and operation of project assets to local entities; (iii) a timeline for the phase-out of project activities; (iv) identify the key stakeholders who will be involved in the exit process; (v) a communication plan to ensure that all stakeholders are aware of the exit strategy and their roles in implementing it; and (vi) monitor and evaluate the implementation of the exit strategy to ensure that it is effective.

The exit plan will also provide monitoring of the key factors embedded in the project design that are crucial for sustainability, such as:

- *Clustering of VC enterprises*: The project will support the clustering of VC enterprises of POs including women and youth POs to become key players in active value chains to achieve scale and efficiency, and will also make it easier to provide capacity building and other support services. The project will also provide technical assistance and financial support to help POs implement their investment plans.
- *Capacity building*: The project will provide capacity building to VC actors. These actors will include VPOs, Private Sector actors, LGUs and local service providers such as the BDSs. This will create a legacy impact for continuing VC activities and enhancement in EARCCs. This will ensure that these actors have the skills and knowledge they need to sustain the project's interventions after the project ends. The project will provide training, workshops, and mentoring to VC actors on a variety of topics, such as value chain management, financial management, and marketing. Project will also undertake extensive trainings and capacity building programs in all components to empower women and for better inclusion of youth and IPs including interventions to strengthen the capacities of rural organizations to implement women and youth sensitive programs. The project will also work to create a network of VC actors so that they can share knowledge and resources.

- Sustainable infrastructure: To address common sustainability downfalls with provision of infrastructure, VISTA infrastructure, particularly FMRs will be made in compliance with government policies. In the case of FMRs this will mean fully concretized roads thus reducing ongoing maintenance burdens and extended durability of project-funded infrastructure. Where resources do not allow for complete concretization, FMRs may be partly gravel but will be limited to areas where degradation is less likely to maintain lower maintenance requirements and enhance durability. Finally, all types of access infrastructure and Streambank Stabilization will be turned over to the MLGUs and Irrigation Schemes to the Irrigators' Associations for operation and maintenance (O&M). All Post-Harvest Facilities (PHF) including Greenhouses and Pipe Irrigation Schemes for cacao and coffee will be turned over to the respective proponent VPOs for O&M. Farm Slope Protection Works and Small Farm Reservoir will be turned over to direct farmers' group beneficiaries and Rainwater Capture Tanks to individual HHs.
- Convergence approach: With the convergence approach, the organizations involved will be capacitated to seek services beyond their own are and connections between organizations and agencies will be strengthened. For instance, the agencies of DAR and DA will be strongly linked with agencies such as DTI, DENR etc. The Project will enable direct linkages between local stakeholders and key support agencies, including government agencies and those working on women, youth and IPs empowerment, as well as private sector VC actors. Further organization capacity building within government agencies will also be supported related to procurement and safeguards. This will further build sustainability through a strengthened expertise and knowledge base that will contribute to the sustainability of future initiatives implemented by local governments and implementing agencies.
- Partnership with the private sector: Partnership with the private sector for chain will sustainable value operations be established bv ioint planning/implementation of VISTA investment plans promoting good management practices and innovative approaches to ensure active participation and interest of the private sector for establishing new priorities and/or redirecting existing investments in line with the Project objectives. Private sector will capitalize on the incentives provided by the Project to the producers and VPOs while improving the natural resources and production. The project will work together with the private sector building on the understanding that their products and services are key to the impact they have on the environment and in society.
- Improved financial management: The project will support the development of improved financial management practices among POs. This will help to ensure that these organizations are able to manage their resources effectively and sustainably. The project will provide training and technical assistance to POs on financial management and develop financial management systems. The project will help POs to access formal finance. This will help these organizations to invest in their businesses and to grow their operations. The project will provide financial products to POs to help them access formal finance and work with banks and other financial institutions to make them more aware of the needs of POs and their members. The project will support the development of revolving fund programs for PO members with special window for women and youth PO members. This will assist in building up capital in the communities and reducing the need for credit. The project will provide training and technical assistance to POs on how to develop and promote revolving fund mechanism among their members through financial intermediaries.

Timeline: The exit strategy will be implemented over a period of six years.

• Year 1: Establish a steering committee, develop a detailed plan of action, and identify and secure funding.

- Year 2: Build capacity within the target organizations and implement the first phase of the activities outlined in the plan of action.
- Year 3: Continue to build capacity within the target organizations and implement the second phase of the activities outlined in the plan of action.
- Year 4: Monitor and evaluate the progress of the exit strategy and make adjustments as needed.
- Year 5-6: Transition to long-term sustainability. The project team will work with the target organizations to develop a plan for the long-term sustainability of the exit strategy. This plan should include strategies for ensuring that the target organizations have the capacity to continue implementing the activities outlined in the plan of action, even after the project has ended.

Responsible:

- ✓ Project Steering Committee: The VISTA PSC will be responsible for overseeing the implementation of the exit strategy. The committee should include representatives from all of the key stakeholders, including smallholder farmers, farmer organizations, the private sector, and the government. The project will also establish a sustainability monitor and evaluation committee (SMEC) to track the above and feed into the PSC and the CPMO on the project progress, and to recommend concrete actions for sustainability. This will be an independent committee composed of key stakeholders.
- ✓ Project team: The project team will be responsible for implementing the activities outlined in the plan of action. The project team should include experts in sustainable agriculture, training and technical assistance, financial management, marketing, and value chain development.
- ✓ Target organizations: The target organizations will be responsible for implementing the activities outlined in the plan of action and for ensuring that the exit strategy is successful.

Success criteria: The exit strategy will be considered a success if the following criteria are met:

- ✓ Smallholder farmers are adopting sustainable agriculture practices.
- ✓ Farmer organizations are providing training and technical assistance on sustainable agriculture practices.
- ✓ Smallholder farmers are showcasing increased gender equality within their households and communities
- ✓ The private sector is adopting sustainable business practices.
- ✓ The government is providing policy support for sustainable agriculture.
- ✓ NGOs are providing training and technical assistance on sustainable agriculture practices.

Risks: The implementation of the exit strategy is not without risks. Some of the risks that could be encountered include:

✓ Lack of funding: The exit strategy will require funding to implement the activities outlined in the plan of action. If funding is not secured, the exit strategy may not be able to be implemented.

- ✓ Lack of capacity: The target organizations may not have the capacity to implement the activities outlined in the plan of action. This could lead to the exit strategy being unsuccessful.
- ✓ Changes in the environment: The environment in which the exit strategy is implemented may change. This could make it difficult to implement the exit strategy or to achieve its objectives.
- ✓ Lack of cooperation: The target organizations may not cooperate with the project team. This could make it difficult to implement the exit strategy.

Mitigation strategies: The following mitigation strategies will be used to address any challenges that may arise during the implementation of the exit strategy:

- ✓ Regular monitoring and evaluation will be conducted to identify any challenges and to make necessary adjustments.
- ✓ Partnerships will be built with other organizations to pool resources and expertise.
- ✓ Communication and outreach efforts will be made to ensure that all stakeholders are aware of the exit strategy and its objectives.

By working together, all of these groups can play a role in ensuring the sustainability of agriculture and in creating a more sustainable future for the Philippines.

The exit strategy is essential for the sustainability of the value chain enterprises, the partnership between the project and the private sector, and the financing mechanisms. By implementing the exit strategy, the project can ensure that these initiatives are successful and sustainable in the long term.

The success of the exit strategy will depend on the effective use of participatory approaches in planning and implementation. All stakeholders must be involved in every step of the process, from designing the strategy to evaluating its results.



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex 11: Mainstreaming themes – Eligibility criteria checklist

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

	Be gender transformative	Be youth sensitive	Be nutrition sensitive	Prioritize persons with disabilities	✔ Prioritize indigenous peoples		limate finance ptive capacity
Situation analysis	 National gender policies, strategies and actors Gender roles and exclusion/discrimination Key livelihood problems and opportunities, by gender 	National youth policies, strategies and actors Main youth groups Challenges and opportunities by youth group	 National nutrition policies, strategies and actors ☐ Key nutrition problems and underlying causes, by group ☐ Nutritionally vulnerable beneficiaries, by group 	National policies, strategies and actors Main groupings among PwDs Context-based barriers and opportunities for PwDs	 International standards, national policies, strategies and key IPs' organizations Main IPs communities, demographic, social, cultural and political characteristics Important livelihoods constraints and opportunities for IPs and their cultural heritage 		
Theory of change	 Gender policy objectives (empowerment, voice, workload) Gender transformative pathways Policy engagement on GEWE 	Pathways to youth socioeconomic empowerment Youth employment included in project objectives/activities	Nutrition pathways Causal linkage between problems, outcomes and impacts	Pathways to PwDs' socioeconomic empowerment using a twin-track approach	Pathways to IPs' socioeconomic empowerment		
Logframe indicators	 Outreach disaggregated by sex, youth and IPs (if appropriate) Women are > 40% of outreach beneficiaries IFAD empowerment index (IE.2.1) 	Outreach disaggregated by sex, youth and IPs (if appropriate) Persons with new jobs/employment opportunities (CI 2.2.1)	Cutreach disaggregated by sex, youth and IPs (if appropriate) Targeted support to improve nutrition (CI 1.1.8) Outcome level Cls CI 1.2.8 MDDW CI 1.2.9 KAP	Outreach disaggregated by sex, youth, disability and IPs (if appropriate)	 ✓ Outreach indicator disaggregated by sex, youth and IPs ✓ IPs are > 30% of target beneficiaries 		
Human and financial resources	✓ Staff with gender TORs ✓ Funds for gender activities ✓ Funds for IFAD	Staff with youth TORs Funds for youth activities	Staff or partner with nutrition TORs Funds for nutrition activities	Staff with disability inclusion-specific TORs Funds for disability inclusion-related activities (including accessibility)	Staff with IPs-specific TORs Funds for IPs related activities, including FPIC	IFAD Adaptation Finance	\$48,173,000
	empowerment index in M&E budget	activities		activities (including accessionity)		IFAD Mitigation Finance	\$0
						Total IFAD Climate- focused Finance	\$48,173,000

ECG Bernerike	Gender
Remarks	VISTA will ensure gender and inclusion is integrated within the project M&E through the collection of data disaggregated by sex/age/IPs; investing in the data collection, analysis, use and reporting on the empowerment indicators; and integrating gender specific indicators in its log frame: • Gender-disaggregated indicators (including for youth) • IE. 2.1 Individuals demonstrating an improvement in empowerment – budget included for baseline/midline/endline surveys • Number of women with new jobs • % of supported groups with women in leadership positions • Women's groups and women's businesses supported with equipment and marketing services • Survey results on beneficiary feedback disaggregated by gender; Qualitative data through women focus groups
	Nutrition
	Youth
	Persons with Disabilities
	Indigenous Peoples
	VISTA will incorporate specific measures to ensure culturally appropriate inclusion of IPs within the target communities such as engaging sufficiently with IP leaders and ensuring compliance with IP mechanisms for approval of project interventions. The selection criteria for participation will be the same as in other areas of the project but will ensure that IPOs are strongly engaged in identifying the participants. As part of its commitment to enhancing the impact of the project on gender equality and women's empowerment, in addition to securing FPICs in project areas. VISTA will support the empowerment of Indigenous Peoples, particularly indigenous women and youth through initiatives that take into account inter-generational relations, to ensure that their knowledge, identity and traditions are passed on to the next generation.
	No social inclusion themes



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex: Annex 5A SECAP Review Note

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Annex 5A: SECAP Review Note:

• SECAP Review Note

1. Introduction

1. The latest version of the IFAD Social, Environmental, and Climate Assessment Procedure (SECAP) is the SECAP 2021 that applies to all new IFAD-supported projects entering the pipeline after 1 August 2021. It that lays out an improved framework and process for managing risks and impacts, and integrating mainstreaming priorities into new IFAD- supported investments. The procedures strengthen the Fund's relationships with: (i) the countries, rural communities and private companies it aims to support; (ii) stakeholders in development initiatives; and (iii) the broader development cooperation and donor community. It sets out the mandatory requirements that must be adhered to throughout the project cycle.

2. **Objective of the SECAP Review Note**. The objective of this SECAP Review Note is for the project to take into account social, environmental and climate change issues hence this Note provides the summaries of the development context, identifies potential project impacts that impinge on IFAD's mainstreaming themes of gender, youth, nutrition, indigenous peoples, climate and environment. This Review Note provides specific recommendations on risk mitigation and incorporate social and environmental concerns at implementation.

3. **Project Objective and Components.** The VISTA project will focus on two target "anchor crops," coffee and cocoa, within the broader integrated cropping systems to catalyze transformation in the food systems in a nature-positive and resilient manner. The project will reduce environmental degradation and negative externalities in The project will also support upland rice varieties, including indigenous varieties as a means to contribute towards food security and household livelihood. food production systems on the demand side and across supply chains. The VISTA project development objective therefore is 'to increase income and employment of target groups in fragile upland areas, including women, youth and IPs, through the strengthening of inclusive value chains with conservation and sustainable use of the natural resources and climate resilient practices". The Project has three components: Component 1 - Sustainable Protection and Enhancement of Natural Resources at Sub-Watershed Level, Component 2 - Value Chain Development and Rural Finance, and Component 3 – Project Management.

4. **Project Location and Covered Areas.** The project will cover 10 provinces of two regions: 6 provinces in the Cordillera Administrative Region (CAR: Abra, Apayao, Benguet, Ifugao, Kalinga, Mt. Province), and four provinces in Region XII - SOCCSKSARGEN (North Cotabato, Sarangani, South Cotabato, and Sultan Kudarat). The Project will also include support for SIKAME¹. This may include a small number of IP communities in Ilocos Sur.

5. **Methodology and Consultation Process.** A field mission was conducted from 27 February to 12 March 2023 that allowed for the collection of available secondary information, rapid site assessment of field conditions, and the conduct of consultations with potential key stakeholders across the two regions. Consultations with national government agencies in Manila were made after the field mission. Other interviews were conducted virtually and by telephone. Appendix 5c – Stakeholder Engagement Plan - provides the details.

2. Situational Analysis and Potential Project Impacts

¹ SIKAME is an innovative Integrated Watershed Management Plan (IWMP) covering 3 mountain ranges (Sisipitan (SI), Kaman-ingel (KA), and Mengmeng (ME)) that brings together 3 provinces (Mountain, Abra and Ilocos Sur), 18 barangays/tribal communities in 5 participating ancestral domains in 5 municipalities, <u>https://www.ifad.org/en/-/document/philippines-1100001395-charm-ii-supervision-report-february-2021</u>

2.1 Socio-economic and Nutritional Assessment

6. **Overall poverty situation**. The project goal is to achieve reduced poverty, strengthened livelihoods, and increased resilience of targeted poor communities in the Philippines. The CAR population houses 1.6% of the Philippine population with a population density of 90.71 people per square kilometer. In 2021, the region's current poverty incidence among families is at 6.9%, ranking 16th out of the 17 regions of the country with the municipality of Benguet having the least poverty incidence (6.2%, Baguio City at 1%) and Abra having the highest (15.8%)². The per capita poverty threshold of CAR is estimated at PhP 28,304.00, thus the 6.9% poverty incidence translates to an estimated 30,740 families living below the poverty threshold wherein the amount is not sufficient to meet their basic food and non-food needs. The region's main source of livelihood is agriculture with an agricultural land of about 250 hectares of crops like rice, corn, vegetables, tubers, and perennials and trees like mango, citrus, banana, and coffee³. Most of the agricultural lands are inherited from ancestors with some still practicing traditional agricultural practices and livestock farming.

7. Region XII or SOCCSKSARGEN is home to 4.5% of the Philippine population. Its population density is 215.11 people per square kilometer. The region's poverty incidence among families in 21.4% translated to about 300,000 poor families (PSA 2022). The proportion of food poor in the region declined to 12.5% in 2021 from 13.7% in 2018. In the same period of 2021, a family of five in SOCCSKSARGEN needs an income of around 11,081.90 to be able to meet its food and non-basic need. First semester per capita threshold was recorded at 13,298 in 2021. This implies that in the first semester of 2021, a family of five must have at least 7,711.34 per month to meet its basic food needs. The 2021 first semester per capita food threshold was recorded at 9,254.60. SOCCSKSARGEN is one of the country's leading producers of palay, corn and high-value crops like coffee, banana, pineapple, and oil palm⁴. It also is host to 80% of the country's tuna industry therefore also known as the tuna capital of the Philippines.

8. <u>Nutrition</u>. In 2021, the Cordillera region overall have good data in relation to malnutrition of under five children, equal or lower than the regional targets, 8.58% stunting, 1.47% wasting, 2.63% overweight and obesity, except for underweight prevalence which is higher than the regional target—3.19%⁵. Out of all the provinces in the Cordillera region, Abra is lagging behind with 9.37% underweight, 16.95% stunting, 4.28% wasting, and 4.81% overweight and obesity. According to the National Nutrition Council (NNC) in 2018, highest cases of underweight children in SOCCSKSARGEN are from the provinces of Cotabato City (7.89%), Sultan Kudarat (6.07%), and Sarangani (5.15%). Highest rates of stunting are in Cotabato (20.45%), Kidapawan (16.69%), and Sultan Kudarat (10.33%). Cotabato City was also recorded to have high rates of wasting, at 11.50% followed by the provinces of Kidapawan (6.82%) and Sultan Kudarat. In 2017, with the alarming high rates of malnutrition cases in the region, all provinces and one highly urbanized city were included in the PPAN focus areas.

9. The NNC identified the underlying and basic causes of malnutrition⁶ to be (i) insufficient access and unaffordable nutritious food throughout the year, (ii) poor care for mothers and children and support for parents on appropriate child feeding practices, and

Highlands of Cordillera Region, Northern Philippines. Journal of Environmental Management, 308, 114597.
 SOCCSKSARGEN Regional Development Plan 2017-2022. Retrieved from: <u>https://nro12.neda.gov.ph/wp-content/uploads/2018/08/RDP-Chapter-2.pdf</u>

5 National Nutrition Council. (2021). 2021 Color Coded Prevalence of Malnutrition among 0-59 Months in CAR. Retrieved from: https://www.nnc.gov.ph/component/phocadownload/category/19-car-facts-figures?download=3394:2021-color-coded-prevalence-of-

 ² Philippine Statistics Authority. (2021). First Semester 2021 Official Poverty Statistics of the Philippines. East Avenue, Diliman, Quezon City, Philippines. Retrieved from: <u>https://psa.gov.ph/sites/default/files/2021-1st Poverty Stats Full%20Publication 17Dec2021.pdf</u>
 ³ Paing, J. N., van Bussel, L. G., Gomez Jr, R. A., & Hein, L. G. (2022). Ecosystem services through the lens of indigenous people in the

malnutrition-among-0-59-months-in-car ⁶ Scaling Up Nutrition Movement, 2013. National Nutrition Council.

(iii) insufficient access to health sanitation and clean water services. The identified causes are deemed rooted in (i) the political and cultural environment, (ii) poverty, (iii) disempowerment of women, and (iv) environmental degradation. Agriculture is one of the most important sectors in the country as it is essential for the country's food security, poverty reduction, and agri-food systems. However, the Philippine agricultural sector is experiencing slow and low output, productivity, and trade growth and limited structural and technological change. The Total Growth Output for the Philippines is lower, 32%, than neighboring countries like Vietnam (73%), Thailand (67%), and Indonesia (50%). Domestic rice production also cannot compete with imports even with significant support from policies. This state of the agricultural sector in the country were coupled by the multiple natural disasters, COVID-19 pandemic, African Swine Fever, and ongoing war between Ukraine and Russia7. More so that heirloom rice has smaller markets, usually confined only within the regions they are produced. Coffee and cacao, as anchor crops of VISTA, have been identified as having high national and global market demand, and are suitable for upland agriculture in small land holdings. Coffee and cacao have potential to significantly contribute to poverty alleviation and inclusive growth through livelihood and job generation in the upland areas. These crops have potential for integration in sustainable farming systems (root crops, vegetables, sayote, fruit and nut trees) that can contribute to food security, improved nutrition and livelihood resilience. The two anchor crops have low barriers to investment for small farmers and high potential engagement of IPs, women and young people in all stages of the value chain.

10. Given that the country is an archipelago, there are constraints experienced by farming when it comes to trading. The Philippines has the lowest ranking in logistical performance in relation to lowest shipping connections and trading across borders. Poor transport connectivity poses as a challenge to fruits, meat and high value crop producers because of higher logistic costs. Farm lands are being broken down into smaller holdings thus agricultural households would mostly rely on income outside their farms because productions are low because of their small farm lots. There is also an aging population within agricultural operators, males with a median age of 46 and females with a median age of 52. The higher precipitation during wet and sometimes even dry seasons caused by climate change contributes to further soil erosion of the sloping agricultural land and the rainfall surface run-off are just flowing downhill carrying the surface soil causing siltation in natural waterways.

11. <u>Women</u>. There are 53.6 million Filipino women in the country, 2% are in CAR and 4% in SOCCSKSARGEN. An estimated 1.8% of women are in the labor force for CAR employed in wholesale and retail trade.⁸ Labor force participation by women is about 4.1% in SOCCSKSARGEN who are mostly employed in the agriculture, hunting, and forestry sector⁹. Far fewer females join the country's workforce: only 50.1% of working-age females are part of the labor force compared to 77.3% among males in 2015. Lower participation is attributed to getting discouraged from looking for employment as women and girls tend to bear the larger burden of unpaid care and domestic work, which includes cooking and cleaning in the household's dwelling, person-to-person care activities, as well as transporting water from safe sources to the home.¹⁰ The range of household, child and elderly care and unpaid work in farms done especially by women that goes unremunerated in society is undoubtedly a compelling reason why many women are invisible and excluded from their local and national economies.¹¹

⁷ https://www.da.gov.ph/facing-the-big-challenges-in-philippine-agriculture/

⁸ PSA. (2019). Women and Men in CAR. Retrieved from: <u>http://rssocar.psa.gov.ph/sites/default/files/2019-WAM-7th-Edition.pdf</u> 9 PSA. (2021). Women and Men in SOCCSKSARGEN. Retrieved from: <u>https://drive.google.com/file/d/10eEjCgcqIGhIXPQ6298hSEjYzfYU8REP/view</u>

¹⁰ Hirway, I. 2016. Unpaid Work An Obstacle to Gender Equality and Economic Empowerment including Women's Labour Force Participation. Presentation at UN ESCAP Meeting on Sex- disaggregated data for the SDG Indicators in Asia and the Pacific Bangkok, May 25-27 2016.

¹¹ Clarissa C. David, etal. (2017) Sustainable Development Goal 5: How Does the Philippines Fare on Gender Equality? Discussion Paper Series No. 2017-45. Philippine Institute for Development Studies

12. Youth. Based on the Labor Force Survey conducted by the Philippine Statistics Authority (PSA) in June 2022, youth employment rate increased to 88.2 percent from 87.9 percent in May 2022. The survey also reported that underemployed youth decreased to 653,000 in June 2022 from 745,000 in May 2022. According to PSA¹², the labor force participation for the Filipino youth is 63.4%, with CAR (66.2%) and SOCCSKSARGEN (67.8%) having higher rates compared to the national data. Both regions (CAR-4.4% and XII-5.4%) have an unemployment rate lower than the national record of 5.7%.

13. The National Youth Assessment Study (NYAS) 2015 served as basis for the Youth Development Plan: 2017-2022. The study reveals that significant portions of Filipino youth lived in households with monthly incomes of less than P10,000: these include 75% of rural and 68% of urban youth, 76% of unemployed and 64% of employed youth, and 77% of OSY. Nearly a third (32%) of OSY said they had to stop schooling to take up a job or help their parents with their work. Urban and rural respondents significantly differed from each other. More fathers in rural (66%) than in urban (59%) households were employed. Conversely, more mothers in urban (38%) than in rural (31%) households had work. Over three-guarters (76%) of rural youth had household incomes less than PhP10,000 a month compared to 68% of urban youth. Across industries, only 15% of respondents worked in the agriculture sector, but 85% believed agriculture could be a viable means of livelihood. More urban than rural youth planned to work abroad in the next five years (44% against 40%) and had taken technical-vocational courses (17%) against 13%.

14. Indigenous peoples. Republic Act No. 8371, otherwise known as the Indigenous Peoples Rights Act of 1997 (IPRA) is the most important legal and regulatory framework for the protection of IP rights in the Philippines, including the rights of indigenous peoples to their ancestral domains. IPRA also created the National Commission for Indigenous Peoples (NCIP) to safeguard the rights and welfare of indigenous peoples. About 10-15% of the population in the Philippines is considered as ICCs/IPs. Majority of the IP population are found in Mindanao (61%), 33% in Luzon, and 6% in Visayas¹³. CAR is home to about 1.2 million indigenous people, collectively known as Igorots composed of various ethnolinguistic groups, mostly Bontok, Kankanaey, Ibaloy, Kalinga, Tinggiuan, and Isneg¹⁴. For Region XII, IPs are the Manobo, B'laan, T'boli, and Teduray.

As of 31 March 2018, the NCIP reported that there were 221 ancestral domains with 15. Certificates of Ancestral Domain Titles (CADT) in the country covering a total area of Region 12 has the greatest number of CADTs with 29 5,411,798.9257 hectares. (590,098.65 ha) and CAR with 21 (350,786.91 ha). Only 37 percent of CADTs have Ancestral Domain Sustainable Development and Protection Plans (ADSDPP) with CAR having the greatest number (31%). ADSDPP as "the consolidation of the plans of ICCs/IPs within an ancestral domain for the sustainable management and development of their land and natural resources as well as the development of human and cultural resources based on their indigenous knowledge, systems, and practices". Access to basic services among IPs falls far behind the national average with the largest disparity is in terms of access to safe drinking water, sanitation, electricity. One major reason for this disparity is remoteness.¹⁵

16. IPs are dependent on land and natural resources to support their livelihood and nutritional needs, mostly employed in the agri-forestry sector. Natural calamities, displacement as well as environmental degradation weaken food security among IPs (IFAD 2012). Climate change threatens the existing nutritional shortfalls, with more extreme

¹² Philippine Statistics Authority. (2021). Total Population 15 Years Old and Over and Rates of Labor Force Participation, Employment. Retrieved from: <u>https://psa.gov.ph/statistics/survey/labor-and-employment/labor-force-</u> <u>survey/title/Employment%20Rate%20in%20April%202022%20is%20Estimated%20at%2094.3%20Percent</u> ¹³ Cariño, J. K. (2012). Country technical notes on Indigenous peoples' issues: Republic of the Philippines. International Fund for

Agricultural Development. 14 Molintas, J. M. (2004). The Philippine indigenous peoples' struggle for land and life: challenging legal texts. Ariz. J. Int'l & Comp. L.,

^{21, 269.}

¹⁵ Reyes et al (2017) based on 2010 Census of Population and Housing.

climate variability. Undernutrition increases mortality and morbidity among children, which could result in lasting consequences on their health and development. Along with levels of education that are far lower than the national average as well as the lack of access to basic services, undernutrition and the lack of food security further impedes prospects for economic mobility among IPs.

2.2 Environment and Climate Context, Trends and Implications

2.2.1 Environmental Assessment

17. The two regions have diverse environments and will require different approaches. However, common features are fragile upland environs and remote terrain. The following paragraphs highlight the distinct features of each region.

18. **The Cordilleras.** The Cordillera Mountain range includes Mt. Pulag, the highest mountain in Luzon (Appendix 5j-1). The mountain range is 320 km (198 miles) long north to south and 118 km (73 miles) wide from east to west. The mountain range terminates at the northern shores of Luzon along the Babuyan Channel in Ilocos Norte and Cagayan provinces. The south-eastern part is linked to the Sierra Madre Mountains through the Caraballo Mountains in Nueva Vizcaya. Maximum elevation is 2,000 meters above sea level, with 30% having an elevation of less than 500 meters above sea level. Steep slopes of more than 30%, comprise 70% of total land area. CAR contains 11% of the total area of agricultural rice fields, orchards, pig farms and pasture lands. 60% of the country's temperate vegetables are produced in the region. Some 80% of the total Philippine gold production comes from the Cordillera (Habana, O. M. 2000). The range is also home to the headwaters of the major rivers in Northern Luzon, with several dams that include the Ambuklao and Binga Dams in Benguet.¹⁶

19. The CAR has four (4) priority critical watershed reserves supporting national irrigation systems aggregating into 977,829 ha which is 6.87% of the total area of watersheds in the country. These are the Abra River Watershed, the Abulug River Watershed, the Bayogao River Watershed and the Pamplona River Watershed. The Cordilleras also hosts 9 proclaimed watershed forest reserves with an aggregate area of 398,191.02 ha. The CAR also contains the SIKAME Watershed, the target of the IWMP developed through a previous IFAD Project. The Plan developed, contextualized in IP settings and indigenous knowledge systems and practices and is gender sensitive, was envisaged to be an innovative watershed mechanism within the region as it triggers policy dialogue given the cross-cutting nature to address regional development.¹⁷ However, following the development of the Plan, lack of resources and capacity constraints have limited action.

20. Forest lands cover 44.6% of the region and 11.46% of the national figure. These are further divided into six groups: (1) Forest, classified into Closed-forest and Open-forest (832,335 ha); (2) Other Wooded Land, composed of wooded grassland, shrubs and fallow (520,503 ha); (3) Agricultural, comprised of annual and perennial crop (250,242 ha); (4) Other Natural Land, in which barren land and grassland belong to (214,545 ha); (5) Inland water, that included fishpond and other inland waters (24,225 ha); and (6) Built-up area (23,80 ha). The area of natural forests is largest in the province of Apayao both in closed and open forests at 110,356 hectares and 146,808 hectares, respectively. Benguet had the smallest area of natural closed forest at 7,670 hectares while Kalinga had the smallest area of open forests at 50,042 ha. Over 35% of the region's total forestlands are tenured. Certificate of Ancestral Domain Titles (CADTs), or Certificate of Ancestral Land Titles (CALTs), cover the largest portion of these (about 78%) followed by CBFMAs (around 8%).

¹⁶ <u>https://www.chanrobles.com/legal3car.html#.YTMM_I4zY2w</u>

¹⁷ https://www.ifad.org/en/-/document/philippines-1100001395-charm-ii-supervision-report-february-2021

A variety of other tenurial instruments make up the balance. (Phil. Statistics Authority CAR, May 2020).

21. Based on the Philippine Forestry Statistics (2021), of the 16 regions in the country, CAR ranks 3^{rd} in terms of total forest area (828,727 ha) and 4^{th} with respect to open forest areas (564,087 ha), meaning that 64.95% is in a state of deforestation. Of the six provinces, Abra is highest with 98%, followed by Benguet (97%), and Ifugao at 79%. The least disturbed is Kalinga with 51% followed by Apayao with 56% and Mt. Province at 67%.

22. In 2002 the Cordillera forests was ranked as "Extremely High", and the level of priority for conservation ranked "Extremely High-Urgent" to "Extremely High-Critical."¹⁸ These designations applied specifically to biodiversity resources found within Balbalasang-Balbalan National Park, and on and around the peaks of the Central Cordillera higher than 1,000 meters above sea level. The Abra River and the Agno/Amburayan River system were also noted for the importance of the biodiversity resources that they support.¹⁹ The Cordillera also occupies one of the main "biodiversity corridors" along which animals move and which provide pathways for dispersal of seeds.

23. A UNESCO World Heritage Site in Ifugao, the Banaue Rice Terraces, "Eighth Wonder of the World," are 2,000 year-old terraces carved into the mountains of Ifugao by ancestors of the Batad people. The terraces cover a vast area and are approximately 1,500 meters (5,000 feet) above sea level. They are fed by an ancient irrigation system sourced from the upper rainforests above the terraces. The Municipalities of Mayoyao and Hungduan are within the UNESCO heritage area.

24. **Region XII.** The region has a total land area of 19,165.87 sq. km., which is about 17% that of Mindanao²⁰ and is located on the southwestern part of Mindanao covering the provinces of South Cotabato, Cotabato, Sultan Kudarat and Sarangani that has extensive coastlines, valleys and mountain ranges. North Cotabato has the biggest area at 6,019.78 sq. km. (30.4% of the region's area). The smallest among the provinces is Sultan Kudarat with an area of 4,401.06 sq. km. The Cotabato Basin is the drainage basin of Mindanao surrounded by mountain ranges on three sides with the Rio Grande de Mindanao, the longest river in Mindanao and the second longest in the Philippines running through it.²¹ The City of General Santos is a major urban center in the region.

25. The soil topography of Cotabato's terrain varies from flat, fertile plains to irregular landscape of wide valleys, scattered hills and extensive mountain ranges such as the Kitubod Range, Mt. Apo which forms the natural boundary between North Cotabato Province and Davao City, and Davao del Sur Province and the Tuael Range. Most of North Cotabato province is upland with a varied topography.²² Sultan Kudarat ranges from plain and rolling to hilly and mountainous. Prominent peaks are Mt. Matutum near the General Santos area that is a dormant volcano that is a major watershed suppling water to 25% of the SOCCSKSARGEN Growth Area and home to approximately 7,200 settlers of which 41% are IP.

26. The Philippine Forestry Statistics (2021) reveals that in terms of forest cover, Region XII ranks 10th compared to the other 15 regions with 293,682 ha. Open forest is 65.43%

 ²⁰ <u>https://kapuluannqpilipinas.wordpress.com/2016/05/16/region-xii-soccsksargen/</u>
 ²¹ Wernstedt, Frederick L.; Spencer, Joseph Earl (1978). <u>The Philippine Island World: A Physical, Cultural, and Regional Geography</u>. Berkeley: University of California Press. pp. <u>32</u>-37. <u>ISBN 9780520035133</u>.

¹⁸ Ong et al. (eds.) 2002. Philippine Biodiversity Conservation Priorities: A Second Iteration of the NBSAP. DENR-PAWB, C.I. Phis., BCP-UPCIDS, and FPE. Quezon City Philippines.

¹⁹ Areas included here are Balbalasang-Balbalan National Park; Saitan River Valley (Budabosa Area, Abra)-Mt.Ticma area; Otip River Valley upslope to Kamin-Ingel Ridge and Busuao Watershed; the border area between Abra, Mountain Province and Ilocos Sur; Mt. Amuyao; Mt. Polis; Mt. Data National Park; and Hungduan-Kiangan-Banawe area.
²⁰ bttps://dxnuluangalliana.wordpress.com/2016/05/16/coglea.pdf

²² https://fpa.da.gov.ph/NW/index.php/information-resources/regional-profile/region-xii

(192,150 ha). Of the four provinces, Sultan Kudarat has the largest open forest (74%), followed by Sarangani (72%), North Cotabato (60%) and South Cotabato (53%).

27. Land use/land classification,²³ is agricultural lands made up of annual and perennial croplands are 49.4% while the forestlands (closed, open, mangrove) cover only 15%. **The region is called the food basket of Mindanao especially Cotabato.** It is a major producer of cereals, tropical fruits, vegetables, sugarcane, coconut, coffee, freshwater fish and livestock. It is a leading producer of raw and semi-processed rubber, with markets in Asia and Europe, and industrial trees. The region produces chicken, hogs, ducks, goats, carabaos and cows. Coconuts are the major crop of Sarangani Province. Copra and coconut oil are commercial crops. Other major crops are palay, corn, banana, sugarcane, pineapple and mango. Brushlands and shrublands with open and barren lands make up 20% of the land cover area.

28. Liguasan Marsh, at 288,000 hectares (712,000 acres)remains the country's largest intact wetland, relatively undisturbed largely due to the war waged by the MILF since the late 1970s, and is home to diverse fauna and flora as well as thousands of ethnic Moro, or Bangsamoro, families whose livelihoods depend largely on fishing and farming in the marsh.²⁴ In 1979, about 30,000 hectares of the marsh was declared a Game Refuge and Bird Sanctuary²⁵, with an inventory carried out to ensure the preservation of wildlife and aquatic resources.

29. At least 92 species of birds, dozens of fish species, six species of reptiles and five species of amphibians are recorded to live in the area. The marshland is the only area in the Philippines where the Comb-crested Jacana can be sighted. There are populations of the Philippine crocodile and the Estuarine crocodile, and in the forested area of the marsh, the Philippine eagle.^{26, 27} Other fauna species present in the region are Tarictic hornbill (endangered), flying fox (vulnerable), Philippine Eagle (critically endangered), wild deer, Wild pig, owl, monkey and Philippine Crocodile and the Estuarine or Salt water Crocodile. There are also observed cases where small non-volant mammals threaten the environment mainly damaging the crops due to fast reproduction.²⁸ Plant species that could be found in the region as per BMB Documentation Report 2018 are Molave (vulnerable), *Toona calantas* (vulnerable), Narra (vulnerable) and agricultural crops such as rubber, coconut, cacao, coffee, corn rice vegetables, strawberry and wild cavendish.

2.2.2 Climate Trends and Impacts

30. **The Cordilleras**. CAR is the coldest region in the country, especially from November to February, with temperatures reaching as low as 15° C. The dry and wet seasons vary by province, but generally, the dry season starts in about November and lasts up to April.²⁹ The Cordilleras contributed about 30-50% of total rainfall in the country. Mean annual rainfall at higher elevations is over 3,800 mm per year, while mean monthly rainfall ranges from as low as about 8 mm in February to as high as 900 mm in August.³⁰ Within the Cordillera Region, the 21-yr curve of rainfall shows high rainfall ranging from 2000 mm to 8000 mm but with a decreasing trend in rainfall despite a slow increasing trend for the Philippine average rainfall from 1998 – 2016. Observations in recent years have shown some shifting in the arrival and occurrence of typhoons and even of the wet and dry seasons. Local sources claim that these changes could be effects of the region's slowly

²⁶ Sarmiento, Romer (14 May 2012

²³ PSA Compendium 2010-2019

²⁴ https://news.mongabay.com/2021/10/philippine-wetland-oil-riches-untouched-by-war-now-up-for-grabs-in-peacetime/

²⁵ https://www.philstar.com/business/2022/03/07/2165343/sklogc-explore-develop-liguasan-marsh

²⁷ "Liguasan Marsh eyed as freshwater fish biodiversity center in Mindanao". BusinessWorld.)

²⁸ Mary Celman P. Guaza, Kristine Mae L. Yap, Sunshine Gay T. Singson, Shahida P. Nor, Relaine L. Amado, Mark Anthony J. Torres, Maria Luisa Non-Cabrera, Elani A. Requieron. 2016. Comparative diversity and composition of small non-volant mammals in areas found on Soccsksargen Region, Philippines. Journal of Biodiversity and Environmental Sciences (JBES) ISSN: 2220-6663 (Print) 2222-3045 (Online) Vol. 8, No. 2, p. 255-264, 2016 <u>http://www.innspub.net</u>

²⁹ www.car.denr.gov.phindex.phpcar-gis-maps ³⁰ CHARMP.Scale-Up Baseline Study Pepert

³⁰ CHARMP Scale-Up Baseline Study Report.

disappearing forests. In 2020, of the 42 tropical cyclones in the Philippines 4 passed through CAR. 31

31. From 1901 to 2021 the temperature trend in the Cordilleras shows a steadily increasing rise.³² From 23.4 ^oC in 1901, the temperature in 2021 is now about 24.7 ^oC. Although data shows that there are fluctuations in temperature, the steady rise suggests an increasing trend. The 2020 seasonal temperature medium range scenario, in CAR is only in the 0.5 – 1.0^oC range. By 2050, this temperature scenario has increased to 1.5-2.5^oC range.³³

32. **Region 12**. In Region 12, all months have mean precipitation values of at least 60 mm. There is no pronounced summer or winter and is typically hot and wet throughout the year. The average annual temperature is 27.2° C. The highest recorded temperature as of 2016 is 37.2° C in March and the lowest is 16.1° C in January. For rainfall, the normal rainfall for 1991-2020 is 100 - 200 mm. However, actual rainfall as recorded in December 2022 is now at 50 – 100 mm. This is about 40 – 80% below the normal.³⁴ The month with the least amount of rainfall is January with 63.5 mm.³⁵

33. PAGASA in 2020, recorded the climatological normal for a period of 1991-2020. The climatological normal is the averages of a period computed for a uniform and relatively long period of at least 3 consecutive 10-year period. June is the month with the highest recorded rainfall with 101.9 mm while February has the lowest average of rainfall at 53 mm. As for the temperature, April recorded the maximum at 34.3°C while the minimum is shared by July and August with 22.6°C. Temperature trend is shown to have a rise in temperature over a 120 year period of recorded temperature in the region. From 1901, the recorded temperature was about 25.4°C and this fluctuated through the years but in an increasing fashion to 2021 where the temperature reached about 26.2°C. However, the temperature for the period peaked in 2017 reaching a high of 26.4°C.³⁶ Projecting to 2050, the temperature range would increase by 1.5 – 2.4°C, which would impact on agricultural production especially in the lowland plains and the higher elevations of the region. Appendix 5j-2 provides the details.

34. Earthquake is the prevailing natural hazard in the region.³⁷ There is 83.7% of the share of natural hazard on ground shaking and liquefaction caused by earthquakes. Tsunamis rarely occur but they do occur especially if the earthquake epicenter is in the sea. The majority of the 1,195 barangays in Region 12 (Soccsksargen) are considered highly prone to flooding and landslides based on the assessment of the Mines and Geosciences Bureau (MGB). Karst subsidence is an emerging hazard in the region and the vulnerability of the region's localities are presently being studied. Karst subsidence is characterized by sinkholes that usually occur in areas underlain by limestone. Region 12 is considered typhoon-free.³⁸ There are four volcanoes that were identified by the PhiVolcs for Region 12:³⁹ Mt Blit 1,198m extinct, Mt Quezon 652m extinct; Mt Matutum 2,286m dormant, and Mt Parker 1,824m dormant.

2.2.3 Climate Change Mitigation

³⁴ DOST – PAGASA, 2020 <u>https://pagasa.gov.ph</u>

³¹ Dela Cruz-Santos, Gemma. 2021. 2020 Tropical Cyclones in the Philippines: A Review. Tropical Cyclones Research and Review. Vol 10:3 pp. 191-199. <u>https://www.sciencedirect.com/science/article/pii</u>, accessed 17 October 2021.

³² WBG ADB CC Knowledge Portal, 2022

³³ REECS Report 2016. Conduct of Monitoring and Evaluation of CHARMP2: Reforestation and Agroforestry, Final Report.

³⁵ https://kapuluanngpilipinas.wordpress.com/2016/05/16/region-xii-soccsksargen/

³⁶ WB ADB CC Knowledge Portal, 2022

³⁷ Statista 2022. <u>https://www.statista.com/statistics/1092008/philippines-earthquake-hazard-region-12-soccsksargen-by-</u>

type/#statisticContainer ³⁸ <u>https://www.pna.gov.ph/articles/1147174</u> Most barangays in Soccsksargen prone to flooding, landslides By Allen Estabillo July 15, 2021

³⁹ Volcanoes of Region 12 – Mt Blit 1,198m extinct, Mt Quezon 652m extinct (black triangle); Mt matutum 2,286m dormant, Mt Parker 1,824m dormant (green triangle): source - <u>https://www.volcanodiscovery.com/mindanao.html</u>

35. Both the Cordilleras and Region XII possess common general geophysical features, i.e., mountainous and uplands / highlands, that experience similar climatic impacts. CAR and Region XII are inhabited by Indigenous Peoples. Mitigation measures are also basically similar although details in implementation may vary because of differences in culture and indigenous knowledge systems.

Potential Risks and Suggested Mitigating Measures						
Impacts / Risks	Management Measures					
Substandard design coupled with increased rainfall trigger landslides & feedings. Fastbaugks induced landslides	Climate proof infra design					
flooding; Earthquake induced landslides damage infra along sloping areas/ farmlands	Increase disaster preparedness of beneficiaries; conduct drills on disaster preparedness;					
	Avoid siting of rural infra along fault lines, & landslide & flood prone areas					
Construction disturbs soil exposing these to rainfall & erosion	Conduct reforestation activities on bare slopes & open canopy forest areas					
Species selection for reforestation and other agroforest crops may challenge the	Use indigenous and/or commonly found tree-crop species to be planted.					
biodiversity structure of the area	Select species that are able to adapt to the projected climate conditions of the project site.					
Physical & economic displacement may occur with investments requiring space or restricting access to formerly utilized areas	Uphold the Abbreviated Resettlement Framework (Abbr. Resettlement Framework; See Social, Environment, and Climate Assessment Procedure (SECAP) Review Note (SRN) Appendix 5f) & prepare an Abbreviated Resettlement Action Plan (Abbr. RAP)					
	Install a grievance redress mechanism (GRM) as avenue for information disclosure & serve as feedback loop for appropriate action					
Investments may impinge on tenure arrangements of IPs along with social & institutional arrangements around customary use of land and natural resources.	Observe Indigenous Peoples Planning Framework (IPPF; See SRN Appendix 5e) & Free and Prior Informed Consent Implementation Plan (FPIC-IP; See SRN Appendix 5d) & prepare an Indigenous Peoples Plan (IPP). Meaningful consultations will be conducted					
	Install GRM as avenue for information disclosure & serve as feedback loop for appropriate action					
Exclusion of women including young women and indigenous women from community decision making for project investments	Community sensitization, adopting quota for women's participation in local decision making (through ARBOs/ARCs); Develop gender and social inclusion checklist for community level trainings/ meetings/workshops/decision making forums (logistical arrangements, facilitation, training/meeting materials used, special measures to					

Potential Risks and Suggested Mitigating Measure

Impacts / Risks	Management Measures
	ensure women and other marginalised groups' participation etc.).
Unregulated pesticide use & fertilizers would pollute water sources, expose women (of child bearing age) to health risks, reduce population of beneficial insects thereby reducing crop yield & eventually the income of beneficiaries	Strictly implement the provisions of PD 1144 governing the sale & use, storage of fertilizers & pesticides
Crop failure due to increased frequency	Provide "umbrella" shelter for crops
& duration of extreme climatic events (rainfall and drought/El Nino)	Establish nurseries to ensure adequate supply of planting materials to replace damaged crops
	Provide technical assistance to farmers & other beneficiaries
	Anticipate such occurrence through disaster preparedness
	Protect water sources and ensure efficient distribution to farm lots and rice paddies especially during ENSO (El Niño Southern Oscillation) events
	Promote indigenous seed storage practices for rice and other crops
Agri & nursery waste management is non-existent or is minimal - pollutes	Support local government initiatives on waste management
waterways & bodies of water	Provide trainings on organic agriculture - Convert agri-wastes into organic fertilizer
Women farmers increased exposure to health hazards due to women more likely to grow crops on contaminated land ⁴⁰	Promote integrated pest management (IPM) Promote organic farming practices
Resistance within community towards women's empowerment and gender transformative actions	Involve men & community leaders throughout the process of gender transformative actions, invest in shifting perceptions & practices around the recognition & promotion of women's empowerment to the whole community; community awareness raising on Gender Equality and Women Empowerment (GEWE) (incl. on gender-based violence)
Typhoons damage farm lands, induces crop failure	Climate – proof storage facilities, roads and other infrastructure

⁴⁰ <u>https://vc.bridgew.edu/cgi/viewcontent.cgi?article=1199&context=jiws</u>

Impacts / Risks	Management Measures
	Prepare for such events by having a ready supply of planting materials to replace damaged crops
Generally weak capacities of Local Government Units (LGUs) & other partners to implement the Project will cause challenges in Project implementation	Conduct trainings on Project mgt & implementation, Monitoring and Evaluation (M&E), & governance to LGUs & ARC/ARBs
Target communities have low adaptive capacities to climate change impacts	Apply SECAP measures especially on Targeted Climate Adaptation Strategies
Financial intermediaries are not equipped with environmental & social management systems (ESMS) to properly service beneficiaries	Ensure financial intermediaries prepare & install ESMS prior to onlending activities

2.3 Target Group Profiles

36. **Upland Farmers and Agrarian Reform Beneficiaries (ARBs).** According to the 2015 Survey of Agrarian Reform Beneficiaries, the estimated number of ARB households is around 1.78 million. From the total ARB households, 13.15% are female-headed households. About 82.8% of household head with CARP beneficiaries were economically active in which 71% of them are farmers, forestry workers, and/or fishers, 7% were laborers and unskilled workers, 5% are plant and machine operators, and assemblers, and 4.5% are traders and related workers. Non-ARB households have better living conditions compared to ARBs.

37. Project VISTA will initially target ARCs in the target regions and expand to similar adjacent poor communities, expanded ARC Clusters (EARCCs) that also have potential to engage in the targeted anchor crops. The selected upland areas in the regions are major watersheds with high levels of fragility, experiencing environmental protection and degradation issues. As in the case of CAR, part of the EARCC falls within the SIKAME watershed (comprising the mountains of Sisipitan, Kaman-Ingel, and Mengmeng covering about 79,000 has). Only a selected portion thereof will be included in the project as EARCCs.

38. Smallholders are non-ARB farmers or tenants in upland and lowland areas, usually owning less than five hectares of landholding. Small farm holders are commonly vegetable farmers because of the short growing period, labor intensive, and high land productivity which can fit with rotation crops⁴¹. Benguet is the lead vegetable producer in CAR and for the rest of the country with 292,535.11 MT from an area harvested of 6,249.00 hectares PSA, 2022). SOCCSKARGEN had biggest planting area for coffee (26,731 ha) in 2015 accounting for 24% of total production area in the country (113, 738 ha. Smallholders are the most vulnerable to hardships due to environmental degradation and climate variances since they are usually cultivating marginal lands, lack technical knowledge, and have small to no financial support. Smallholders that also engage in livestock are observed to experience low productivity due to poor livestock performance and low quality and quantity of feeds⁴².

⁴¹ Dejarme-Calalang, G. M., Bock, L., & Colinet, G. (2015). Crop production of Northern Mindanao, Philippines: Its contribution to the regional economy and food security. Tropicultura, 33(2), 77-90.

⁴² Lapar, M. L. A., & Ehui, S. K. (2004). Factors affecting adoption of dual-purpose forages in the Philippine uplands. Agricultural Systems, 81(2), 95-114.

39. Their lands comprise mostly of steep slopes and rugged terrain with the ground highly susceptible to loss of nutrient-rich top soil and sedimentation of waterways caused by fast-flowing waters during heavy rainfalls. Most of the land parcels in these areas have long been occupied and subjected to cultivation and prone to long-term soil erosion and land degradation. even before they had been transferred/awarded to ARBs. Currently these lands are planted with food and cash crops such as corn, banana, upland rice varieties and sugarcane, and perennial crops such as coconut, rubber, coffee and cacao. However, some portions in these areas still contain small thickets in gullies that provide natural habitats and waterways that are critical components of micro watersheds.

40. **Indigenous Peoples.** IFAD's Country Technical Note on Indigenous Peoples' Issues (2012) identifies that indigenous peoples are among the poorest and most marginalized sectors of Philippine society. They experience neglect and discrimination in the provision of basic social services by the Government. They are found in the forests, mountains, lowlands and coastal areas of the country and are in varied levels of socio-economic development.

41. The IPs of CAR are collectively called Igorot which means "people from the mountains" which are composed of tribes⁴³. This collective term is not always accepted, especially in the provinces of Ifugao, Kalinga, and Apayao, due to colonial history⁴⁴. Major ethno-linguistic groups in CAR are the Kankanaey, Bontoc, Ifugao, Kalinga, Ibaloy, Isneg, and Tingguian. Cordilleran IPs has a strong concept of *ili* or a 'community's claim to a territory'. These territorial boundaries are usually communal and are marked by geophysical features⁴⁵. In CAR, IP upland farming has been a practice for about 10 to 50 years whose crop is typically related to their identity as a tribe and are managed through traditional agricultural practices⁴⁶. Mindanao's IPs are known as Lumads which means "of the land".⁴⁷In Northern Mindanao, farms are generally managed by husband and wife, hedgerow system increased agroforestry and corn yields, and agroforestry increased benefits compared to monocropping⁴⁸.

42. **Agrarian Reform Beneficiary Organizations**.⁴⁹ DAR introduced the creation of farmers' organizations known as ARBOs to serve as channels for the provision of support services to ARBs. ARBOs were organized nationwide in identified ARCs or clusters where there is concentration of ARBs or lands distributed through the land reform program. The collective coordination of small farmers through cooperatives or farmers' associations has become critical for increased productivity and incomes of the farm sector. Organizations are comprised of community of members with recognized social interactions through time yet smallholders rarely self-organize in a formal way due to lack of resources (ie, capital, technology, facilities), limited leadership skills, weak organizational capacity (Markelova, et al 2009).

43. A study⁵⁰ on organizational maturity of ARBOs reveal that the maturity index score is 34.3 equivalent to Level 3 organizational maturity. The region with the highest average maturity index score is CAR with 44.92 while ARMM has the lowest with 20.12. ARMM has no ARBO that has reached level 5 maturity. Eight (8) regions have average maturity index

Mindanao Island. Journal of Threatened Taxa, 9(6), 10307-10313. ⁴⁸ Magcale-Macandog, D. B., Rañola, F. M., Rañola, R. F., Ani, P. A. B., & Vidal, N. B. (2010). Enhancing the food security of upland farming baucaholds through paraferetry in Claudian Criential Philippings. Appendix Action 20(3), 327-342.

farming households through agroforestry in Claveria, Misamis Oriental, Philippines. Agroforestry systems, 79(3), 327-342. ⁴⁹ Ballesteros, M.M. and Ancheta, J.A. (2020) The Role of Agrarian Reform Beneficiaries Organizations (ARBOs) in Agriculture Value Chain. Philippine Institute for Development Studies. Discussion Paper Series No. 2020-24. Quezon City, Philippines. <u>https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps2024.pdf</u> ⁵⁰ Ibid.

⁴³ Cariño, J. K. (2012). Country technical notes on Indigenous peoples' issues: Republic of the Philippines. IFAD.

 ⁴⁴ McKay, D. (2006). Rethinking indigenous place: Igorot identity and locality. Australian Journal of Anthropology, 17(3), 291-306.
 ⁴⁵ Molintas, J. M. (2004). The Philippine indigenous peoples' struggle for land and life: challenging legal texts. Ariz. J. Int'l & Comp. L., 21, 269.

 ⁴⁶ Portilla, J. C., & Mirandilla, J. R. F. (2013). Documentation of indigenous practices in upland (traditional) rice production areas and site characterization in CAR [Cordillera Administrative Region, Philippines]. Philippine Journal of Crop Science (Philippines).
 ⁴⁷ Tanalgo, K. C. (2017). Wildlife hunting by indigenous people in a Philippine protected area: a perspective from Mt. Apo National Park,

scores less than the national average: ARMM, Regions V, VI, VIII, XII, and the IFAD ConVERGE sites of Regions IX, X, and XIII.

44. **Business Development Partners.** These include eligible farmers' cooperatives and associations (People's Organisations or POs) which can have a leading role as innovators in improving the returns from the existing and emerging value-chains in an enterprise-oriented development approach. Formal and informal partnerships can be built with private sectors or companies like Nestle for coffee, San Miguel breweries for cassava, and Ching Bee Trading for abaca. Financial institutions can also be tapped to provide financial assistance to ARBOs. Public institutions like the Philippines Fiber Industry and Development Authority and NGOs could also offer services of sharing their experience and expertise to provide services along the value chains.

3. Institutional Analysis

45. DAR with its past experience with IFAD projects has proven to be a capable institution with direct linkages at the grass roots level with its agrarian reform communities, POs, and local governments. DAR is the primary implementing agency for VISTA. The DENR as the lead government entity for natural resources, biodiversity conservation, and climate change has worked with DAR through the Government convergence initiative. Similarly, the DA as the collaborating agency of VISTA through its BSWM, ATI, and RFO, is a member of the convergence group and provides the necessary technical support to DAR plans, programs, and projects. Both DENR and DA will largely contribute to local planning and ensure the imperatives for ecosystems-based value chain are achieved. All these agencies have limited capacities on SECAP despite national laws that complement SECAP standards. Pertinent laws that impinge on the project are provided in Appendix 5j-3.

46. DAR stands on the powers vested under RA 6657 (1988) or otherwise known as the Comprehensive Agrarian Reform Law (CARL) to lead in the implementation of the Comprehensive Agrarian Reform Program (CARP) through Land Tenure Improvement (LTI), Agrarian Justice and Coordinated delivery of essential Support Services to client beneficiaries. As such, it has a functional organizational structure with mechanisms at the national, regional, provincial and municipal levels. It has strong partnership and coordination with partner agencies, LGUs, CSOs, POs and other stakeholders. The agency has the capability to organize and mobilize ARBs with a clear ARC development strategy with established performance-related organization and management systems. Staff complement is visible across levels - from the national down to municipal offices. Past engagements with IFAD has been through the WMCIP, NMCIREMP, and CONVERGE.

47. The DENR is the primary agency responsible for governing and supervising the exploration, development, utilization, and conservation of the country's natural resources. It is one of the largest government agencies with presence down to the community level though parallel to its structure has been devolved to local government units thus based on stakeholder consultations, is not as visible at the site level. DENR has past experience with IFAD through CHARMP and INREMP.

48. As DA is the collaborating agency of VISTA with BSWM, ATI, and RFO as its lead implementing arms, it is responsible for the promotion of agricultural development by providing the policy framework, public investments, and support services needed for domestic and export-oriented business enterprises. The agency has a training and extension arm with available training centers in every region. It has expertise in agribusiness land investment promotion, servicing project and business development, trade marketing, contract facilitation and project negotiation. The agency has been an IFAD development partner through past projects like HADP, CHARMP and FishCORAL. DA contains several specialised Bureaus and Institutes, including the Bureau of Soil and Water

Management (BSWM) and the Agricultural Training Institute (ATI) which will both play key roles in VISTA implementation.

49. Within government, the DTI is tasked as the main economic catalyst that enables innovative, competitive, job generating, inclusive business, and empowers consumers. It acts as a catalyst for intensified private sector activity in order to accelerate and sustain economic growth through comprehensive industrial growth strategy, progressive and socially responsible trade liberalization and deregulation programs and policymaking designed for the expansion and diversification of Philippine trade – both domestic and foreign. RAPID is an ongoing IFAD supported project under DTI.

50. The NCIP is responsible for protecting and promoting the interest and well-being of the Indigenous Cultural Communities/Indigenous Peoples with due regard to their beliefs, customs, traditions, and institutions. It serves as channel for IPs to seek government assistance and subject to existing laws, can enter into contracts, agreements, or arrangement, with government agencies or private entities. Its organizational structure is down to the community level with 110 Community Service Centers all over the country. Parallel to the structure of local government units, the agency by virtue of IPRA, is fortified with the presence of IP Mandatory Representatives across levels.

51. Local Government Units - The country is divided into units known as political subdivisions such as provinces, municipalities, cities, and barangays. These political subdivisions enjoy autonomy, especially in local affairs. But, they are also under the general supervision of the Chief Executive, through the Secretary of the Department of Interior and Local Government (DILG). These local governments are agencies of the national government in the matter of collection of taxes, law enforcement, and other governmental functions, which may be delegated by the national government to these local governments. Local governments constitute the foundation of the entire structure of the government and its staffing mirror those of the national government.

4. Environmental and Social Category

52. The Project is classified as inherently Substantial (See Appendix 5j - 4a for the offline screening checklist) primarily due to its location in upland areas considered to be within forestlands and protected areas (e.g. National Park, Nature Conservancy, Indigenous Community Conserved Area, (ICCA), etc.). Of the 142 ARCs in the list provided by DAR for assessment for the two regions during the mission, 70% are known to have IP communities within ancestral domains. In the sustainable use of resources, indigenous forest management systems of the IP communities will be packaged and disseminated across project sites within the region, subject to a FPIC. While application of their traditional knowledge and practices will be replicated to highlight recognition of their sustainable relations with the environs, these are not however subject to commercialization, rather to promote sustainable and resilient management of resources and adaptation to extreme climatic events.

53. It must be underscored that the project overall supports biodiversity conservation in these areas and promote livelihoods that reduce pressure and impacts on the ecosystems. The project will apply Good Agricultural Practices and ensure nature-based developments with minimal impacts on ecosystems and vulnerable sectors like indigenous peoples. The project is targeted towards the protection and conservation of soil, water, biodiversity, and forest resources and climate change initiatives including identification of sustainable inputs and technologies, land tenure boundary support, best fit crop matching in ecosystems and waste minimization approaches. It would cover protection of soil, water, biodiversity, forestry and climate change initiatives including identification of sustainable inputs and technologies, and land tenure boundary support.

5. Climate Risk Category

54. The Project is classified Substantial for climate risk classification. The project areas are inherently impacted by extreme climatic events such as flooding, tropical storms/typhoons and drought but it is not expected that these will have a major impact on project activities since the project is focused on enhancing resilience to climate change with special mention to agrobiodiversity documentation and mainstreaming of indigenous knowledge systems and practices. Appendix 4b provides the details through the offline screening checklist.

55. The project will include capacity building activities for government institutions, local governments, private sector as well as local communities and will apply Good Agricultural Practices.

6. Recommendations for Project Design and Implementation

56. **Adoption of SECAP documents and instruments.** Based on the environment, social and climate screening, it is determined that all nine SECAP Standards apply to VISTA with varying levels of applicability. As such, a VISTA-IFAD Environmental and Social Exclusion List (Appendix 5j - 5) and VISTA Safeguards Screening Checklist has been prepared (Appendix 5j - 6) to be utilized at implementation specifically under Component 1. Screening VISTA investments shall result to: (i) an assessment of the environmental and social risks; (ii) identification of required permits and clearances prior to project implementation; and (iii) identification of applicable SECAP management plans to avoid, mitigate and minimize the identified environmental and social risks. The screening process further determines possible documents and instruments, e.g., ESCMP and ESIA, to be applied during Project implementation, based on subproject typology.

57. The following SECAP documents have been prepared, ready for review and adoption by the DAR as executing agency: (i) Abbreviated Environment, Social, and Climate Management Framework (ESCMF) as provided in Appendix 5b, (ii) Annotated Outline of a Pest Management Plan (PMP) in Appendix 5h, (iii) Guidance for Subprojects affecting Tangible and Intangible Cultural Heritage (Appendix 5i) (iv) Stakeholder Engagement Plan (SEP) that includes for the project Grievance Redress Mechanism (GRM), see Appendix 5c , (v) Free and Prior Informed Consent (FPIC) Implementation Plan (Appendix 5d), (iv) IP Plan/Framework in Appendix 5e, (v) Abbreviated Resettlement Framework found in Appendix 5f, and (vi) Targeted Adaptation Assessment (Appendix 5g).

58. <u>Risk assessment and management</u>. SECAP is built onto the whole project design. The approach to the VISTA recognizes that in the rural-urban spectrum, poverty incidence is aggravated by lack of diversity in sources of income, thereby increasing susceptibility to shocks that affect nutrition - household income is correlated with household dietary diversity where most female-headed households allocate income with focus on dietary diversity (Danton, 2016). Low population density rural clusters manifest high poverty and high prevalence of stunting and wasting and those in dense urban clusters are similarly though at a lesser degree, vulnerable to high poverty, stunting, and wasting.⁵¹ The proposed project will be cognizant of ecosystems being inter-related and interconnected in terms of their functional relationships such that perturbations in one would affect the other. Hence, while investments will focus on an ecosystem for VCD purposes, SECAP 2021 assessment and risk management shall take into account the whole continuum - ridge to reef, or upland-coastal/island with due concerns on the poverty and socioeconomics aspects that include gender and nutrition-sensitive assessment and programming within that ecosystem. It is with these in perspective that the Abbreviated ESCMF has been prepared. It underscores that SECAP goes beyond compliance, avoiding risks and impacts to identify opportunities for maximizing

⁵¹ Alliance of Biodiversity International and CIAT & World Food Programme. (2021). *Philippine climate change and food security analysis*. Manila, Philippines.

development gains by mainstreaming environmental, social and climate issues throughout the project cycle and thematic concerns on target groups (IPs, women, youth, and nutrition). DAR and DA, as lead and co-lead respectively, will have the main responsibility of coordinating with the LGUs, DENR, NCIPs and other stakeholders, where applicable.

59. <u>Pest Management Plan (PMP)</u>. An annotated outline of a PMP is provided that extends guidance towards the preparation of a concise implementation plan for the pest management aspects of the various crops covered by VISTA, such as coffee, cacao, rice, reforestation and agroforestry tree-crop species. The PMP guides relevant stakeholders on the details of the pest management strategy and to which a feedback loop is provided for consideration by project management. The PMP is anchored upon the ESCMF matrix and describes the full rationale of, and justification for, the application of biocides or other pest management techniques, and the respective institutional and regulatory framework. It further provides a description of the proposed strategies, associated risks and appropriate measures to manage risks.

60. The PMP shall be disclosed and discussed to stakeholders: in draft form and the final version prior to subproject approval. It is suggested that the PMP be in a form and language understandable to stakeholders and their views taken into consideration during the revision of the draft.

61. <u>Guidance for Subprojects affecting Tangible and Intangible Cultural Heritage</u>. A guidance note has been prepared (see SRN Annex 9) that includes the list of the UNESCO declared sites along with the national list of tentative/proposed UNESCO sites. Declared heritage sites are considered critical areas that require compliance certificates from the DENR prior to subproject implementation. Referencing cultural heritage to local/indigenous knowledge, innovations or practices of local communities, for the benefit of the project or for commercial purposes, will require linking to the VISTA FPIC-IP, IPPF and SEP in order to obtain the FPIC to allow for fair and equitable sharing of benefits. The guidance note likewise provides a Chance Find Procedure in the event physical culture traits are encountered.

62. <u>Stakeholder Engagement and Grievance Redress</u>. Meaningful consultation and participation leading to FPIC are necessary to ensure the projects builds on the strengths of the local communities, while addressing issues, concerns and voices of affected households in project preparation, implementation, monitoring and reporting. Stakeholder engagement shall be undertaken in an atmosphere free of intimidation or coercion, gender and youth inclusive and responsive, tailored to the needs of disadvantaged and vulnerable groups. Timely disclosure of relevant and adequate information, preferably in the local language, will be provided to stakeholders and made readily accessible. Documentation of stakeholder engagement and FPIC processes will form part of project report submissions. Action plans (ESCMP, SEP, GAP) per project site shall be prepared, to incorporate stakeholder feedback. The documents will be included as materials for periodic monitoring. For this to be realized DAR / DA and the LGUs will have to be well coordinated.

63. All SECAP project/subproject documents shall be made available for public review at a place accessible to local people, and in a form, manner, and language they can understand. Before a subproject is approved, the applicable documents (Abbr. ESCMP, SEP with GRM) must be disclosed to the public. The process of preparing the Abbr. RAP and IPP and compliance to NCIP-FPIC will continue after the completion of the SP/BP as long as the scope of impacts have been determined and disclosed. A website dedicated to project implementation will be made and all subproject information and action plans shall similarly be uploaded to the project website.

64. A Project grievance mechanism is drafted and will require disclosure and feedback from stakeholders prior to implementation. IFAD has an established complaints procedure for its supported projects to receive and facilitate resolution of concerns and grievances

as regards alleged non-compliance of its environmental and social policies and the mandatory aspects of SECAP. If despite an official project GRM, stakeholders still need their concerns to be resolved in a fair and timely manner through an independent process, IFAD may be contacted by e-mail at <u>SECAPcomplaints@ifad.org</u>.

65. <u>Free and Prior Informed Consent (FPIC) Amongst Indigenous Peoples</u>. FPIC is a mandatory requirement under both IFAD and the country system through the NCIP subject to compliance, most significantly if projects potentially affect indigenous peoples, their customary lands or access to natural and cultural resources. The IPRA-required FPIC will be adhered to. As such, for VISTA investments located within Ancestral Domains or located near IP communities and/or have IP beneficiaries, the Proponent may already start the process prescribed under the FPIC Implementation Plan and IPP and engage with the NCIP and IP Mandatory Representative.

66. <u>Physical and Economic Displacement</u>. For investments that require land acquisition or encounter economic displacement temporary or otherwise, the project may commence with the process of preparing a Resettlement Action Plan as prescribed under the Abbreviated RF concurrent with FS preparation under Component 1.

67. **Procurement considerations.** Due to the substantial nature of risks, procurement guidelines for Contractor engagement will have to be compliant to SECAP. The Contractor is obliged to prepare a Contractor's ESCMP (CESCMP) compliant with the overall project ESCMP. A Contractor's staff code of conduct will similarly have to be prepared by the Contractor, as well as the Contractor's Health and Safety Management Plan (HSMP). These documents shall be annexed to the bidding documents as per monetary thresholds prescribed in the IFAD Procurement Manual and Procurement Handbook.

68. In project sites with IPs, previous work experience by the Contractor in similar environments with indigenous communities will be a key qualification. Further, that the Contractor has no record of previous convictions for infringement of labour laws. Civil works shall not commence in areas where there are resettlement issues until satisfactory implementation of the RAP by the Proponent is certified by the supervision engineer.

69. With respect to shortlisting of potential FIs, the following shall be ensured:

- Quality of their ESMS for screening financial intermediation services to demonstrate their capacity for assuming delegated responsibility for environmental and social assessment, risk management and monitoring, and overall portfolio management;
- FIs' capacity to continuously monitor on-lending and respond to accidental and emergency situations in their operations;
- Submission by FIs, in a form acceptable to IFAD, of annual environmental and social reports on the implementation of the ESMS and on-lending operations.

70. **Designating VISTA SECAP focals at the national and regional levels.** In order to fully implement SECAP-related activities, the project shall hire 2 SECAP Specialists, a Senior SECAP Specialist at the CPMO level to oversee and coordinate, monitor and evaluate project compliance to SECAP and country system requirements and a SECAP Specialist (2) at the RPMO level to monitor and evaluate project activities on social, environment and climate change assessment. The Senior Specialist liaises and regularly consults with national regulatory bodies to achieve satisfactory compliance status for VISTA. During the Field Mission, it was noted that the DAR has inadequate staff with background in the social sciences, hence the need that the Specialists have the social lens for projects with experience in community development work. The Specialists will be assisted by RPMO Foresters (2 to handle ENR & CC) and Senior Engineers (2 to handle SALT eng'g measures, infra, others) to cover the biophysical requirements of SECAP. The

CPMO and RPMO SECAP Specialists, along with the RPMO Foresters and Engineers shall be capacitated on the SECAP instruments, especially the checklist as they interphase with communities and Consultants. DAR regular staff (2) shall be hired to liaise and coordinate with the RPMO and CPMO and also the VISTA as a whole to ensure smooth implementation and monitoring.

71. The DA as collaborating agency shall designate staff to provide technical support and assistance to DAR for the implementation of Component 1.2, and Component 2.1 and pest management.

7. Further Studies Needed

72. Components 1 & 2 activities/subprojects will be screened accordingly through the Philippine EIA System and the necessary environmental permits or licenses for subproject will be secured that includes those within cultural heritage sites. Per screening results, a IPMP shall be developed specific to the pest-crop associated with a project site. Should the social analysis determine that physical and/or economic displacement will be triggered by a subproject, the required Abbr. RAP will be prepared. Should the subproject impinge on IP culture and lifeways, an IPP will be prepared. Considering the climate risk of the project as determined by the climate risk screening, a more detailed climate risk assessment should be prepared.

8. Monitoring and Evaluation

73. Monitoring of SECAP performance assessment will be conducted by PMU on a semiannual basis. Results of monitoring shall be disclosed to stakeholders and their feedback recorded and acted upon.

74. Materials to be prepared and assessed are:

- (i) Records of Consultations and FPIC
- (ii) Records of community participation during project planning and implementation phases, including issues raised by target group, how addressed, use of local languages where appropriate, and the like.
- (iii) Proof of environmental permit compliance on relevant activities.
- (iv) Reports on environmental and social management and monitoring activities.
- (v) Reports on the monitoring and evaluation of private sector participation.
- (vi) Records of grievances received and the management process to completion, along with analysis of the grievance trends.
- (vii) Feedback from local stakeholders about the results of mitigation measures as reflected in the Abbr. ESCMP.
- (viii) Occurrence of climate extremes and associated disaster/risk measures.
- (ix) Disaggregated records on the participation of women in all activities (ie, training/capacity building, consultations, and others).

9. References

- Agricultural Training Institute. (Undated) Integrated Pest Management (IPM). ATI Building, Elliptical Road, Diliman, Quezon City.
- Arceo, Carlo John. (2018). Situation of the Filipino Youth and Students. 10.13140/RG.2.2.24863.46247.
- ASEAN Centre for Biodiversity. (https://asean.chm-cbd.net/mt-kitanglad-range-national-park)
- Ballesteros, M.M. and Ancheta, J.A. (2020) The Role of Agrarian Reform Beneficiaries Organizations (ARBOs) in Agriculture Value Chain. Philippine Institute for Development Studies. Discussion Paper Series No. 2020-24. Quezon City, Philippines. https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps2024.pdf
- Braganza, Lauro. (2023). Integrated Pest Management in the Philippines: How it Works in https://www.pinoyfoodsecurity.com/agriculture/integrated-pest-management-in-the-philippineshow-it-works/
- Cariño, J. K. (2012). Country technical notes on Indigenous peoples' issues: Republic of the Philippines. International Fund for Agricultural Development.
- CHARMP. 2021. Project Completion Report. IFAD
- Dejarme-Calalang, G. M., Bock, L., & Colinet, G. (2015). Crop production of Northern Mindanao, Philippines: Its contribution to the regional economy and food security. Tropicultura, 33(2), 77-90.
- DENR-FMB. 2021. Philippine Forestry Statistics 2021. DENR FMB Quezon City DOST-PAGASA. 2011. Climate Change in the Philippines. DOST-PAGASA, Quezon City
- Habana, O. M. 2001. Gold Mining in Benguet. Ateneo de Manila University Philippine Studies Vol 49 No. 1 (2001); 3-41
- IFAD-SECAP 2021 Volumes 1 to 3.
- Isaha, S. A. A., & Baseb, R. L. (2022). Gross Regional Domestic Product, Population and Employment as Predictors of Poverty Incidence in Northern Mindanao Region: A Prospective Study Using Path Analysis. Gross Regional Domestic Product, Population and Employment as Predictors of Poverty Incidence in Northern Mindanao Region: A Prospective Study Using Path Analysis, 94(1), 9-9.
- Molintas, J. M. (2004). The Philippine indigenous peoples' struggle for land and life: challenging legal texts. Ariz. J. Int'l & Comp. L., 21, 269.
- National Nutrition Council. (2018). Winning the Malnutrition War: A Round-Table Experience on

 Nutrition:
 Documentation
 Report.
 Retrieved
 from:

 https://www.nnc.gov.ph/downloads/category/143-documentation reports?download=2106:roundtable-discussion-on-nutrition-documentation-report
 from:
- National Nutrition Council. (2021). 2021 Color Coded Prevalence of Malnutrition among 0-59 Months in CAR. Retrieved from: https://www.nnc.gov.ph/component/phocadownload/category/19-carfacts-figures?download=3394:2021-color-coded-prevalence-of-malnutrition-among-0-59months-in-car
- Paing, J. N., van Bussel, L. G., Gomez Jr, R. A., & Hein, L. G. (2022). Ecosystem services through the lens of indigenous people in the highlands of Cordillera Region, Northern Philippines. Journal of Environmental Management, 308, 114597.
- East
 Avenue,
 Diliman,
 Quezon
 City,
 Philippines.
 Retrieved
 from:

 https://psa.gov.ph/sites/default/files/2021 1st
 Poverty
 Stats
 Full%20Publication
 17Dec2021.pdf
- Philippine Statistics Authority. (2021). Total Population 15 Years Old and Over and Rates of Labor Force Participation, Employment. Retrieved from: https://psa.gov.ph/statistics/survey/labor-andemployment/labor-forcesurvey/title/Employment%20Rate%20in%20April%202022%20is%20Estimated%20at%2094.3 %20Percent

- Philippine Statistics Authority CAR, May 2020 https://psa.gov.ph/content/2020-census-population-andhousing-2020-cph-population-counts-declared-official-president
- PSA. (2019). Women and Men in CAR. Retrieved from: http://rssocar.psa.gov.ph/sites/default/files/2019-WAM-7th-Edition.pdf
- PSA. (2021). Women and Men in Davao. Retrieved from: http://rsso11.psa.gov.ph/sites/default/files/attachments/2021%20WAM%20Davao%20Region.p df
- PSA. (2021). Women and Men in Northern Mindanao. Retrieved from: ttp://rsso10.psa.gov.ph/article/2021-women-and-men
- PSA. (2021). Women and Men in SOCCSKSARGEN. Retrieved from: https://drive.google.com/file/d/1QeEjCgcqIGhIXPQ6298hSEjYzfYU8REP/view
- SOCCSKSARGEN Regional Development Plan 2017-2022. Retrieved from: https://nro12.neda.gov.ph/wp-content/uploads/2018/08/RDP-Chapter-2.pdf

WBG ADB CC Knowledge Portal, 2022. https://climateknowledgeportal.worldbank.org/

10. ESCMP Matrix

10. ESCMP Ma			_			
Environmental/ Social and I climate Impacts	Recommended Mitigation/ Enhancement measures	Public Consultation	Responsible Institution in Implementation	Means of Verification (Monitoring and	Frequency of Verification	Cost Estimate
•		Activities	Phase	reporting)		
Conversion of biodiversity, ecosystems, and services. Project sites involve habitats that are legally protected, officially proposed for protection, or recognized as protected by traditional local communities and/or authoritative sources (i.e.	 Prepare Abbr. ESCMP Apply precautionary principle and follow the mitigation hierarchy⁵² 	Biodivers Stakeholder Consultation Meeting (SCM), FPIC	bity DAR/DA, LGU- IPMR, PPMO, PO / IPO, NCIP, Council of Elders (COE) in CAR, Primary Elder in Region XII	 Monitoring Reports Annual reports 	Bi-annual Annual	In-house
Conflict with wildlife. Wildlife invading smallholder farms and damaging crops.	Participatory land use planning/zoning for protection of soil, water, biodiversity, forestry and climate change initiatives	Stakeholder Consultation Meeting (SCM), KII	LGU, PMO, DENR, DAR, DA, PO / IPO	 Annual Reports Activity Reports 	Bi-Annual	Lodged with LGU (Compreh ensive Land Use Plan)
Project may impact a critically endangered animal since project areas (CAR and Region 12) have sightings of the Philippine Eagle, a Critically Endangered animal.	Engage and consult a species specialist to evaluate species in target areas.	SCM, Key Informant interviews (KII)	PMO, LGU, PO / IPO	Activity/ accomplishment reports Monitoring reports, Annual Reports	Bi-annual	300,000 (for both regions)
Existing or target farms utilize GMOs	 Research on long term effects of GMO utilization Awareness campaign on GMO utilization 	SCM, KII	DA, PMO, PO / IPO,	 IEC materials Research articles Monitoring reports 	Annual	300,000 (for both regions)
Project requires procurement of natural resources through primary suppliers, and resource extraction	 Procure natural- resource commodities certified under appropriate certification and verification systems accepted for sustainable management of living natural resources in the Philippines Extraction of construction aggregates only from approved quarry sites Limit to suppliers that can demonstrate that they are not contributing to significant conversion or degradation of natural or critical habitats 	SCMs	sector, LGU	Annual Reports Activity Reports	Quarterly	Lodged with Contractor
Genetic erosion of traditional crop varieties due to introduction of exotic crops, hybrids and entry of invasive species	Prepare a Regulatory Framework or Risk Assessment of Invasive Species and incorporate in the implementation plans	KII, Focus Group Discussions (FGDs)	PMO, DENR, LGU, DA, DAR	 Abbr. ESCMP Activity and Annual Reports MAO monitoring reports 	annual	300,000 (for both regions)
	Resource		Pollution Prevention			
There are farmers who intensively use agri-	 Prepare Pest Management Plan 	SCMs,	PMO, DAR, DA, DENR	 Activity Reports 	annual	Lodged in Comp 2

⁵² The mitigation hierarchy is applied by (a) anticipating and avoiding risks and impacts; (b) where avoidance is not possible, minimizing or reducing risks and impacts; (c) once risks and impacts have been minimized or reduced, mitigating them; and (d) where residual adverse impacts remain, compensating for or offsetting them, where technically and financially feasible.

			Responsible	Means of		
Environmental/ Social and climate Impacts	Recommended Mitigation/ Enhancement measures	Public Consultation Activities	Institution in Implementation Phase	Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
chemicals (fertilizers and pesticides) in sensitive areas like the case in the Cordilleras	 Provide training or capacity-building on proper selection, distribution, storage, application, and disposal of pesticides and fertilizers Promote rational use of fertilizers and better management of organic alternatives 			• Management Plan		FFS under IPM Module
Project is dependent on reforestation and plantation development	 Carefully select the locations and tree species to be planted Avoid monoculture forestation efforts and selection of species that are able to adapt to the projected climate contexts of the project site 	SCMs, FGD / KII	DENR, DAR, PMO, LGU, ARBs	 ESIA Abbr. ESCMP Activity Reports Annual reports IEC materials 	annual	Lodged in Comp 1 Refo
The project will require consumption of raw materials, energy, and/or water	Prepare Abbr. ESCMP	SCM, FGDs / KII	DAR, PMO, DA, LGU, NCIP	 ESIA Abbr. ESCMP Activity Reports 	annual	In-house
Rehabilitation of communal irrigation systems and construction of small farm reservoirs to intercept overland flow will be done to address water shortage may contribute to extraction, diversion, or contamination of ground water.	 Conduct participatory water needs audit to determine, in consultation with relevant stakeholders, who depends on surface and underground water resources for various needs. Conduct review of the design, construction, operation and decommissioning of RIS. Apply GRM 	Participatory water needs assessment	PMO, DAR, DA LGU, PO / IPO	 Consultation Reports RI assessment GRM Reports Accomplishment reports / annual reports Monitoring reports 	Bi-annual	Lodged in Comp 1 SP/BP and DED activities; GRM install'n lodged in Comp 3. Project Mgt Costs
The project requires use of fertilizers & pesticides	 Provide training or capacity-building on proper selection, distribution, storage, application, and disposal of fertilizers Promotion on rational use of fertilizers and better management of organic alternatives Develop Management Plan 	SCM, FGDs/ KII	PMO, DAR, ARBs, DA-FPA, LGU	 Activity Reports Management Plan Monitoring reports Annual Reports 	Bi-annual	Lodged in Comp 2 FFS under IPM Module
Project areas have mining sites in the neighboring areas (i.e. Mankayan, Benguet mining firms) that may impact downstream communities	Report to LGU and EMB for proponents to control sources of pollutants and treat contaminated water before discharging into drainage systems or receiving water	SCM, KII	RPMO, DAR, LGU (national, municipal, barangay), DENR	 Activity Reports Accomplishment reports / Annual reports Management Plan Monitoring reports 	Annual	Part of Phi EIA system cost charged to Mining firms
		Cultural He				
Project may impact features or physical and religious values of UNESCO sites that are present for CAR and Region 12 (i.e. Ifugao Rice Terraces and Allah Valley)	 Subject to Philippine EIA system Prepare management plan that reflects relevant requirements 	FPIC, SCM	NCIP, PMO, LGU (national, municipal, barangay)	SECAP Management Plan Monitoring reports Annual reports	annual	600,000 (for both regions)

Environmental/ Social and climate Impacts	Recommended Mitigation/ Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	of SECAP Standard 3 (Cultural Heritage) ⁵³					
Project may impact IPs traditions and culture (intangible) during construction of rural infrastructures.	 Implement FPIC-IP and prepare IPP Capacity-building on FPIC and IPP implementation, monitoring, and reporting 	FPIC	NCIP, RPMO, LGU (national, municipal, barangay)	 FPIC-IP IPP Monitoring Reports Annual reports 	annual	 See FPIC-IP & IPF budget
Project will utilize traditional knowledge (intangible from of cultural heritage) for commercial purposes	Implement SEP & FPIC-IP Prepare IP Plan	FPIC	NCIP, PMO, LGU (national, municipal, barangay)	 FPIC-IP IPP Monitoring Reports Annual reports 	annual	As above
		Indigenous I	Peoples			
The project target areas, including project area of influence, have IPs as beneficiaries and indirect beneficiaries.	 Implement SEP & FPIC-IP Prepare IP Plan 	FPIC	NCIP, RPMO, LGU (national, municipal, barangay),	 SEP Monitoring Reports FPIC-IP IP Plan 	annual	 See SEP, FPIC-IP & IPF budget
The project target areas, including project area of influence, cover IP's ancestral domains				 Annual reports Accomplishment reports 	annual	
Project may result in temporary impacts on rights of IPs with regards to their lands, territories, and resources, especially during constructions of rural infrastructure.					quarterly	
Project component is dependent on the utilization or commercialization of natural resources including resources, lands, territories claimed					Bi-annual	
by IPs. Project will promote sustainable management practices of farms and agro-forestry which includes IPs' traditional knowledge and practices.					Bi-annual	
Temporary loss of indigenous people's rights to land, natural resources, territories, and livelihood due to rural infrastructure construction					annual	
Duringth an angle is		abor and Workin		CECAD		150.000
Project operate in sectors or value chains that are characterized by working conditions that do not meet national labor laws or international commitments (e.g. discriminatory practices) Instances forced labor in project areas	 Apply the precautionary principle and mitigation hierarchy TP to prepare and implement appropriately scaled labour management procedures to ensure labour-management practices that meet 	SCM, FGDs, KII	RPMO, DAR, Monitoring team, LGU, DSWD / DOLE	 SECAP Monitoring Reports Activity Reports Accomplishment reports Annual reports 	Bi-annual	150,000 (for both regions)

⁵³ may be a component of the overall environmental management plan for the program /project) that includes (i) measures for avoiding, minimizing or mitigating any adverse impacts on the cultural heritage; (ii) provisions for managing "chance finds" of cultural heritage during implementation; (iii) necessary measures for strengthening institutional capacity with respect to protection of the cultural heritage; and (iv) a monitoring system to track the progress of these activities.

Environmental/ Social and climate Impacts	Recommended Mitigation/ Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation	Means of Verification (Monitoring and	Frequency of Verification	Cost Estimate
Instances child labor in project areas	SECAP standard 5 (labour and working conditions) requirements are followed • Monitor all management and mitigation measures.		Phase	reporting)		
Farmers in project areas are known to operate with no protective gears when using agri- chemical and machines which may negatively affect their health and safety when working.	 Provide training or capacity-building on proper selection, distribution, storage, application, and disposal of pesticides and fertilizers Promotion on rational use of fertilizers and better management of organic alternatives Prepare Management Plan 	SCM, KII	DAR, DA-FPA, LGU	 Management Plan Activity Reports Accomplishment reports Annual reports 	Annual	Lodged in Comp 2 FFS under IPM Module
		nunity Health, Sa	fety and Security			
Project may be at risk from vector-borne (ie malaria), water-borne (ie hepatitis) and other communicable diseases (i.e. Covid, AIDS)	Prepare Abbr. ESCMP that reflects relevant requirements of SECAP standard 6 (Community Health and Safety)	SCM, KII	RPMO, LGU- RHU,	SECAP, Annual reports, RHU advisories • Accomplishment reports	Bi-annual	In-house
Crop suggestions for agro-forestry may impact stakeholders, especially IPs, nutrition.	Assess potential risks to nutrition during project planning and development in order to avoid or mitigate them.	SCM, FPIC, KII	RPMO, DAR, DA	Abbr. ESCMP	One time only	Lodged in Comp 1 Planning
Rehabilitation of rural farm roads may increase or alter traffic in the project area and neighboring areas.	 Road safety assessment Contractors to establish traffic management system during construction Establish GRM 	SCM, KII	RPMO, PNP, LGU	 Road Safety Assessment Consultation Documentation Annual reports 	annual	Lodged with Contractor
There may be an influx of project workers during project implementation that could impinge on gender-related risks and other community health issues.	 Disseminate clear employment and contracting requirements to manage expectations. Contractors to comply with R.A. 6685 Adopt clear policies for hiring away from the project site (no hiring at the gate). Increase local sourcing for direct employment and the provision of goods and services, thus reducing influx into the project area. Establish exclusion zones Institute policies restricting worker contact with the community. 	SCM, KII, FGD	RPMO, LGU, DAR, DA	Accomplishment reports Annual reports LGU ordinances	quarterly	Lodged with Contractor
Dura in strate and state if a t	Durana and DAD	Resettler			Di con l'	
Project may contribute to temporary and partial physical and economic displacement of project stakeholders during	 Prepare Abbr. RAP Install GRM at project start. Implement Monitoring and Reporting System 	SCM	RPMO, DSWD, DAR, LGU,	 Abbr. RAP Monitoring Reports Accomplishment reports Annual reports 	Bi-annual	See Abbr RF & SEP Costs

Environmental/ Social and climate Impacts	Recommended Mitigation/ Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
infrastructure construction						
Conflicting priorities & approaches to spatial planning, resource utilization, investment & management among and between local, national government agencies, and communities	 Make use of latest satellite imageries using expertise from national / regional offices, geo-spatial service providers Implement SEP and GRM 	Meetings, SCM, participatory planning	RPMO, DAR, DENR, LGUs, National Mapping and Resource Information Authority (NAMRIA), COE, Primary leader in Region XII, ARBs	 Accomplishment reports Annual reports, Meeting reports, Annual reports 	Annual	See SEP cost
Varying management capacities might affect project implementation	 Capacity-building of project hired staff for implementing trainings, workshops, and other project- related activities 	Meetings, Seminars, Trainings	DAR, DA, NCIP, LGU	Activity Reports Accomplishment reports / annual reports	annual	See SECAP cost for capacity bldg
		Financial inter	mediaries	•		
Financial intermediaries are not equipped with environmental & social management systems (ESMS) to properly service beneficiaries	 Ensure financial intermediaries prepare & install ESMS prior to onlending activities 	Meetings, Seminars, Trainings	RPMO, DAR, LGUs	 Activity Reports Management Plan Monitoring reports 	Bi-annual	
	•	Others	S			
 Lack of active participation from vulnerable groups 	Establish accessible and culturally and socially appropriate consultations and GRM in SEP	SCMs, meetings, FFS	RPMO, DAR, DA	 IEC Reports GRM Reports IEC materials Meeting reports Accomplishment reports / annual Reports 	Bi-annual	See SEP cost
 Lack of active participation from vulnerable groups 	Establish accessible and culturally and socially appropriate consultations and GRM in SEP	SCMs, meetings, FFS	RPMO, DAR,DA	 IEC Reports GRM Reports IEC materials Meeting reports Accomplishment reports / annual Reports 	Bi-annual	See SEP cost
Elite capture on infrastructures and access to services	Intensify disclosure efforts monitoring of access to benefits generated through the project Apply appropriate criteria in selecting infra sub-projects under VISTA	meetings	RPMO, DAR, DA	Accomplishment reports / annual Reports, meeting reports, BAC reports, Procurement documents	annual	As above



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex: Annex 5b. Abbreviated ESCMF

 Document Date:
 02/02/2024

 Project No.
 2000003758

Report No. 6432-PH

Asia and the Pacific Division Programme Management Department

Annex 5b. Abbreviated Environmental, Social and Climate Management Framework

Table of Contents

List	<u>: of Tables</u>	2
List	of Figures	2
List	of Abbreviations	3
1.	Background	5
2.	Potential Environmental, Social, and Climate Risks and Impacts	
3.	Project Administrative Structure, Management, and Implementation	
	Legal and Institutional Framework	
	2.2 Project Review and Approval Process	
3	3.3 Safeguard Provisions Built onto the Project Cycle	26
	.4 <u>Consultations</u>	29
<u>4.</u>	Procedures for Screening, Assessment and Management	30
	.1 Screening for Social, Environment and Climate Risks and Impacts	
4	.2 Assessing and Managing Risks and Impacts	30
<u>5.</u>	Preparation of the Abbr. ESCMP	33
5	.1 SPs/BPs Requiring Abbr. ESCMP	34
5	.2 Planning and Implementing Mitigation Measures	34
<u>6.</u>	Institutional Arrangements and Capacity Building	
6	.1 SECAP Implementation Arrangements	34
6	.2 Capacity Building for SECAP Implementation	
7.	Stakeholder Engagement, Information Disclosure and Grievance Redress	
	.1 Stakeholder Engagement	38
<u>Z</u>	.2 Information Disclosure	38
<u>Z</u>	3.3 Grievance Redress	38
<u>8.</u>	Costs and Budgetary Considerations	39
<u>9.</u>	Abbr. ESCMP Matrix	39
Atta	achment 1. Annotated Outline for an Abbr. ESIA	48

List of Tables

Table 1. Typology of Component Investments	6
Table 2. Impacts and Risks of the Project and Management Measures	
Table 3. SECAP Standards, Counterpart Philippine Laws and Project Applicability	
Table 4. Key Government Legislation and Provisions under Standard 7	20
Table 5. VISTA Strategic Investment Planning (VIP) Process	24
Table 6. Safeguards Process for SPs/BPs	26
Table 7. Roles/Functions of the SECAP Specialists	37
Table 8. Abbr. ESCMP Matrix	39

List of Figures

No table of figures entries found.

List of Abbreviations

Abbr AD AL ANR AO ARBO ARC ARC-CC BP CA CAR CBFMA CIS CLOA CNO CPMO DA DAR DBM DED	Abbreviated Ancestral Domain Ancestral Land Assisted Natural Regeneration Administrative Order Agrarian Reform Beneficiaries Organization Agrarian Reform Communities ARC Coordination Committees Business Plan Commonwealth Act Cordillera Administrative Region Community Based Forest Management Agreement Community Irrigation System Certificates of Land Ownership Award Certificate of No Overlap Central Project Management Office Department of Agriculture Department of Agrarian Reform Department of Budget Management Detailed Engineering Design
DENR DF	Department of Environment and Natural Resources Development Facilitator
DO	Department Order
DOF DOH	Department of Finance Department of Health
DOLE	Department of Labor and Employment
DPWH	Department of Public Works and Highways
DTI ECA	Department of Trade and Industries
ECC	Environmentally Critical Area Environmental Clearance Certificate
ECP	Environmentally Critical Projects
EHIA	Environmental Health and Impact Assessment
EIA	Environmental Impact Assessment
EIS	Environmental Impact Statement
EMB	Environmental Management Bureau
EO	Executive Order
ESCMF	Environmental, Social and Climate Management Framework
ESCMP	Environmental, Social and Climate Management Plan
ESMS	Environmental and Social Management Systems
FASPO	Foreign Assisted and Special Projects Office
FBI	Field-based Investigations
FGD	Focus Group Discussion
FI	Financial Institution
FMR	Farm-to-Market Road
FPIC GBV	Free, Prior and Informed Consent Gender-based Violence
GRM	Gender-based violence Grievance Redress Mechanism
HH	Household
IEC	Information, Education, and Communication
IEE	Initial Environmental Examination
IFAD	International Fund for Agricultural Development
IPM	Integrated Pest Management
IPs/ICCs	Indigenous Peoples/ Indigenous Cultural Communities
IPO	Indigenous Peoples Organizations
IPP	Indigenous Peoples Plan
	- •

IPRA IPMR IRR KII LGU M&E NAMRIA NCIP NEDA NRM	Indigenous Peoples' Rights Act Indigenous Peoples Mandatory Representative Implementing Rules and Regulations Key Informant interview Local Government Unit Monitoring and Evaluation National Mapping and Resource Information Authority National Commission on Indigenous Peoples National Economic Development Authority Natural Resource Management		
PACBRMA	Protected Area Community-Based Resource Management		
PD PEISS PHF	Agreement Presidential Decree Philippine Environmental Impact Statement System Post-Harvest Facilities		
PMO	Project Management Office		
PO PPMO	People's Organization Provincial Project Management Office		
PSC	Project Steering Committee		
RA	Republic Act		
RAP	Resettlement Action Plan		
RCC	Regional Coordination Committee		
RF	Resettlement Framework		
RIE	Rural Infrastructure Engineer		
RPMO	Regional Project Management Office		
SALT	Sloping Agricultural Land Technology		
SCM	Stakeholder Consultation Meeting		
SECAP Social, Environment, and Climate Assessment Procedure			
SEP Stakeholder Engagement Plan			
SO	Special Order		
SOCCSKSARGEN	South Cotabato, Cotabato, Sarangani, General Santos		
SP	Sub-project		
SRN	SECAP Review Note		
ToR	Terms of Reference		
TP	Technical Partner		
VC	Value Chain		
VCD	Value Chain Development		
VISTA	Value Chain Innovation for Sustainable Transformation in Agrarian		
Reform CommunitiesVSIPVISTA Strategic Investment Prioritization			

1. Background

1. **Title of the project**. The Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities (VISTA) Project aims to reduce rural poverty and strengthen community resilience for vulnerable upland communities. The expected outcomes are (1) Sustainable use of improved resources for VC and diversified production, and (2) Well-managed and environmentally responsible VCs generate income and jobs for target groups.

2. **Project location**. Two sites are identified for VISTA: (i) the Cordillera Administrative Region (CAR) in Northern Luzon covering the six provinces of Abra, Apayao, Benguet, Ifugao, Kalinga, and Mt. Province; and (ii) Region 12 (SOCCSKSARGEN) covering the four provinces of North Cotabato, Sarangani, South Cotabato, and Sultan Kudarat. The Project will also include support for SIKAME¹. This may include a small number of IP communities in Ilocos Sur.

3. **Executing and implementing entities**. The Department of Agrarian Reform (DAR) will have overall responsibility as the Executing entity. The implementation of VISTA will be through a co-lead arrangement between DAR and the Department of Agriculture. DAR will provide technical support through its existing structures at national, regional, provincial, and Agrarian Reform Community (ARC) levels to implement project activities within ARCs. DA will provide support in technical subcomponents related to their mandate for agricultural resources and production and will operate through regional offices to coordinate support through the Bureau of Soils and water Management (BSWM), the Agricultural Training Institute (ATI), and Regional Field Offices (RFO) and in partnership with Local Government Units (LGU). Overall project management will be embedded into the DAR organizational structure and levels of authority. Project planning, budgeting, procurement, contracting, financial management, monitoring, and evaluation, and knowledge management will be integrated into the respective components and subcomponents using DAR and DA existing processes and procedures.

Summary of the project. The VISTA project will focus on two target "anchor 4. crops," coffee and cacao, within the broader integrated cropping systems to catalyze transformation in the food systems in a nature-positive, socially inclusive and resilient manner. The project will also support upland rice varieties, including indigenous varieties as a means to contribute towards food security and household livelihood. The project will reduce environmental degradation and negative externalities in food production systems on the demand side and across the value chains. The VISTA project development objective therefore is 'to increase income and employment of target groups in fragile upland areas, including women, youth and IPs, through the strengthening of inclusive value chains with conservation and sustainable use of the natural resources and climate resilient practices". The Project has three components: Component 1 - Ecosystem Planning, Protection and Enhancement, Component 2 - Value Chain Development, and Component 3 - Project Management. The ARCs will act as an entry point to the project area but for economies of scale and efficiency of VCD, the project support will also extend into adjacent DAsupported areas. These extended areas are termed extended ARC Clusters (EARCC) and these will form the project scope.

5. **Typologies of interventions.** VISTA Components 1 and 2 focus on natural resources management (NRM) and value chain development, respectively, with clear synergies between the activities within the two components and Component 3 provides

¹ SIKAME is an innovative Integrated Watershed Management Plan (IWMP) covering 3 mountain ranges (Sisipitan (SI), Kaman-ingel (KA), and Mengmeng (ME)) that brings together 3 provinces (Mountain, Abra and Ilocos Sur), 18 barangays/tribal communities in 5 participating ancestral domains in 5 municipalities, https://www.ifad.org/en/-/document/philippines-1100001395-charm-ii-supervision-report-february-2021

overall management. The project will work in an integrated manner within EARCCs with Agrarian Reform Beneficiaries Organizations (ARBOs) supported by DAR and Farmer Cooperatives and Associations (FCA) supported by DA – collectively termed VISTA Participating Organizations (VPOs). The menu of options for beneficiaries addresses natural resource management, production, access, and storage issues are provided in Table 1. Under Component 1, these will be classified as subproject proposals (SP) for rural infrastructure and for Component 2, a choice between Strategic Investment Plans (SIP) for the entire value chain, business/farm plans (BP/FP) for the organizations and individual farms, respectively.

	i component investments		
Component/Sub- Component	Activity/Investment (SP/BP)		
COMPONENT 1. Ecosystem Planning, Protection and Enhancement			
1.1 Identify and			
prioritize	Work with project stakeholders to identify the most critical		
sustainable	priorities for investment.		
investments	 Link NRM priorities with value chain analyses and SIPs 		
1.2 Enhance	Infra/combined infra-vegetative measures to address water		
natural resources	es source protection, soil and water conservation, and streambank		
for value chains	stabilization:		
and resilience			
	Small-Scale Irrigation Schemes		
	Rainwater Capture Tank		
	Streambank Stabilization through grouted riprap including		
	application of bio-engineering solutions like coconets planted with		
	Vetiver grass		
	Small Farm Reservoir (SFR) with Interceptor Canals		
	Farm Slope Protection Works – includes Sloping Agricultural Land		
Technology (SALT), agroforestry interventions such as terrac contouring, and alley cropping; may be combined with enrichm			
planting			
Protecting forest ecosystem and conserving biodiversity v			
be implemented through three specific strategies:			
Reforestation;			
Assisted natural regeneration (ANR); and			
	Enrichment planting.		
	Disaster risk reduction measures at the community level:		
	Support disaster response packages for the most vulnerable		
	households through an emergency fund.		
1.3 Greening the	Support innovations such as potential for blockchain technology for		
Value Chain	carbon credit management to further promote sustainable		
	agricultural practices		
COMPONENT 2: Valu	e Chain Development		
2.1 Agriculture	Design sustainable extension services for smallholders		
Production	• Enhancing and replicating of DAR's FAO Farmer Business Schools		
Improvements and			
Sustainable	demonstration of new tools, processes and ways of organising and		
Extension Services			
	agriculture business more economically, socially and		
	environmentally efficient.		
	Investment in new technologies and assets at farm Level		
	Purchase of equipment for rejuvenation and improved quality and assets at faith Level		
density of tree plantations;			
	• Improve soil and water conservation and management: Purchase		
	of soil testing,		

Table 1. Typology of Component Investments

Component/Sub-			
	Component Activity/Investment (SP/BP)		
	• Rainwater gauge; beneficiary crop fixed investments, shade tree		
	seedlings,		
	• Provision of on farm post-harvest facilities: Storage, solar drying		
	pavements, solar tunnel dryers, dehulling, moisture meters		
	• Improve pest and nutrition management: Disease resistant		
	seedlings, sprayer, organic manure production,		
2.2 VC	Support provision of post-harvest facilities, including warehouse,		
Commercialization	solar dryers, and processing centres as well as investments to		
and Rural Finance	deliver for promising niche coffee and cacao VCs, such as		
	deforestation free VC models (Cacao for Export)		
	• Enhance and adapt DAR's Agroenterprise and Microfinance		
	Complementation Project - Linking Smallholder Farmers to Markets		
	with Microfinance (LINKsFARMM Project)		
	Provide matching grants to ARBOs for additional farm-level		
	investments beyond initial trees and first-year inputs, which are		
	granted with performance triggers		
	- Matching grants extended to ARBOs who will then onlend to		
	farmer members under credit conditions, creating or augmenting		
	a revolving fund.		
	- Postproduction investments that should identify and justify		
	needed productive assets, with particular attention paid to long		
	term viability of such investments. Finance investments to enhance inclusion and recruitment of 		
	poorest community members, by providing eligible households with additional access to high-quality and climate-resilient		
	agricultural inputs (e.g., climate-resilient seeds, breeds, and		
	organic materials) and post-harvest facilities such as solar		
	drying pavements and solar tunnel dryers that add value through		
	aggregation and consolidation		
	- Support and facilitate targeted access to rural finance to		
	support appropriate value chain financing and associated skills		
	of the ARBOs for credit management		
	- Piloting Innovative Financial Instruments for more		
	effective use of matching grants mechanism		
2.3 VC-related	 Access Infrastructure: standard Farm-to-Market Road (FMR) where 		
Infrastructure	appropriate and tire tracks, motorcycle/tricycle roads, and well-		
Support	defined foot trails, animal trails, and animal or small tractor-drawn		
	sledge trails where standard FMRs are not appropriate		
	• Post-Harvest Facilities (PHF): warehouse, solar drying pavement,		
	solar tunnel dryer, and processing buildings to house VC		
	equipment.		
Component 2 D	Greenhouse with drip irrigation		
Component 3. Project management			
3.1 Project	Overall institutional arrangements, coordination and fiduciary		
Operations management	management		
management	• On-going monitoring and accordment of project progress		
3.2 Project• On-going monitoring and assessment of project progress Monitoring and• Capture of lessons learned and advocacy			
Monitoring and evaluation and	Capture of lessons learned and duvoldly		
knowledge			
management			
manayement	1		

6. VISTA is covered by the IFAD Social, Environmental, and Climate Assessment Procedure (SECAP) version 2021, inasmuch as it entered the pipeline after 1 August 2021. Based on the offline screening results, inherent risks are classified as substantial and

therefore this Abbreviated Environmental, Social, and Climate Management Framework (Abbr. ESCMF) is prepared as it sets out the VISTA project principles, rules, guidelines and procedures for screening, assessing, and managing the potential environmental, social and climate risks and impacts on investments that remain to be specifically located and designed.

2. Potential Environmental, Social, and Climate Risks and Impacts

7. This section consists of a description of the potential environmental, social, and climate risks and impacts, related to the typology of likely activities/sub-projects found in Table 1 to be supported during project implementation. Some of the above listed potential VISTA investments will trigger key environmental and social safeguards as enumerated in Table 2 below.

Impacts / Risks	Management Measures
Substandard design coupled with	 Climate proof infrastructure design
increased rainfall trigger landslides & flooding; Earthquake induced	 Selection of climate-resilient materials for infrastructure and options for natural products
landslides damage infra along sloping areas/ farmlands	 Increase disaster preparedness of beneficiaries; conduct drills on disaster preparedness; Avoid siting of rural infra along fault lines, & landslide & flood prone areas through comprehensive mapping exercise
Construction disturbs soil exposing these to rainfall & erosion	 Conduct reforestation activities on bare slopes & open canopy forest areas
Air pollution is generated by construction activities of rural infrastructures affecting nearby households / communities	 Conduct periodic maintenance of vehicles and heavy equipment used in the construction Utilize new or well-maintained vehicles and equipment in the construction of rural infrastructures
Noise generated by construction of rural infrastructures disturb nearby communities / households and wildlife	 Use new or well-maintained vehicles / equipment with industry standard mufflers / silencers Conduct periodic maintenance of vehicles / equipment especially mufflers / silencers
Species selection for reforestation and other agroforest crops may challenge the biodiversity structure of the area	 Use indigenous and/or commonly found tree- crop species to be planted. Select species that are able to adapt to the projected climate conditions of the project site.
Physical & economic displacement may occur with investments requiring space or restricting access to formerly utilized areas	 Uphold the Abbreviated Resettlement Framework (Abbr. Resettlement Framework; See Social, Environment, and Climate Assessment Procedure (SECAP) Review Note (SRN) Appendix 5f) & prepare an Abbreviated Resettlement Action Plan (Abbr. RAP) Establish a process in the Project Management Offices as avenue for information disclosure & serve as feedback loop for appropriate action
Investments may impinge on tenure arrangements of IPs along with social & institutional arrangements around customary use of land and natural resources.	 Observe Indigenous Peoples Planning Framework (IPPF; See SRN Appendix 5e) & Free and Prior Informed Consent Implementation Plan (FPIC-IP; See SRN Appendix 5d) & prepare an Indigenous Peoples Plan (IPP). Meaningful consultations will be

 Table 2. Impacts and Risks of the Project and Management Measures

Impacts / Risks	Management Measures
	conducted Install GRM as avenue for information disclosure & serve as feedback loop for appropriate action
Exclusion of women including young women and indigenous women from community decision making for project investments	Community sensitization, adopting quota for women's participation in local decision making (through ARBOs/ARCs); Develop gender and social inclusion checklist for community level trainings/ meetings/workshops/decision making forums (logistical arrangements, facilitation, training/meeting materials used, special measures to ensure women and other marginalized groups' participation etc.).
Unregulated pesticide use & fertilizers would pollute water sources, expose women (of child bearing age) to health risks, reduce population of beneficial insects thereby reducing crop yield & eventually the income of beneficiaries	Strictly implement the provisions of PD 1144 governing the sale & use, storage of fertilizers & pesticides
Crop failure due to increased frequency & duration of extreme climatic events (rainfall and drought/El Nino)	 Provide "umbrella" shelter for crops Establish nurseries to ensure adequate supply of planting materials to replace damaged crops to include not only anchor crops but upland rice and other agroforestry crops Provide technical assistance to farmers & other beneficiaries Anticipate such occurrence through early warnings and disaster preparedness
Agri & nursery waste management is non-existent or is minimal - pollutes waterways & bodies of water	 Support local government initiatives on waste management Provide trainings on organic agriculture - Convert agri-wastes into organic fertilizer
Women farmers increased exposure to health hazards due to women more likely to grow crops on contaminated land ²	 Promote integrated pest management (IPM) Promote organic farming practices
Resistance within community towards women's empowerment and gender transformative actions	Involve men & community leaders throughout the process of gender transformative actions, invest in shifting perceptions & practices around the recognition & promotion of women's empowerment to the whole community; community awareness raising on Gender Equality and Women Empowerment (GEWE) (incl. on gender-based violence) also of risks related to forced labor, child labor.
Typhoons damage farm lands, induces crop failure and post-harvest loss and waste	 Climate – proof storage facilities, roads and other infrastructure Prepare for such events by having a ready supply of planting materials to replace damaged crops to include not only anchor crops but upland rice and other agroforestry crops Anticipate such occurrence through early warnings and disaster preparedness

² <u>https://vc.bridgew.edu/cgi/viewcontent.cgi?article=1199&context=jiws</u>

Impacts / Risks	Management Measures	
Generally weak capacities of Local	Conduct trainings on Project mgt &	
Government Units (LGUs) & other	implementation, Monitoring and Evaluation	
partners to implement the Project will	(M&E), & governance to LGUs & ARC/ARBs	
cause challenges in Project		
implementation		
Target communities have low	Apply SECAP measures especially on Targeted	
adaptive capacities to climate change	Climate Adaptation Strategies	
impacts		
Financial intermediaries are not	Ensure financial intermediaries prepare & install	
equipped with environmental & social	ESMS prior to on-lending activities	
management systems (ESMS) to		
properly service beneficiaries	Conduct capacity assessment prior to installing	
	the ESMS, then capacity building based from	
	capacity assessment results.	

3. Project Administrative Structure, Management, and Implementation

III.a. Legal and Institutional Framework

8. Aside from the Philippine Constitution of 1987, the salient law that will govern VISTA activities is Presidential Decree (PD) 1586 otherwise known as the Philippine Environmental Impact Statement System (PEISS) of 1978 and its implementing regulations. PD 1586 or the PEISS institutionalized a system intended to reconcile the requirements of environmental management with exigencies of socio-economic undertakings under the principle of sustainable development. The System is lodged on to the DENR's Environmental Management Bureau (EMB). No person, partnership or corporation shall undertake or operate any such declared environmentally critical project or area without first securing an Environmental Compliance Certificate issued by the President through the EMB-DENR.

9. The PEISS requires screening, scoping, assessment of the direct and indirect environmental and social risks/impacts throughout the development process; health impact assessment; independent review; and mitigation of adverse impacts. It recognizes the relevant SECAP standards under the mandate of other laws such as those pertaining to protected areas and ecosystem services, water resources, indigenous peoples, resettlement, grievance mechanisms, labor, climate change, socio-cultural heritage, among others. The release of the Environmental Clearance Certificate (ECC) leads to the next stage of project planning and acquisition of approvals from other government agencies and the local government units (LGUs) and the ECC and Environmental Impact Statement (EIS) report serves as guidance document to other agencies and LGUs in their decision making.

10. The Environmental Impact Assessment (EIA) System provides guidelines for the classification of projects based on the results of the assessment and categorizes projects as: (i) Category A or Environmentally Critical Projects (ECPs), requiring Environmental Impact Statement (EIS) or full EIA report; (ii) Category B or non-ECP located in Environmentally Critical Area (ECA), requiring either an Initial Environmental Examination (IEE) checklist or EIS depending on the thresholds for Category B; (iii) Category C or environmental enhancement project requiring a Project Description report; and (iv) Category D or projects not covered by the PEISS. A project category and the corresponding EIA requirement are determined applying quantitative thresholds such as production capacity, length in case of linear projects, Mega Watts in case of power projects, area for structures and the like.

11. The PEISS incorporates a social assessment that includes the identification of impacts to project-affected communities, vulnerable people and groups and public-atlarge. The system likewise requires stakeholder consultations and public participation in determining the social risks and impacts of a development initiative. Other provisions uphold SECAP requirements such as project disclosure through information, education and communication (IEC). Proof of social acceptability through local government resolutions and clearances is necessary.

12. Table 3 provides the alignment of SECAP standards with Philippine laws and regulations and informs the applicability under VISTA.

13. Below are summary discussions of the legal framework per SECAP Standard.

Table 3. SECAP Standards, Counterpart Philippine Laws and Project Applicability			
SECAP Standard	Philippine Laws and Regulations	VISTA Applicability	
1. Biodiversity conservation	 Presidential Decree (PD) 705 (Revised Forestry Reform Code OF 1975) RA 7586 (National Integrated Protected Areas System of 1992) RA 9147 (Wildlife Resources Conservation and Protection Act of 2001) Executive Order (EO) 318, s. 2004 (Sustainable Forest Management) EO No. 816 of 2009 (Declaring the River Basin Control Office Under the Department of Environment and Natural Resources as the Lead Government Agency for the Integrated Planning, Management, Rehabilitation and Development of the Country's River Basins) RA 1068 (Organic Agriculture Act of 2010) RA 10631 (Amended Animal Welfare Act of 2013) RA 11038 (Expanded National Integrated Protected of 2018) 	Standard is applicable. VISTA is situated in upland agroecological zones requiring sustainable land management especially on soil erosion, and maintenance of micro watersheds.	
2. Resource efficiency and pollution prevention	 PD 856 (Sanitation Code of the Philippines of 1975) PD 1067 (Water Code of 1976) PD 984 (National Pollution Control Decree of 1976) PD 1144 of 1977 (Creating the Fertilizer and Pesticide Authority and Regulating the Fertilizer and Pesticide Use) RA 6969 (Toxic Substances and Hazardous and Nuclear Waste Control Act of 1990) RA 8041 (National Water Crisis Act of 1995) PD 1152 (Philippine Environment Code of 1996) RA 8749 (Philippine Clean Air Act of 1999) RA 9003 (Ecological Solid Waste Management Act of 2000) RA 9275 (Philippine Clean Water Act 2004) Office of the President Memorandum Order 126-93. KASAKALIKASAN program 	Standard is applicable. Civil works will result in noise and air pollution The Project does not have any significant impact to air and water quality. Hence pollution prevention laws do not apply. ESS3 applies since there is a potential long- term risk that may arise from improved land tenure security which may contribute to incentivizing higher investments for intensified and diversified crop production that might result to increased use of chemical pesticides and other agrochemicals in project areas.	

 Table 3. SECAP Standards, Counterpart Philippine Laws and Project Applicability

SECAP Standard	Philippine Laws and Regulations	VISTA Applicability
		The Project will ensure that individual Certificates of Land Ownership Award (CLOA) recipients are informed of or linked to existing government programs on sustainable farming that they can readily access, including trainings on resource efficiency and pollution control, capacity development, integrated pest management, organic/ natural farming systems, rainwater harvesting, soil and water conservation, slope stabilization and erosion control, among others. ESS3 provisions are applied in the screening and assessment process.
3. Cultural heritage	 RA 8371 (Indigenous Peoples Rights Act of 1997) (IPRA) RA 8492 (National Museum Act of 1998) RA 9470 (National Archives of the Philippines Act of 2007) RA 10086 (Strengthening Peoples' Nationalism through Philippine History Act of 2009) RA 10066 (The Philippine Cultural Heritage Act of 2009) RA 11333 (National Museum of the Philippines Act of 2019) 	Standard is applicable though limited to intangible aspects since there will be no massive earth-moving activities. Civil works are limited to rehabilitation of Communal Irrigation System (CIS) and FMRs and some community infrastructure like PHFs. Compliance can be through Standard 4 – Indigenous Peoples.
4. Indigenous peoples	 PD 705 (Revised Forestry Code of the Philippines of 1975) RA 6657 (Comprehensive Agrarian Reform Law (CARL of 1988) RA 7160 (The Local Government Code of 1991) RA 8371 (Indigenous Peoples Rights Act of 1997) RA 8293 (Intellectual Property Code of the Philippines of 1997) RA 9147 (The Conservation and Protection of Wildlife Resources and their Habitats Act of 2001) RA 11038 (Expanded National Integrated Protected Areas System Act of 2018) 	Standard is applicable. A host of IP communities are found within the project sites thus will require the observance of the FPIC-IP and the IPP as found in the Appendices of the SRN. IP Plans will be prepared for SP/BP and the Free and Prior Informed Consent (FPIC) under IPRA will be processed to secure the Certificate Precondition.
5. Labor and working conditions	 PD 442 (The Labor Code of the Philippines of 1949 PD 442, as amended (Labor Code of the Philippines of 1974) RA 6685 (Hiring by Contractors of at least 50% of Unskilled and 30% of Skilled Labor 	Standard is applicable. The Project engages contractors for civil works who will largely hire local communities as laborers. The country's labor laws contain key elements of Standard 5, including prohibition against

SECAP Standard	Philippine Laws and Regulations	VISTA Applicability
	 from the community where project is located, December, 1988) RA 7277 (Magna Carta for Persons with Disability of 1992) RA 7877 (Anti-Sexual Harassment Act of 1995) RA 8371 (Indigenous Peoples' Rights Act of 1997) RA 8972 (Solo Parents' Welfare Act of 2000) RA 9231 (Special Protection of Children Against Child Abuse, Exploitation and Discrimination Act of 2003) RA 9710 (Magna Carta of Women of 2010) RA 10606 (National Health Insurance Act of 2013) RA 10911 (Anti-Age Discrimination in Employment Act of 2016) RA 11166 (Philippine HIV and AIDS Policy Act of 2018) RA 11058 (Occupational safety and health standards of 2018) Department of Labor and Employment (DOLE) Department Order (DO) 198-2018 RA 11210 (Expanded Maternity Leave Law of 2019) 	child labor, women's rights, freedom of association, grievance and arbitration. GRM will need to be functional prior to implementation. Project GRM is incorporated in the Stakeholder Engagement Plan (SEP; See SRN Appendix 5c).
6. Community health and safety	 PD 1096 (National Building Code of the Philippines, February 1977) EO 489s. 1991 – (The Inter-Agency Committee on Environmental Health) DOH Administrative Order (AO) 2010-0021 - Sustainable Sanitation as a National Policy and a National Priority Program of the DOH DOH AO 2014-0027-National Policy on Water Safety Plan (WSP) for All Drinking-Water Service Providers DOH AO 2017-0006 – Guidelines for the Review and Approval of the Water Safety Plans of Drinking-Water Service Providers DOH AO 2017-0010-Philippine National Standards for Drinking Water (PNSDW) of 2017 	Standard is applicable. Pertinent public health laws will apply to all workers on the Project as well as the host community. Community workers and other employees should be provided with the same personal protective equipment when working in hazardous areas as the project sites are also vulnerable to extreme climate events.
7. Physical and economic resettlement	 Commonwealth Act 141 (Public Lands Act of 1936) RA 386 (Civil Code of the Philippines of 1949: Book IV on Damages) RA 6389 (Code of Agrarian Reforms of the Philippines of 1971) EO 1035 of 1985 (Procedures and Guidelines for the Expeditious Acquisition by the Government of Private Real Properties or Rights) Constitutional provisions that private property shall not be taken without just compensation. 	Standard is applicable. Civil works will result in temporary impacts that trigger economic displacement. Restriction to access to previously utilized areas may occur. to RA 10752 will not apply as the Project does not require land. An Abbreviated Resettlement Framework has been prepared.

SECAP Standard	Philippine Laws and Regulations	VISTA Applicability
Standard	 RA 7279 (Urban Development and Housing Act of 1992) RA 10752 (The Right of Way Act of 2016) RA 11201 (Department of Human Settlements and Urban Development Act of 2019) 	
8. Financial intermediari es and direct investments	 RA 8556 (Financing Company Act of 1998) Republic Act No. 10000: Providing Agricultural and Agrarian Reform Credit 	Standard is applicable. While there are regulations for financing intermediaries and rural finance, these do not highlight the need for safeguards in the form of an Environmental and Social Management System which will be required once design is finalized.
9. Climate change	 Republic Act 8749: Philippine Clean Air Act Of 1999 Republic Act 9003: Philippine Ecological Solid Waste Management Act of 2000 Republic Act 9513: The Renewable Energy Act of 2008 Republic Act 10121: Philippine Disaster and Risk Reduction Management Act of 2010 Executive Order No. 881 of 2010 (Authorizing the Climate Change Commission to Coordinate Existing Climate Change Initiatives, Reducing Emissions from Deforestation and Forest Degradation – Plus, and other Similar Mechanisms) Republic Act 9729: Climate Change Act of 2009 as amended by People's Survival Fund (RA 10174 of 2012). Executive Order No. 174 of 2014 (Institutionalizing the Philippine Greenhouse Gas Inventory Management and Reporting System) 	Standard is applicable. VISTA incorporates measures to address climate change adaptation.

Laws Related to Biodiversity Conservation and SECAP Standard 1

14. National Integrated Protected Areas System (NIPAS) Act of 1992 (Republic Act No. 7586) and Expanded -NIPAS Act of 2018 (RA 11038). This law provides of the establishment and management of a national protected area system. The system encompasses "outstandingly remarkable areas and biologically important public lands that are habitats of rare and/or endangered species of plants and animals, biographic zones and related ecosystems, whether terrestrial, wetland or marine. The Act is a framework law for the more specific legislation declaring and delineating the particular protected areas. It specifies five categories of protected areas: (i) strict nature reserves, (ii) natural parks, (iii) natural monuments, (iv) wildlife sanctuary, (v) protected landscapes and seas. The NIPAS Act allows for the identification of buffer zones and/or multiple use zones where settlements, agriculture and other activities may be allowed. These zones will be managed as part of protected area resource management plans for the purpose of protecting the strictly protected zones from encroachments.

15. Presidential Decree No. 705 of 1975 (The Forestry Reform Code of the Philippines). Provides that no land of the public domain eighteen percent (18%) in slope or over shall be classified as alienable and disposable, nor any forest land fifty percent (50%) in slope or over, as grazing land. Lands eighteen per cent (18%) in slope or over which have already been declared as alienable and disposable shall be reverted to the classification of forest lands to form part of the forest reserves, unless they are already covered by existing titles, or approved public land application, or actually occupied prior to the effectivity of the Code on March 19, 1975.

16. The NIPAS Act predates *IPRA*, but it recognized ancestral lands of ICC/IPs and their rights over them even then. The law provides that the DENR shall have no power to evict indigenous communities from their present occupancy nor resettle them to another area without their consent. With the Expanded NIPAS Act, occupants of the declared protected areas are required to apply for a Protected Area Community-Based Resource Management Agreement (PACBRMA).

17. **Gaps and gap-filling measures**. There exists similarity of the Philippine regulations with Standard 1 as regards assessment of impacts on conservation of habitats and biodiversity. However, there are variances in terms of cumulative impact assessment on habitat and biodiversity, implementation of mitigation hierarchy, treatment of alien species, biodiversity offsets, independent forest certification system, and in ensuring the overall sustainability of primary production activities such as forest harvesting. The E-NIPAS Act introduces the concept of ecosystem services through the payment of annual development fees, however, these are computed based on zonal values of land of the nearest barangay or municipality where the project is located and not on the adverse impacts caused by the development of a project in the protected area. The concept of No Net Loss, Net Gain is not applied in the existing policy and regulatory framework.³

18. This Abbr. ESCMF shall govern risk management for the project. Further, that ARCs will be screened for overlaps with protected areas and should there be overlaps with contentious unresolved issues, will disqualify the ARC for VISTA inclusion.

Laws Related to Resource Efficiency & Pollution Prevention and SECAP Standard

19. The Philippine Clean Water Act of 2004 (Republic Act No. 9275) aims to protect the country's water bodies against pollution from land-based sources (industries and commercial establishments, agriculture and community/household activities). It provides for a comprehensive and integrated strategy to prevent and minimize pollution through a multi- sectoral and participatory approach involving all the stakeholders. The law provides for the enforcement of Water Quality Classification Criteria and Water Quality Standards, as well as Effluent Standards.

20. The Philippine Clean Air Act of 1999 (Republic Act No. 8749). This law provides for the establishment and adoption of the Integrated Air Quality Improvement Framework which shall, among others, prescribe the emission reduction goals using permissible standards, control strategies and control measures to be undertaken within a specified time period, including cost- effective use of economic incentives, management strategies, collective actions, and environmental education and information. The law introduces the concept of "airsheds" in which planning, coordination and compliance are carried out. The law provides for the establishment of ambient air quality guidelines, values and standards, as well as emission standards.

21. *Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990 (Republic Act No. 6969)*. This law regulates, restricts and/or prohibits the importation, manufacture,

³ WB. Philippines Country Environmental and Social Framework Assessment – Phase 1. August 2021

processing, sale, distribution, use and disposal of chemical substances and mixtures that present unreasonable risk and/or injury to health or the environment, including the entry, even in transit, as well as the keeping or storage and disposal of hazardous and nuclear wastes into the country for whatever purpose.

22. Ecological Solid Waste Management Act of 2000 (Republic Act No. 9003). This legislation sets out policy direction for an effective solid waste management program in the country, addressing key activities in solid waste management from control of waste generation to storage, collection, transport, processing and final disposal. The law establishes the National Solid Waste Management Commission (NSWMC) and Solid Waste Management Board (SWMB) in each local government unit (LGU) to formulate the National Solid Waste Management Framework which includes waste segregation at sources, reuse, recycling and composting.

23. Energy Efficiency and Conservation Act of 2019 (Republic Act No. 11285). This law creates the Inter-Agency Energy Efficiency and Conservation Committee (IAEECC) which is tasked to evaluate and approve government energy efficient projects and provide strategic direction in the implementation of the Government Energy Management Program (GEMP), a government-wide program to reduce the government's monthly consumption of electricity and petroleum products through electricity efficiency and conservation, and efficiency and conservation in fuel use of government vehicles, among others.

24. *Presidential Decree 1144 (Creating the Fertilizer and Pesticide Authority)*. This law created the Fertilizer and Pesticide Authority (FPA) to, among others, protect the public from the risks inherent in the use of pesticides, and educating the agricultural sector in the use of these inputs. The law prohibits: (1) the production, importation, distribution, storage, and sale in commercial quantities without the issuance of license from FPA; (2) the use of pesticide or pesticide formulation contrary to good agricultural practices; (3) the dealing of pesticides and/or fertilizers not FPA registered, among others.

25. Presidential Memorandum Order No. 126, s. 1993 (Implementing Kasaganaan Ng Sakahan At Kalikasan (Kasakalikasan), The National Integrated Pest Management Program). This Presidential Order mandates the Department of Agriculture (DA) to implement the Kasaganaan ng Sakahan at Kalikasan (KASAKALIKASAN), the National Pest Management Program, with the long-term goal of making integrated pest management (IPM) the standard approach to crop husbandry and pest management in rice, corn, and vegetable production in the country. DA carries out programs of activities on IPM in close collaboration with farmers' organizations, non-government organizations, local government units (LGUs), and other policy makers of the National Government.

26. Executive Order 174 (2014) established Philippine Greenhouse Gas Inventory Management and Reporting System. Established to institutionalize the GHG inventory management and reporting system in relevant government agencies to enable the country to transition towards a climate-resilient pathway for sustainable development. It aims to (i) Conduct, document, archive and monitor sector-specific GHG inventories; and (ii) Report sector-specific GHG to the Climate Change Commission (CCC) based on the agreed reporting scheme. Lead agencies are (i) Department of Agriculture and the Philippine Statistics Authority (PSA) for the agriculture sector; (ii) Department of Energy for the energy sector; (iii) Department of Environment and Natural Resources for the waste, industrial processes and the land-use and forestry sectors; and (iv) Department of Transportation and Communications for the transport sector. The CCC may invite concerned Local Government Units, academe, private and public institutions to participate, complement, and assist in the implementation of the PGHGIMRS and this Order. The PSA may assist other lead agencies in the conduct of the sectoral GHG inventories. 27. *Philippine GHG Inventory and Reporting Protocol: Manual for Business developed in November 2017 by Climate Change Commission, consistent with UNFCCC requirements.* The manual is made available to prevent the double counting of emissions and compliance with international standards, this reporting protocol harmonizes the best features of available standards worldwide. Chief among these, the GHG Protocol: Corporate Accounting and Reporting Standards offers the most comprehensive guidance on which other standards such as ISO 14064 and Climate Leaders GHG Inventory protocol by the US-EPA are based upon.

28. **Gaps and gap-filling measures**. There appears to be inconsistency of Philippine regulations with Standard 2 particularly Executive Order 174, series of 2014 (Institutionalizing the Philippine Greenhouse Gas Inventory Management and Reporting System), noise standards, establishing a responsible party who would undertake the remediation of contaminated sites (especially in mined out areas), Integrated Vector Management (IVM), and adoption of some of the relevant good international industry practices.⁴ Pollution laws do not have provisions regarding historical pollution. While the law is clear about the liability of the polluter, there is no clear provision as to whether the liability of the previous occupant is passed on to the current owner or occupant. Government, however, may require the owner to establish an Environmental Guarantee Fund to cover for emergency clean-up.

29. Project implementers and beneficiaries shall be observant to the provisions of the above-cited laws and Standard 2 through this Abbr. ESCMF.

Laws Related to Cultural Heritage and SECAP Standard 3

National Cultural Heritage Act of 2009 (Republic Act No. 10066). This law was 30. enacted to protect and conserve the national cultural heritage and also to strengthen the National Commission for Culture and the Arts (NCCA) and its affiliated cultural agencies. This law defines important cultural properties by default unless declared otherwise by agencies concerned, to include: (i) works of National Artists; (ii) archaeological and traditional ethnographic materials; (iii) works of national heroes; (iv) marked structures; (v) structures dating at least 50 years old; and (vi) archival material/document dating at least 50 years old. The law provides that all intervention works and measures on conservation of national cultural treasures, important cultural property, as well as national historical landmarks, sites or monuments and structures shall be undertaken through the appropriate cultural agency through methods and materials that strictly adhere to the accepted international standards of conservation. When the physical integrity of the national cultural treasures or important cultural properties are found to be in danger of destruction or significant alteration, the appropriate cultural agency shall immediately issue a Cease and Desist Order suspending all activities that will affect the cultural property.

31. The law provides that any government or non-government infrastructure project or architectural site development shall include anthropological, archaeological, historical and heritage site conservation concerns in their Environmental Impact Assessment System. Should any cultural or historical property be discovered, the National Museum or the National Historical Institute shall immediately suspend all physical development activities that will negatively affect the site and shall immediately notify the local government unit having jurisdiction of the place where the discovery was made. The local government shall promptly adopt measures to protect and safeguard the integrity of the cultural property so discovered and, within five (5) days from the discovery, shall report the same to the appropriate agency. The suspension of physical development activities shall be lifted only upon the written authority of the National Museum or the National

⁴ Ibid.

Historical Institute and only after the systematic recovery of the archaeological materials have been undertaken.

32. **Gaps and gap-filling measures**. The country system, as mapped with Standard 3 provisions, reflects gaps along following areas: (i) preparation of a cultural heritage management plan (CHMP); (ii) inclusion of contractors in the observance of globally recognized practices; (iii) consider under chance finds, an advance survey and monitoring of ground-disturbing activities, especially in locations with a high likelihood of cultural heritage; contractor procurement and guidance in the form of a contractor code of conduct and training of contracted workers; and monitoring system for the implementation of the chance finds procedure; and (iv) move towards accreditation of experts. Further review of consistency of implementation and capacities of the EA and pertinent agencies will be conducted at a later stage on relevant provisions of Philippine laws pertinent to Standard 3.

33. The project shall uphold Standard 3 and complement with Standard 4 management strategies.

Laws Related to Indigenous Peoples and SECAP Standard 4

34. Indigenous Peoples Rights Act of 1997 (Republic Act No. 8371). The Indigenous Peoples Rights Act (IPRA) is a landmark legislation that recognizes and respects the rights of the various indigenous cultural communities in the Philippines, including rights of control of their ancestral lands and right to self-determination. The law created the National Commission for Indigenous Peoples (NCIP) which is tasked to implement the IPRA. The law requires, among others, that all development undertakings within the declared ancestral domains of the ICC/IPs shall be subject to free, prior informed consent (FPIC) of the ICC/IP group who owns particularly affected ancestral domains.

35. **Gaps and gap-filling measures**. Under IPRA, all proposed policies/ programs/ projects/plans/activities (PPPPA) **within** ancestral domains/lands (AD/L) are subject to the FPIC as validated by the NCIP through field-based investigations (FBI) that involve potentially affected indigenous people/indigenous cultural communities⁵. Standard 4, on the other hand, requires FPIC **within and outside** only if a project is assessed to potentially result to (i) adverse impacts on land and natural resources with traditional ownership; (ii) relocation from such land or natural resources; or (iii) significant impact on cultural heritage including commercial use of land, natural resources, or cultural heritage.

36. The project shall be compliant to the requirements of IPRA through the NCIP and Standard 4 and adhere to the principles and procedures for the FPIC. A FPIC-IP and IPPF has been prepared.

Laws Related to Labor & Working Conditions and SECAP Standard 5

37. The Labor Code of the Philippines (Presidential Decree No. 442). The Labor Code of the Philippines is the main law governing labor and working conditions of employees for the private sector in the Philippines. It is a very comprehensive legislation and covers all aspects of labor rights and sanctioned working conditions. It directly addresses the key elements of Standard 5, including: (i) employment of minors – the law prohibits employment of children below the age of 15, unless under the direct supervision of their parents, and restricts the hiring of minors (below 18 years of age) to limited number of hours and only in non-hazardous tasks; (ii) right of employees to self-organization and collective bargaining; (iii) non-discrimination and protection of female employees; (iv)

⁵ NCIP has an exhaustive list of recognized IP communities. However, there are recognized IP groups who do not consider themselves as IPs but more of ethnic group and confirmation for inclusion to the FPIC is determined through the FBI.

rules for hiring of persons with disability; (v) standard hours of work, rest periods and overtime; (vi) prohibition of arbitrary termination of employees; and, (vii) enforcement of Occupational Health and Safety (OHS) standards (see Table 3). Recently a new law, Republic Act No. 11058 (2018) was passed for the purpose of strengthening compliance with occupational safety and health standards. The new law empowers the Department of Labor and Employment (DOLE) to inspect establishments and provides penalties for violations. It also affirms the workers' right to know the health hazards present in the workplace, the right of refusal to work in a hazardous situation without reprisal when there is imminent danger in the workplace and right to report accidents and hazards to their employers. The law also requires the owner, lessee or operator of any commercial, industrial or agricultural establishment to furnish free emergency, medical and dental assistance to his employees and laborers.

38. *Civil Service Laws of the Philippines*. The employees in the public sector are covered by the country Civil Service Laws. With the new Administrative Code, government employees' rights to self-organization and collective bargaining are explicitly recognized and the basic policies governing the exercise of such rights are specified. The major civil service legislations include Republic Act 2260 (The Civil Service Act of 1952), Presidential Decree No. 807 (The Civil Service Decree of the Philippines) and Executive Order No. 292 (The Revised Administrative Code of 1987). Book V, Title I, Subtitle A of EO 292 lays down the basic policies and the systems and procedure by which the organization and operation of the bureaucracy are to be based, including the personnel administration aspect. The laws empower the Civil Service Commission (CSC) to issue Memoranda Circulars to manage, develop and to ensure security of tenure and welfare of government employees. The latest law guarantees, for the first time, the right of government employees to self-organization and collective negotiations.

39. *Republic Act No. 6685.* An Act requiring private contractors to whom national, provincial, city, and municipal public works projects have been awarded under contract to hire at least fifty percent of the unskilled and at least thirty percent of the skilled labor requirements to be taken from the available bona fide residents in the province, city or municipality in which the projects are to be undertaken, and penalizing those who fail to do so.

40. **Gaps and gap-filling measures**. The PH policy framework on labor could be more explicit in terms of measures to prevent harassment⁶ apart from sexual and gender-based exploitation in the implementing rules and regulations. The provisions could also be enhanced with regard to monitoring of compliance of contractors with labor welfare and protection; and, applicability of grievance mechanism to contracted employees in the public sector. There are also no standards under Philippine laws governing community workers as defined in Standard 5.

41. The project shall be observant of the prescriptions embodied in this Abbr. ESCMF that covers concerns on Standard 5.

Laws Related to Community Health & Safety and SECAP Standard 6

42. The EIA scope incorporates community health and safety though includes issues outside the purview of DENR-EMB, including public health impacts and disease epidemiology. For health impacts and risks covered by the EIA, DENR seeks the assistance of the Department of Health (DOH) in the review of these risks and impacts. The DENR also coordinates with DOH on the declaration of Health Sensitive Projects and Health

⁶ Under ILO Convention C190, "violence and harassment in the world of work" refers to "a range of unacceptable behaviours and practices, or threats thereof, whether a single occurrence or repeated, that aim at, result in, or are likely to result in physical, psychological, sexual or economic harm, and includes gender-based violence and harassment."

Sensitive Areas. For independent or stand-alone Environmental Health and Impact Assessment (EHIA), DOH will review these independently of the EIA Process, consistent with its mandate on EHIA. Further, workers' HIA component of the EHIA is recommended to be coordinated by DOH with DOLE for the latter's consideration in its requirement of an Occupational Health and Safety Program from proponents.

43. The DOH has various ongoing disease control and prevention programs which can be tapped as part of health risk mitigation measures of a development project. Among these programs are: (i) The Schistosomiasis Control Program; (ii) The Malaria Control Program; (iii) Dengue Control and Prevention Program; (iv) National Tuberculosis TB Control Program; and, (v) human immunodeficiency virus (HIV)/sexually transmitted infection (STI) Prevention Program.

44. **Gaps and gap-filling measures**. Philippine regulations contain elements that address health, safety, and security risks and impacts on project-affected communities. Project implementers are required to conduct risk hazard assessment particularly for facilities and installations that utilize chemicals and hazardous materials. The Philippines has a framework to address climate change, natural hazards, and disasters. However, the country system could provide explicit guidelines for anticipating and avoiding the transmission of sexually transmitted communicable diseases due to influx of temporary or permanent workers as an enhancement to the implementing rules and regulations. While enabling mechanisms are present, capacities of institutions in operationalizing key provisions are limited due to limited resources and capacities specifically in regard to gender-based violence issues.

45. Aside from adhering to the prescriptions of this Abbr. ESCMF that covers Standard 6, the project shall be observant of the International Fund for Agricultural Development (IFAD) Policy to Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse.

Laws Related to Physical & Economic Resettlement and SECAP Standard 7

46. The Philippine laws strictly observe the principle of just compensation on property acquisition by eminent domain. Article 9 of the Bill of Rights in the Philippine Constitution states that "private property shall not be taken for public use without just compensation". Republic Act No. 10752 (the Right of Way Law) is an eminent domain law enacted specifically for government land acquisition/expropriation for public purposes, mostly infrastructure. Relevant laws that affect physical and economic displacement are provided in the below table:

Key Legislation	Salient Provisions		
The Philippine	Provides that private property shall not be taken for public		
Constitution, Article III,	use without just compensation.		
Section 9			
Commonwealth Act No.	Provides that lands acquired through Free Patent are		
141 - Public Land Act, as	subject to ROW with compensation limited to land		
amended	improvements only		
RA 6389 - Comprehensive	Provides that lands acquired under CARL shall be subject to		
Agrarian Reform Law	right-of-way reservation.		
Also provides that agricultural lessees are entitled			
	disturbance compensation.		
RA 7279 - Urban	Defines "underprivileged and homeless citizens" as referring		
Development and	to individuals or families whose income or combined		
Housing Act	household income falls within the poverty threshold and		
	who do not own formal housing facilities, including those		

Table 4. Key Government Legislation and Provisions under Standard 7

Key Legislation	Salient Provisions		
	who live in makeshift dwelling units and do not enjoy security of tenure. The law provides that eviction and demolition in the case of "underprivileged and homeless citizens" is subject to 30 days prior notice; adequate consultations; presence of local government officials; and adequate relocation. LGUs, in coordination with the National Housing Authority (NHA), shall provide resettlement sites with basic amenities and access to employment and livelihood, and implement the relocation and resettlement of persons living in danger areas and other public places.		
RA 10752 - Right of Way Act of 2017	Provides for the procedure of acquisition of right-of- way, site, or location of a national government infrastructure project. The government shall proffer as compensation based on the current market value of the land, replacement cost of structures and improvements, and current market value of crops and trees. Echoes the RA 7279 provisions for the government through Housing and Urban Development Coordinating Council (HUDCC) and National Housing Authority in coordination with the LGU to develop a resettlement site for informal settlers in anticipation of informal settlers that would be removed from the site of future infrastructure projects. LGU shall provide and administer the relocation sites.		
PD 1529 - Property Registration Decree	Provides for procedures for registration of properties and annotation of encumbrances thereof.		
RA - Indigenous Peoples Rights Act	Provides that lands awarded through CAD-T cannot be sold within 10 years.		
PD 704-Forestry CodeProvides for forest land management contracts.RA 386 -Civil Code of theProvision for liability to pay compensation for accidPhilippines, Book IV, Titledamages (e.g., by contractor during construction.)XVII, Chapter 2 (QuasiDelict)			

47. **Gaps and gap-filling measures**. Several aspects of the PH policy framework on land acquisition and involuntary resettlement, that could be made more effective through enabling guidelines, specifically on the following:

- criteria for determining eligibility of informal settlers and cut-off dates.
- time of entry and use of acquired land by the project prior to full compensation is made.
- full replacement cost for economic and physical displacement
- just compensation for expropriated land and/or improvements.
- adequacy of transition support, alternative income-earning opportunities, and livelihoods restoration, particularly for vulnerable people.
- restrictions of access to natural resources in declared critical habitats; and
- protection for informal economic activities and compensation for loss
- the standards/protocols (in terms of content and process) for development of ROW Manual by different implementing agencies as required under RA 10572.
- considerations when a proposed project would potentially affect the customs and livelihoods of the IPs in ancestral domains which are community property that cannot be sold, disposed or destroyed.

48. Aside from this Abbr. ESCMF, the project shall adhere to the stipulations found in the VISTA Abbr. Resettlement Framework (Abbr. RF).

Laws Related to Financial Intermediaries and Direct Investments and SECAP Standard 8

49. *Republic Act No. 10000: Providing Agricultural and Agrarian Reform Credit of 2009.* Providing agriculture, fisheries and agrarian reform credit, insurance and financing system to improve the productivity of the agriculture and fisheries sectors. The Act consists of loans to support activities and purposes pertaining to agriculture as stipulated under the Agriculture and Fisheries Modernization Act (AFMA) and the Agrarian Reform Code of the Philippines. Agriculture and agrarian reform credit refers to loans granted for the following activities and purposes: (i) agricultural production; (ii) promotion of agribusiness and exports; (iii) acquisition of work animals; (iv) acquisition of lands; (vi) construction, acquisition and repair of facilities for production, processing, storage, and marketing and such other facilities in support of agriculture and fisheries; (vii) efficient and effective merchandising of agricultural and fishery commodities stored and/or processed by the facilities in domestic and foreign commerce; and (viii) other activities identified in Section 23 of AFMA[3] (Section 3.f, IRR, RA 10000).

50. **Gaps and gap-filling measures**. There is no regulation in the Philippines that requires financial intermediaries (FI) to implement an Environmental and Social Management System (ESMS). There is also no requirement to conduct stakeholder engagement as well as disclosure of documents by sub-borrowers, except for those with funds coming from international lenders.

51. The project shall be observant of pertinent provisions in this Abbr. ESCMF and ensure that partner Financial Institutions (FIs) shall have crafted its ESMS prior to engaging with beneficiaries financing portfolios.

Laws Related to Climate Change and SECAP Standard 9

52. *Republic Act 9729: Climate Change Act of 2009 as amended by People's Survival Fund (RA 10174).* To systematically integrate the concept of climate change in various phases of policy formulation, development plans, poverty reduction strategies and other development tools and techniques by all agencies and instrumentalities of the government. The RA 9729 serves as the basis for programming interventions to mitigate and adapt on the impacts of climate change. Assistance to small and medium enterprises/industries in developing capacity for eco-efficient production and through various training and extension activities. Contains provisions of integrating disaster risk reduction measures into climate change development, plans, and poverty reduction programs.

53. *Republic Act 10121: Philippine Disaster and Risk Reduction Management Act.* An act strengthening the Philippine disaster risk reduction and management system, providing for the national disaster risk reduction and management framework and institutionalizing the national disaster risk reduction and management plan, appropriating funds therefor and for other purposes. State shall ensure that disaster risk reduction and climate change measures are gender responsive, sensitive to indigenous knowledge systems, and respectful of human rights.

54. *Executive Order No. 174 of 2014*. Institutionalizing the Philippine Greenhouse Gas Inventory Management and Reporting System (PGHGIMRS). The PGHGIMRS aims to establish the GHG inventory management and reporting system in some government agencies.

55. *The Nationally Determined Contribution (NDC)* of the government as communicated to the UNFCCC on 15 April 2021 is presupposed from current greenhouse

gas (GHG) emissions at an average of 1.98 metric tons of carbon dioxide equivalent per capita in 2020, or way below the global average of four (4) metric tons per capita.

For climate change mitigation the Philippines commits to a projected GHG 56. emissions reduction and avoidance of 75%, of which 2.71% is unconditional⁷ and 72.29% is conditional,⁸ representing the country's ambition for GHG mitigation for the period 2020 to 2030 for the sectors of agriculture, wastes, industry, transport, and energy.⁹ This commitment is referenced against a projected business-as-usual cumulative economywide emission of 3,340.3 MtCO_{2e}¹⁰ for the same period. The benefits of market and nonmarket mechanisms under Article 6 of the Paris Agreement shall continue to be explored, consistent with national circumstances and sustainable development aspirations." The benefits of market and non-market mechanisms under Article 6 of the Paris Agreement shall continue to be explored."

57. Commitments to climate change adaptation indicate that: The National Climate Change Action Plan 2011 - 2028 established the seven areas of to address climate change, namely food security, water sufficiency, ecological and environmental stability, human security, climate-smart industries and services, sustainable energy, and knowledge and capacity development, which are pursued coherently with the Sustainable Development Goals and the Sendai Framework for Disaster Risk Reduction. The Philippines shall undertake adaptation measures across agriculture, forestry, coastal and marine ecosystems and biodiversity, health, and human security, to preempt, reduce and address residual loss and damage. The Philippines shall pursue forest protection, forest restoration and reforestation, and access to results-based finance in forest conservation. Based on the aforementioned, further studies will be needed in assisting the country to establish baselines and monitor GHG emissions as these relate to the agriculture sector and assess contributions to the NDC.

58. **Gaps and gap-filling measures**. The Philippines has a framework to address climate change, natural hazards, and disasters. Also, the National Environmental Health Action Plans (NEHAP) provide good framework for addressing community health and safety aspects. Aside from gaps cited under Laws Related to Resource Efficiency & Pollution Prevention and SECAP Standard 2, there are some Standard 9 concerns under the Philippine EIA System, while not negated by any law, could be made explicit to broaden assessment. Some of these include:

- consistency of initial environmental examination (IEE) checklists for projects in environmentally critical areas (ECAs) to accurately identify environmental and social impacts and address risks/hazards, including climate change impacts and risks.
- assessment of project-level impacts on climate change and the impacts of climate • change on the selection, site, planning, design, and implementation and, where applicable, decommissioning of projects.

VISTA is adherent to the tenets of country system and specifically under Standard 59. 9, incorporates core activities into the project design but will still be observant of prescriptions in this Abbr. ESCMF and the SECAP Targeted Adaptation Strategies.

3.2. Project Review and Approval Process

60. **Pre-planning: ARC/Community engagement**. At the entry stage, both Component 1 (NRM) and Component 2 (VCD) shall ensure that EARCCs have been cleared by DAR and DA in terms of overlaps with protected areas, forestlands, cultural heritage

⁷ Unconditional refers to policies and measures which can be undertaken using nationally mobilized resources.

⁸ Conditional refers to policies and measures which require support or the means of implementation under the Paris Agreement.

⁽N2O), carbon Greenhouse gases covered are dioxide (CO2), methane (CH4), nitrous oxide perfluorocarbons (PFCs) and hydrofluorocarbons (HFCs). ¹⁰ Million metric tons of carbon dioxide equivalent

sites, and ancestral domains/lands (AD/L) or those with contentious unresolved issues (ie conflict in resource management and boundary disputes). Social mobilization will be conducted applying the SEP, and in areas where there are IPs, within or outside AD/L, the FPIC-IP shall be operationalized.

61. **VISTA strategic investment prioritization**. NRM and VCD activities systematically diverge-converge-diverge in the whole strategic prioritization process, see Table 5 for sequencing of activities and outputs. Key activities are (i) Research and analysis, (ii) Identification of gaps and priorities, and (iii) Synthesis/harmonization of priorities. Once all plans are harmonized in support of VC, Preparation of investment proposals follow that are subject to review and approval.

Change	Comp 1: NRM Comp 2: VCD			
Stage	Activity	Output	Activity	Output
Research & analysis	 Review of existing investment plans NRM thematic maps 	Ecosystem prioritization	VCD mapping & Inventory/ classification of potential/ existing coffee/ cacao/ upland rice and other	VCD strategic prioritization
Idoutificati	Defenses		crop areas	and a davine d from
Identificati on of gaps	research & a	CD map overlaid with N	KIM THEMATIC I	haps as derived from
& priorities & priorities / harmonizati on of priorities	Farm level NRM requirements for VCD Technical prioritization	NRM requirements forVCD in terms of soil &water improvements &climatic considerationsin EARCC areasGreeningVCDopportunitieswithpackages of information& technologiestosustain VCD:• Information• Innovation• Sustainableagri	priorities for VCD crop & farming system Institutional & specific VCD	VCD requirements in terms of enhanced resource base, seeds, extension system, HH financing, etc Strategic Investment Plan (SIP) for VCs and packages of Institutional strengthening: • Business support • VCD linkages & expansion
	Review and e	practices Etc Provide the second se	Strategic Inv	FinancingEtc
	EARCC			
Preparation	Reference: V	ISTA S Investment Pri	orities	
of investment proposals	NRM subproject proposals (SP): Enhanced natural resources for	 SP on: Infra/combined infravegetative measures Streambank stabilization Protecting forest ecosystem & 	VCD business & farm proposals	 SPs/BP/FPs on Sustainable Extension Services and VPO Capacity Building VCD commercialization
	VCD resilience	conserving biodiversity		 Public infrastructure investments

 Table 5. VISTA Strategic Investment Prioritization

Stage	Comp 1: NRM		Comp 2: VCD		
	Activity	Output	Activity	Output	
		 Disaster risk 			
		reduction measures			
		at the community			
		level			
	Review and endorsement of VISTA Investment Proposals (SPs) by RCC				
	Approval of VISTA Investment Proposals – Regional Project Management Office (RPMO)/ Central Project Management Office (CPMO) depending on budget ceilings (refer to procurement)				

62. **Research and analysis.** Pertinent to VCD is VC mapping and inventory/ classification of potential/existing coffee/cacao areas building on existing available information such as the DA Commodity Roadmaps and Coffee and Cacao Value Chain Analyses developed for the DA Project: Philippines Rural Development Project. The output will be the development of VC strategic prioritization. Central to VC mapping and inventory/classification is the generation of information/data on coffee and cacao geographical areas, farmers/households, type of tenure or type of land, cropping systems, density, crop and variety suitability - climate, soil, water, flora and faunal composition/distribution, farmer preference, market potential, socio-cultural composition and characteristics, state of the ecosystem and value chain components-functions, players, current/existing technology being applied, and the like. The activity will observe participatory processes by engaging key stakeholders. This undertaking will require the deployment of a development facilitator (DF) who can initiate engagement of community/stakeholders. VC activities extending beyond defined ARC sub-catchments, shall be subject to NRM assessment to identify any specific opportunities/risks necessary in support of the SPs for investment.

63. For NRM, key activities revolve around the comprehensive review of existing plans and information from these plans that will feed into thematic maps with information and assessment on land use, crop-site suitability, hydrology, biodiversity and protected areas, climate hazard, exposure and vulnerability, socioeconomic and cultural dimensions, land tenure/access arrangements and any other relevant considerations deemed imperative to generate benchmark data, and ecosystem priorities. The review and assessment will be carried out by a Technical Partner (TP), hired for six months, to facilitate planning activities with DAR, LGU and community organizations ensuring the assessment aligns with the needs of the anchor and secondary cropping systems.

64. **Identification of gaps and priorities**. The VC map overlaying with the NRM thematic maps produced through research and analysis shall be key to the identification of gaps and priorities, conducted in a participatory manner with key stakeholders. Identification of gaps and priorities shall be guided by an integrated/expanded framework of analyzing key opportunities and constraints for value chain development that includes NRM and value chain factors. It creates a platform for VISTA stakeholders and beneficiaries to engage in the investment prioritization process taking into account the needs of women, IPs and youth. The participatory assessment will center on citizen science, which involves data sharing and validating technical and local knowledge management practices, including local women's knowledge.

65. The outputs shall be a set of investment priorities: (i) for VC, the necessary VC requirements in terms of enhanced resource base, seeds, extension system, HH financing, etc.; and (ii) for NRM, to address requirements for VC in terms of soil and water improvements and climatic considerations.

66. **Synthesis/harmonization of priorities**. On the NRM side for Component 1, the TSP will help to generate maps and document priorities that will form the basis for the

sub-project proposals for investment by VISTA. The desired value chain map as it spells out key players/stakeholders in the value-chain, their roles, the interrelationships between key players (power-influence dynamics) and feasibility of VCD initiatives will result in a value chain-specific Strategic Investment Plan (SIP). The SIPS will incorporate the findings of Component 1.1 and may identify opportunities for component 1.3. This stage will also result in packages of institutional strengthening for the VPOs. These outputs will be reviewed and endorsed by the EARCC with DAR and DA, LGUs, other relevant government agencies present on the ground, and VPO and select private sector representatives as members.

67. **Preparation of investment proposals**. The preparation of investment proposals shall strictly refer to the outputs from the previous analysis and planning stage. The VC SPs/BPs and individual farm plans at the household level shall take off from the key areas of (i) Sustainable Extension Services and productive improvements, (ii) VC commercialization and VPO Capacity Building and (iii) Public infrastructure investments. These SPs may focus on infrastructure or on-the-ground works. NRM SPs shall focus on enhanced natural resources for VC resilience along the lines of (i) Infrastructure/combined infrastructure-vegetative measures, (ii) Streambank stabilization, (iii) Protecting forest ecosystem and conserving biodiversity, and (iv) Disaster risk reduction measures at the community level.

68. The SPs will be developed by the proponents in the EARCCs with the support of the VISTA Technical Service Provider (TSP). The TSP and field staff of DAR, DA and the LGUs, with other partners will facilitate the preparation of inclusive investment proposals that combine technical plans and community knowledge, which will be disclosed to and validated by the participating communities, ensuring women including indigenous women and young women's engagement in this process before these SPs/BPs are submitted for review and eventual approval. Under VC, the key proponents for the SPs/BPs will be the VPOs and select private entities. Key proponents for NRM investments will be LGUs and community organizations – VPOs/ Community Based Forest Management Agreements (CBFMAs)/ Protected Area Community-Based Resource Management Agreements (PACBRMAs) and others that may be identified later, assisted by DAR, DA, and partner institutions.

3.3. Safeguard Provisions Built onto the Project Cycle

69. At the entry stage, social mobilization will be conducted applying the SEP, and in areas where there are IPs, within or outside AD/L, the FPIC-IP shall be put into operation. Once the SEP and FPIC-IP are initiated, the planning cycle commences with stakeholder participation ensured across all stage of the project cycle.

SP/BP Development Stage	SECAP Process	Responsible	
VISTA strategic investment	 Initial proponent screening 	Proponent (with	
prioritization	■ Set-up GRM	assistance from	
SP/BP Preparation	 Validation done by RPMO using 	TP and DF,	
	SECAP Screening Checklist (See	Provincial	
	SRN Appendix 5j - 6)	Project	
	Conduct Environmental and Social	Management	
	Impact Assessment (ESIA)/prepare	Office (PPMO),	
	Abbreviated Environmental, Social,	DA's BSWM and	
	and Climate Assessment Procedure	ATI LGU and	
	(Abbr. ESCMP)	RPMO SECAP	
	Where valid, prepare Abbr. RAP & IP	Specialists)	
	 Observance of country system 		
	permitting requirements		

Table 6. Safeguards Process for SPs/BPs

SP/BP Development Stage	SECAP Process		Responsible
SP/BP Review	Review of Safeguards		RPMO/CPMO
Approval	Issuance of Clearance		RPMO/CPMO
Procurement	RAP P	Process	See Abbr. RF
	IPP Process		See IPPF
Implementation/Construction	Compliance Monitoring		RPMO/CPMO
Operation Phase	Compliance Monitoring		RPMO/CPMO

70. **VISTA strategic investment prioritization**. (i) Initial proponent screening, and (ii) Set-up GRM with the following responsible entities: Proponent (with assistance from TP and DP, PPMO, LGU and RPMO SECAP Specialists).

71. <u>Validation</u> – The PPMO staff will validate the analyses and priorities with the proponents/beneficiaries who are in themselves, the target beneficiaries or community/VPO members. During this process, the RPMO SECAP Specialists along with the Project Foresters and Senior Engineers will validate and finalize a Screening Checklist for the menu of investments, confirming the required assessments and documentation. The screening will also determine whether the investments are covered under the Philippine EIS System. The RPMO will consult the latest version of the EIA Procedural Manual to determine the thresholds and categories. Should the investments be covered under the PEIS System, it will have to comply with the procedural and documentary requirements of the DENR. This activity is lodged in Component 1.

72. **Specific SP and BP/FP Preparation**. All investments whether covered or not covered under the PEISS will undergo an Abbreviated ESIA (Abbr. ESIA) - of the depth and scope that is commensurate to their risks and impacts - as part of the SP/BP. Hence the SP/BP reports are required to have a section on ESIA. The VISTA SP/BP Screening Checklist is found in the SRN Appendix 5j - 6 and shall be referred to as the scoping checklist (ToR) for SP/BP ESIAs. Individual FPs at the household level will be generated with the advice resulting from the wider planning activities and will be generated with the assistance of extension staff. These will not require specific assessment given their microscale.

73. For rural infrastructure investments, the SPs shall be in a format of combined feasibility study/sub-project proposals and detailed engineering to be prepared by the Municipal LGU Planning and Development Officers (MPDOs) and Engineers. These documents will be forwarded to RPMO for the final technical review by RPMO Sr. Rural Infrastructure Engineer (SRIE) for VC-related Infrastructure together with the BSWM Focal Person and RFO RAED for the NRM-related Infrastructure and recommended to the RCC who will check whether there is no overlaps/duplication, etc. The Feasibility Study/sub-project proposals will be reviewed by the Sr. Economist of the RPMO for both VC and NRM-related Infrastructure. The RCC will endorse the VC-related SPs to the RPMO or CPMO and the NRM-related SPs to the DA BSWM Director for approval depending on the approving authority who will then upload the documents to IFAD NOTUS for issuance of No Objection.

74. <u>Conduct an Abbr. ESIA and prepare Abbr. ESCMP</u>. At the early stage of the SP/BP preparation, given that VISTA is deemed to inherently be of substantial risks, an Abbr. ESIA will have to be prepared to inform investment design. The Abbr. ESIA shall identify and assess potential adverse and beneficial impacts of the proposed project on the biophysical, social and legal-institutional issues. It shall develop appropriate mitigation, monitoring and management measures to reduce risks and impacts, and enhance opportunities. The Abbr. ESIA reports are approved by the RPMO, for concurrence by CPMO and submitted to IFAD who then clears the reports. A template for the Abbr. ESIA is presented in Attachment 1.

75. <u>SPs/BPs that promote the use of pesticides and fertilizers.</u> An Integrated Pest Management Plan (IPMP) will be developed should a significant volume of pesticides be foreseen. The supply or use of pesticides containing active ingredients that are banned or restricted under applicable international treaties and agreements, or meet the criteria of carcinogenicity, mutagenicity or reproductive toxicity as set forth by relevant international agencies (SECAP 2021, Volume 2). The PMP covers the legal framework, proposed strategies, associated risks and appropriate measures to manage risks.

SPs/BPs within cultural heritage sites. The SECAP screening questions will be 76. applied with participation of local people to identify and collect data on any cultural heritage (tangible and intangible) likely to be affected by the operation. Declared heritage zones are subject to the country's EIA System as these are considered to be culturally sensitive areas hence under the DENR, deemed as Environmentally Critical Areas (ECA) requiring an Environmental Compliance Certificate (ECC) prior to any development undertakings. Should the project likely result to adverse impacts on the cultural heritage, appropriate measures for avoiding, minimizing or mitigating these impacts will be identified. A Cultural Heritage Management Plan (CHMP) will be prepared and may form part of the overall environmental management plan as incorporated in the ESCMP. Should the project propose to reference cultural heritage, that include knowledge, innovations or practices of local communities, for the benefit of the project or for commercial purposes, communities should be informed of their rights under national law, of the scope and nature of the proposed use, and of the potential consequences. This shall specifically be linked to VISTA FPIC-IP, IPPF and SEP where the FPIC is obtained to allow for fair and equitable sharing of benefits.

77. <u>SPs/BPs with Involuntary Resettlement Impacts</u>. For investments that require land acquisition or encounter economic displacement temporary or otherwise, the Proponent may already start the process prescribed under the Abbr. RF at this SP/BP stage with guidance from the SECAP Specialists under the RPMO. The scope of the social assessment of the above studies shall be expanded to cover aspects relating to the impacts of economic and physical displacement.

78. <u>SPs/BPs with IP Community</u>. For investments that are located within Ancestral Domains or located near IP communities and/or have IP beneficiaries, the Proponent may already start the process prescribed under the IPPF to prepare the IPP in close coordination with the NCIP and IP Mandatory Representative. In such cases, the scope of the social assessment of the EIA/IEE will be expanded to include those aspects that are required by the SECAP documents.

79. While the SP/BP will contain the completed Abbr. ESIA and Abbr. ESCMP, it is not yet expected to include the Abbr. RAP, IPP and NCIP-FPIC. The process of preparing the Abbr. RAP and IPP and compliance to NCIP-FPIC will continue after the completion of the SP/BP as long as the scope of impacts have been determined. SP/BP preparation is covered by VISTA Component 1.

80. **SP/BP Review**. The EIA/IEE, including supplemental reports and Abbr. ESCMPs, and in the case of investments that are not covered under the PEISS, the ESIA Section of the SP/BP will be disclosed in the DAR-VISTA Website, during the review of the SP/BP. The SP/BP and DED review process commences at the PPMO level as joined by key LGU officials/counterpart. It is elevated to the RPMO level as facilitated by the SECAP Specialists. The SP/BP document will be reviewed by the Sr. Economist at the RPMO level to determine the sub-project economic feasibility while the DED will be reviewed by the Sr. Rural Infrastructure Engineer (RIE) for the VC-related infrastructure and together with the BSWM Focal Person and DA RAED for the NRM-related infrastructure prior to RCC endorsement for approval by the RPMO or CPMO and BSWM Director. The CPMO SECAP Specialist ensures compliance and completeness to SECAP and country system by

reviewing samples of SECAP documents and oversees any trouble shooting of contentious issues.

81. **SP/BP Approval.** SPs/BPs that have complied with the requirements and whose Abbr ESMPs are deemed to adequately address the environmental impacts and risks shall be issued SECAP Clearance by CPMO and included in the procurement process for further approvals. SPs/BPs shall be reviewed and endorsed by the RCC to RPMO or CPMO (for VC-related) and DA RIU or BSWM Director (for NRM-related) for approval, depending on SP/BP type allowable budget ceiling and approving authority.

82. **Procurement Stage**. At the procurement stage, investments that have substantial impacts will complete the process of preparing mitigation plans: those with confirmed IP presence to complete the IPRA-FPIC as embodied in the IPPF as well as the Abbr. RAP. The Abbr. ESCMPs that contain the mitigation measures will be referenced by project procuring entities in the preparation of proposed bidding documents such as contractor/supplier/consultant similar contract experience, technical specifications of goods, program of works and consultant terms of reference, as applicable.

83. **Implementation/Construction**. Investments with incomplete SECAP documentation shall not be allowed to proceed with the implementation or construction phase. During the construction/implementation period, the Proponent shall submit periodic reports on the status of the implementation of the Abbr. ESCMP to the RPMO. The SECAP Specialists from CPMO and RPMO may conduct random site inspections to validate these reports.

84. **Post Construction/Operation Phase**. During the operations phase, the Proponents shall continue to submit periodic monitoring reports on the status of the implementation of the Abbr. ESCMP, Abbr. RAP and IP Plan as committed in the respective SECAP instruments and consolidated in the quarterly report. The RPMO SECAP Specialist shall consolidate reports from the various SPs/BPs in their regions and submit these to their RPMOs for further review prior to submission to the CPMO. The RPMO/CPMO SECAP Specialists may initiate site visits on a particular SP/BP to validate and/or help the proponent resolve outstanding environmental and social safeguards issues. The CPMO shall consolidate the quarterly reports and prepare a semi-annual summary of the status of Abbr. ESCMF/P implementation.

3.4. Consultations

85. **Consultations at Inception and Design Stage.** Initial consultations and technical meetings were conducted during project concept and design stages from October 2021 to March 2023, with the main agenda of finalizing the VISTA scope and design (See SRN Appendix 5f, SEP Attachments for summary issues across sites visited, attendance and photo-documentation). Key stakeholders from the national, regional, provincial, and municipal government agencies, Civil Society Organizations (CSOs), and other donor agencies participated during the VISTA concept and design phases, including the National Economic and Development Authority (NEDA), NCIP, DAR, DA, DENR, DTI, and Regional Development Councils. These agencies provided inputs to the design of the specific project components and proposed institutional arrangements. Community consultations were likewise held in CAR, Regions 10, 12, and 13. The relevant outcomes of stakeholder consultations were used in the preparation of this Abbr. ESCMF.

86. **Consultations at Implementation Stage**. Overall guidance for consultation shall emanate from the SEP as buffered by specific SECAP instruments like the FPIC-IP and country systems requirements. Consultations in areas with IP communities regardless if within ancestral domains or not, will be guided by the VISTA FPIC-IP that is harmonized with IPRA. For SPs/BPs in areas with majority non-IPs and outside ancestral domains, and

covered by the PEISS, the DENR Administrative Order (DAO) No. 2017-15. "Guidelines on Public Participation under the Philippine Environmental Impact Statement System" is prescribed. The DAO requires public participation for the entire EIA process from social preparation prior to scoping up to impact management and monitoring during project implementation and abandonment. Involvement of stakeholders is initiated early through the IEC campaign. The scope and actual conduct of the EIA study is informed by the consultation process. The guidelines start with stakeholder identification, public participation during scoping, stakeholder involvement in EIA study, updating of the stakeholder identification and analysis, public participation in the EIA report review, public information disclosure, public hearing and public participation in monitoring of impacts.

87. For SPs/BPs in areas with majority non-IPs and outside ancestral domains, and not covered by the PEISS, the SEP shall serve as reference. Stakeholder consultations will continue during the project implementation stage, targeting specific government, non-government and community stakeholders at the national, regional, and local levels, to refine project implementation arrangements ensuring the feedback loop is in place through the SEP.

4. Procedures for Screening, Assessment and Management

4.1. Screening for Social, Environment and Climate Risks and Impacts

88. This Abbr. ESCMF highlights the application of a screening tool for potential project activities in order to determine potential environmental, social, and climate issues (See SRN Appendix 5j - 6). The objectives of the SECAP screening are to: (i) evaluate the environmental and social risks of the investment activities; (ii) identify the required permits and clearances prior to project implementation; and (iii) identify the applicable SECAP management plans to avoid, mitigate and minimize the identified environmental and social risks. The screening process identifies possible instruments, e.g., Abbr. ESCMP and ESIA to be applied during Project implementation, based on investment typology.

89. The screening process is guided by the VISTA SP/BP Screening Checklist to screen the potential environmental and social risks of the proposed investment plans and identify the corresponding environmental and social management measures. SECAP screening is lodged in Component 1 specifically during the SP/BP preparation stage. Relevant capacity building activities will be conducted to complete the above activities.

4.2. Assessing and Managing Risks and Impacts

90. Four key strategies will require to be put in place in order to manage risks and impacts: (i) Adoption of Negative List or list of SPs/BPs which the Project will not support, (ii) Development/Adoption of SECAP Instruments, (iii) Designating SECAP Focals at the National and Regional Levels, and (iv) Procurement considerations.

(i) Adoption of Negative List or list of SPs/BPs which the Project will not support

91. The project shall adopt a list of interventions or SPs/BPs which will not be supported. The list includes interventions deemed to pose high social or environmental risks, as well as reputational risks for both IFAD and the Government. The list is based on the IFAD exclusion list as well as results of discussions with the DAR and DA, and in reference to country laws and regulations. The list is enclosed in the SRN Appendix 5j - 4.

(ii) Development/Adoption of SECAP Instruments

92. **Development and adoption of a common SP/BP Screening Checklist**. The checklist adheres with the Negative List that informs eligibility of proposed intervention. It identifies corresponding requirements per applicable SECAP Standard such as the type and degree of assessment details and preparation of additional instruments such as the Abbr. ESCMP, IP Plan and Abbr. RAP. A part of the Checklist cross-references with the latest version of the EIA Procedural Manual for the determination of project category under the Philippine EIA system.

Adoption of this Abbr. ESCMF and eventual preparation of the SP/BP Abbr. 93. ESCMP. VISTA consists of activities and/or investments (SPs/BPs) for which the risks and impacts cannot be determined until implementation. The Abbr. ESCMP describes the principles, processes, and technical guidance for DAR and DA staff and management, partner agencies, and their consultants to assess the environmental and social risks and impacts of Project activities. Specifically, the Abbr. ESCMP aims to (i) to identify, and minimize or avoid adverse impacts on the health and safety of local communities, in particular the vulnerable (IPs, women, youth, and marginal sectors), project-affected persons, and project workers throughout the project cycle (i.e. planning/pre-construction, construction, and operation/implementation); (ii) to promote quality, safe, and climate resilient rural infrastructure and/or program of activities with stakeholders; (iii) to avoid or minimize community exposure to project-related safety risks, environmental and health hazards, and extreme climate events; (iv) to facilitate in addressing measures during emergencies; and (v) to install or enhance meaningful consultation and participation in the planning, implementation, and management of the project.

94. **Development and adoption of IPMPs**. An annotated outline of an IPMP (SRN Annex 8) is provided that extends guidance towards the preparation of a concise implementation plan for the pest management aspects of the various crops covered by VISTA, such as coffee, cacao, rice, reforestation and agroforestry tree-crop species. The IPMP guides relevant stakeholders on the details of the pest management strategy and to which a feedback loop is provided for consideration by project management. The IPMP is anchored upon the ESCMF matrix and describes the full rationale of, and justification for, the application of biocides or other pest management techniques, and the respective institutional and regulatory framework. It further provides a description of the proposed strategies, associated risks and appropriate measures to manage risks.

95. The IPMP shall be disclosed and discussed to stakeholders: in draft form and the final version prior to subproject approval. It is suggested that the IPMP be in a form and language understandable to stakeholders and their views taken into consideration during the revision of the draft.

96. **Adoption of the Guidance for Subprojects affecting Tangible and Intangible Cultural Heritage.** A guidance note has been prepared (see SRN Annex 9) that includes the list of the UNESCO declared sites along with the national list of tentative/proposed UNESCO sites. Declared heritage sites are considered critical areas that require compliance certificates from the DENR prior to subproject implementation. Referencing cultural heritage to local/indigenous knowledge, innovations or practices of local communities, for the benefit of the project or for commercial purposes, will require linking to the VISTA FPIC-IP, IPPF and SEP in order to obtain the FPIC to allow for fair and equitable sharing of benefits. The guidance note likewise provides a Chance Find Procedure in the event physical culture traits are encountered.

97. **Development, adoption and continuous updating of VISTA SEP and Project GRM.** A SEP has been prepared (See SRN Appendix 5c) and includes a summary documentation of the initial stakeholder engagements undertaken during the conduct of VISTA design preparation to arrive at a comprehensive stakeholder identification and analysis. The SEP further provides the guidance for installing the multi-tiered VISTA Redress/Feedback Mechanism. At project effectiveness, the GRM shall be disclosed and

made accessible online and through other means convenient to stakeholders in order to accommodate complaints, issues and concerns regarding the project's imminent implementation, its progress and impacts, including those who might be displaced by any land acquisition or land use restriction, and those whose livelihoods might be impacted by any changes in land use and enforcement regimes. The GRM likewise provides guidance in addressing labor and sexual harassment (with GBV) issues that may be directed to Contractors and the DAR staff and consultants as well as other partner institutions.

98. **Adoption of the VISTA FPIC-IP and IPPF and preparation of the SP/BP IPP.** The FPIC-IP and IPPF have been prepared. It shall guide the DAR and other stakeholders to ensure that indigenous peoples are empowered and to guarantee mutual respect and full and effective participation in decision-making on VISTA proposed investments that may directly and indirectly influence their rights, access to lands or territories and its resources, and their livelihoods. Both plans draw on existing Philippine laws on IP and on SECAP Standard 4 on Indigenous Peoples and set out the processes, procedures, and requirements for the meaningful participation of ICCs/IP in project activities as well as observance to the FPIC process under IPRA that will be required for investments prior to implementation. The plans supplement this Abbr. ESCMF, SEP, Abbr. RF and will provide guidance to project management and staff on issues relating to the presence of ICCs/IP in the project sites.

99. The IPPF in particular, sets out the policies, processes, and procedures for enhancing project benefits and addressing potential risks and impacts of the project on ICCs/IP to ensure that they are informed, consulted, and mobilized to participate in project activities and processes. It contains guidance on the preparation of the SP/BP IPP.

Adoption of the VISTA Abbr. RF and preparation of the SP/BP Abbr. RAP. 100. SECAP Standard 7 on Physical and Economic Resettlement considers both physical relocation of people and economic, social and cultural displacement restricting their access to livelihoods and culturally important sites. Under the Standard, FPIC should be obtained from all people potentially affected by resettlement to ensure that mitigation and benefitsharing measures improve their livelihoods and are appropriate and sustainable (IFAD applies the principle of FPIC to local communities broadly¹¹). At planning stage, investment proponents and DAR and DA staff along with LGU counterparts, need to identify the local communities that could potentially be affected in order to: (i) Avoid involuntary resettlement or, when unavoidable, minimize involuntary resettlement by exploring alternative project designs and sites; (ii) Avoid forced eviction; (iii) Ensure that resettlement activities are planned and implemented collaboratively with the meaningful participation of affected people; (iv) Enhance and restore the livelihoods of all displaced people; and (v) Provide explicit guidance on the conditions that need to be met regarding involuntary resettlement.

101. It is premature to craft a SP/BP Abbr. RAP at this stage but will need to be prepared once the scope and risks are determined specific of that SP/BP. Thus, the Abbr. RF is prepared to ensure that the IFAD safeguards for any resettlement and Philippine national requirements for resettlement are addressed. Approval of options for funding VISTA SPs/BPs will be subject to satisfactory compliance to both this Abbr. ESCMF and the Abbr. RF.

(iii) Designating SECAP Focals at the National and Regional Levels

102. In order to fully implement this Abbr. ESCMF, the project shall hire 1 SECAP Specialist at the CPMO level to oversee and coordinate, monitor and evaluate project compliance to SECAP and country system requirements. The Specialist ensures SECAP

¹¹ FPIC will also apply to non-indigenous peoples' communities when project activities impact their access and land-use rights in order to minimize potential adverse physical and economic impacts. (*IFAD-SECAP 2021, page 11*)

implementation is consistent across sites, consolidates all SECAP-related reports and liaises and regularly consults with national regulatory bodies to achieve satisfactory compliance status for VISTA.

103. At the RPMO level, 1 SECAP Specialist each will be hired, both with specialization in any of the social sciences. The Specialists shall oversee, coordinate, assist, monitor and evaluate project compliance to SECAP and country system requirements. During the Field Mission, it was noted that the DAR has inadequate staff with background in the social sciences, hence the need that the Specialists have the social lens for projects, with experience in community development work. The Specialists will be assisted by RPMO Foresters and Engineers to cover the biophysical requirements of SECAP.

104. The CPMO and RPMO SECAP Specialist, along with the RPMO Senior Foresters and Engineers shall be capacitated on the SECAP instruments, especially the checklist and this Abbr. ESCMF as they interphase with communities and other specialists of partner institutions.

(iv) Procurement Considerations

105. Due to the substantial nature of risks, procurement guidelines for Contractor engagement will have to be compliant to SECAP. The Contractor is obliged to prepare a Contractor's ESCMP (CESCMP) compliant with the overall project Abbr. ESCMP. A Contractor's staff code of conduct will similarly have to be prepared by the Contractor, as well as the Contractor's Health and Safety Management Plan (HSMP). These documents shall form part of the contract and submitted before issuance of the Notice to Proceed.

106. In project sites with IPs, previous work experience by the Contractor in similar environments with indigenous communities will be a key qualification. Further, that the Contractor has no record of previous convictions for infringement of labour laws.

107. Civil works shall not commence in areas where there are resettlement issues until satisfactory implementation of the Abbr. RAP by the Proponent is certified by the supervision engineer.

108. With respect to shortlisting of potential FIs, the following shall be ensured:

- Quality of their ESMS for screening financial intermediation services to demonstrate their capacity for assuming delegated responsibility for environmental and social assessment, risk management and monitoring, and overall portfolio management;
- FIs' capacity to continuously monitor on-lending and respond to accidental and emergency situations in their operations;
- Submission by FIs, in a form acceptable to IFAD, of annual environmental and social reports on the implementation of the ESMS and on-lending operations.

5. Preparation of the Abbr. ESCMP

109. Given that VISTA is categorized as inherently substantial in both environment and social and climate change risk, Abbr. ESCMPs will be required for each investment considered for funding. The Abbr. ESCMP details the:¹² (i) measures to be taken during project implementation to eliminate or offset adverse environmental, social and climate impacts, or reduce them to an acceptable level; (ii) measures to enhance environmental and social outcomes; and (iii) necessary actions (e.g. monitoring, supervision, reporting), implementation arrangements, institutional responsibilities, time schedule and costs of implementing the measures. The Abbr. ESCMP is required for Substantial Risk projects, such as VISTA.

¹² SECAP 2021.

5.1. SPs/BPs Requiring Abbr. ESCMP

110. All SPs/BPs will require an Abbr. ESCMP. Specifically, these are the potential investments for (i) Infrastructure and combined infrastructure-vegetative measures, for water source protection, soil and water conservation and includes small-scale irrigation systems (ii) Streambank stabilization, such as SALT, agroforestry interventions such as terracing, contouring, and alley cropping (iii) Protecting forest ecosystem and conserving biodiversity through reforestation, ANR, and enrichment planting, (iv) Provision of post-harvest facilities, like warehouse, solar drying pavement, solar tunnel dryer, and processing buildings to house VC equipment, (v) Harnessing services of financial intermediaries, and (v) Investments on access infrastructure, ie., standard FMR where appropriate and tire tracks, motorcycle/tricycle roads, and well-defined foot trails, animal trails, and animal or small tractor-drawn sledge. For Component 1.3 any innovative activities will be required to be assessed and if necessary, an Abbr. ESCMP prepared.

5.2. Planning and Implementing Mitigation Measures

111. In preparing for the Abbr. ESCMP, an Abbr. ESIA will be conducted which is equivalent to application of the Philippine EIA system, and is used to:¹³ identify and assess potential adverse and beneficial impacts of the proposed project on biophysical, social and other issues (including direct, indirect, cumulative and transboundary impacts, and the impacts of associated facilities); evaluate alternatives and options; and design the most appropriate mitigation, monitoring and management measures to reduce risks and impacts, and enhance opportunities. An "abbreviated" ESIA is sufficient for this since the main reason for the substantial risk assessment relates to the high coverage of IPs and IP land. These aspects are well covered in available legislation and plans and no damage to the environment is expected. The study is conducted as early as possible to input to the project design – as soon as screening informs the potential risks and impacts of a proposed SP/BP.

112. The Abbr. ESCMP captures the mitigating measures per identified risk/impact, and the draft is disclosed for stakeholder feedback prior to finalization of the SP/BP design. An ESCMP Matrix is attached to this Abbr. ESCMF (Table 8) for guidance and indicates recommended mitigation/enhancement measures per identified impacts, public consultation activities, responsible institution/s during the implementation phase, means and frequency of verification, and cost estimates.

6. Institutional Arrangements and Capacity Building

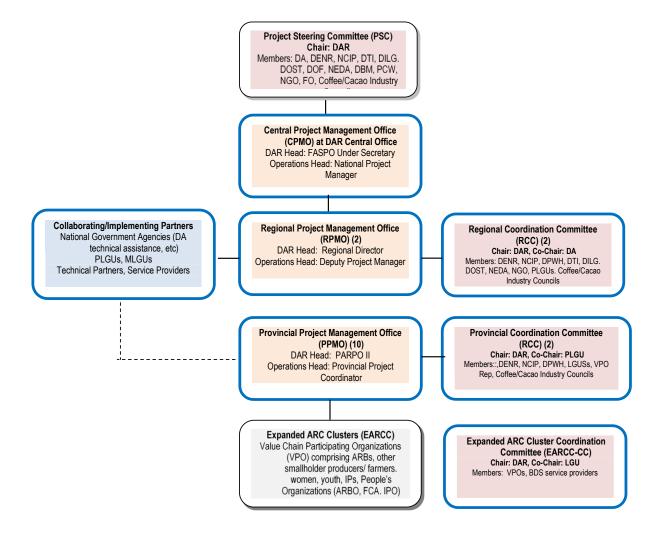
6.1. SECAP Implementation Arrangements

113. SECAP implementation mirrors the overall VISTA implementation arrangements as reflected in Figure 1. DAR is the lead implementing agency.

114. The **Project Steering Committee (PSC)**, chaired by the DAR and consisting of members from the DA, DENR, DILG, NCIP, DPWH, DTI, NEDA, DOF, DBM, PCW, PS, VPO Rep, and other relevant institutions/organizations, will serve as the governing body and provide policy direction and overall coordination mechanism for the project. The institutional commitments of PSC members will be formalized through special orders (SO) that specify their respective roles and responsibilities. The CPMO will be responsible for ensuring the coordination of national agencies involved in project implementation.

¹³ Ibid.





115. **Central Project Management Office (CPMO)** will be established at the national level to manage and coordinate overall implementation. This will be headed by the DAR's Undersecretary of Foreign Assisted and Special Projects Office (FASPO) as the National Director, together with a hired National Project Manager managing the day-to-day undertakings of the Project. The CPMO will be fully accountable for the performance of project; implementation and the use of funds. It will also be responsible in coordinating with IFAD; DA as collaborating agency; government oversight agencies, including, NEDA, DoF, and the DBM; and within the DAR central management that includes the Support Services Office (SSO), Finance Management and Administration Office (FMAO) and Office of the External Affairs and Communications Operations (DEACO). In addition, the CPMO will be directly responsible in effecting convergence of national agencies like DA, DENR, DILG, NCIP in project implementation.

116. **Regional Project Management Offices (RPMO**) will be created in the Cordillera Administrative Region (CAR) and Region XII. The RPMO will be headed by DAR Regional Director with a hired Deputy Project Manager, managing the day-to-day undertakings of the Project. The RPMO will oversee project implementation at the regional and provincial

levels. It will be coordinating with the different agencies for the review and endorsement of proposed subprojects as well as other implementing partners at the regional level. It will organize the Regional Coordination Committees.

117. **Provincial Project Management Office (PPMO)**. In every target province, a PPMO will be established at the Provincial Support Services Division (SSD), under the authority of DAR Provincial Agrarian Reform Program Officer (PARPO). The day-to-day operation is managed by a hired Provincial Project Coordinator. The PPMO will oversee project operations in the selected ARCs (ARC) and will link with other implementing partners (e.g., BDS providers, PLGUs, MLGUs etc.) at the provincial level. It will organize EARCC Coordination Committees (EARCC-CC) and provide implementation support to the functioning of the EARCC-CC in the identified ARC Clusters.

118. **Coordination Committees** will be organized at the Regional and Expanded ARC Cluster levels.

- **Regional Coordination Committee (RCC)** will be chaired by DAR and co-chaired by DA and will have similar composition with the PSC at the regional level. It will review and endorse proposed subprojects and other activities, and will ensure complementation of other agencies and organizations' programs, projects and resources for the implementation of VISTA subprojects. It will also facilitate resolution of operational issues (e.g., duplication of investments, safeguards compliance).
- **Provincial Coordination Committee (PCC)** will be chaired by DAR and cochaired by PLGU with membership from partner/implementing agencies present at the provincial level and municipal LGUs. This body will conduct initial review and to endorse VISTA investment plans and sub-projects. It will also facilitate resolution of operational issues (e.g. counterparting, provision of technical support) within their scope.
- **Expanded ARC Cluster Coordination Committee (EARCC-CC)** will be established in an expanded ARC cluster (EARCC). It will be chaired by DAR and cochaired by LGU, and membership is dynamic to include NGAs which have on the ground presence, VPOs (ARBOs, FCAs, IPOs), and representatives of any other critical project implementers (e.g., financial institutions) within or adjacent to the A. It will mobilize concerned LGU departments and units, coordinate with and monitor all the stakeholders and implementing partners in the implementation of sub-projects, ensure the participation of VPOs and other people's organizations in the planning and monitoring of sub-projects in the EARCCs.

119. **SECAP Specialists**. A SECAP Specialist shall be attached to the CPMO to ensure SECAP implementation is consistent across sites (See Table 7 for tasks). For the region, a SECAP Specialist will be hired for each, both with specialization in any of the social sciences. During the Field Mission, it was noted that the DAR has inadequate staff with background in the social sciences, hence the need that the Specialists have the social lens for projects, with experience in community development work. Specifically, the RPMO SECAP Specialists will be assisted by RPMO Senior Foresters and Senior Engineers to cover the biophysical requirements of SECAP. Table 7 provides the roles/functions of the SECAP Specialists:

Project Investment Stages	CPMO SECAP Specialist	RPMO SECAP Specialist
VISTA strategic investment prioritization (includes pre-planning) SP/BP Preparation	 Oversees consistency in regional implementation of SECAP requirements and compliance to country system Liaises with regulatory bodies at the national level 	 ensure operationalization of the SEP and FPIC-IP at onset and across the project cycle and take lead in setting up of the VISTA GRM ensuring this is made accessible to stakeholders Facilitates: use of the SECAP Screening Checklist, conduct of the ESIA, preparation of the IPMP, Abbr. ESCMP, Abbr. RAP and IPP, and initiate application for the country system permitting requirements at the regional
SP/BP Review	Oversees compliance and	level Ensures completeness of SECAP
Approval	completeness to SECAP and country system by reviewing SECAP documents	requirements and documents to be subject for review
Procurement	Signs off/clears SPs/BPs before issuance of the Notice to Proceed with implementation/ construction	
Implementation/ Construction	inspections to validate these	RM monitoring: conduct random site reports and/or help the proponent
Operation Phase	resolve outstanding environm	ental and social safeguards issues.

Table 7. Roles/Functions of the SECAP Specialists

120. Technical guidance necessary under SECAP at the province and ARC level are assumed by the TP and the EARCC. The SECAP Specialists at the RPMO shall oversee overall technical guidance.

6.2. Capacity Building for SECAP Implementation

121. There are 2 levels of capacity building related to SECAP and the Abbr. ESCMF implementation: (i) DAR/DA/Project staff, in particular, those designated with SECAP responsibilities, and agency partner staff like from LGU, NCIP, DENR, among others, and private sector, (ii) Community level appreciation of SECAP principles and instruments.

122. The staff level capacity building will be more intensive and shall cover the following areas:

- (i) Orientation to SECAP principles and in relation to the project cycle
- (ii) Familiarization with SECAP Standards 1-9 and applicable documents, such as
 > Application of the VISTA Safeguards Screening Checklist
 - > Abbr. ESCMF
 - ➤ IPMP
 - Cultural heritage
 - ➢ SEP and GRM
 - ➢ FPIC-IP and IP Plan
 - Abbr. RF
- (iii) SECAP assessment tools and methods, ie ESIA, conduct of meaningful consultations, M&E, etc

(iv) Preparation of plans, such as the Abbr. ESCMP, IP Plan, Abbr. RAP, and updating documents like the SEP when necessary.

123. All capacity building for staff level shall be conducted during project effectiveness. It is advised that an IFAD SECAP Specialist from the Asia-Pacific Region takes the lead in the capacity building with assistance from at least a National SECAP Consultant to provide the necessary context

124. For the community level capacity building, the modules will have to be in simplified form, interactive, and may require to be conducted in the local language. The orientation will be on site. The orientation may be held at the onset of the planning stage under Component 1.

125. Total cost for capacity building **USD 193,000.00** as indicated in the Costab.

126. The capacity building exercises shall underscore the tenet that SECAP goes beyond compliance, avoiding risks and impacts to identify opportunities for maximizing development gains by mainstreaming environmental, social and climate issues throughout the project cycle.

7. Stakeholder Engagement, Information Disclosure and Grievance Redress

7.1. Stakeholder Engagement

127. Consultations with target groups, communities and other stakeholders are deemed relevant throughout the project life cycle, to start at the earliest time possible. In the case of VISTA, the SEP will have to be adhered to as early as project effectiveness. This guarantees that stakeholder feedback is considered at the onset to ensure that: (i) communities contribute to the development of management and investment plans and provide feedback on SECAP instruments and documents; (ii) broad community support for VISTA; and (iii) that affected people are in agreement and therefore endorse the proposed risk reduction, mitigation and management measures.

7.2. Information Disclosure

128. The strategies for information disclosure and consultation are provided in the SEP. The disclosure of information will allow stakeholders to know the benefits, risks and impacts of the project, with special attention to informing the most disadvantaged or vulnerable groups identified. Various strategies on dissemination of information will be used in each of the stages of the SP/BP and these strategies will be accessible, culturally appropriate, and inclusive.

129. This Abbr. ESCMF, along with other SECAP documents like the SEP, FPIC-IP, IP Plan, and Abbr. RF, will be made available in a timely manner, in an accessible place and in a form and language(s) understandable to stakeholders and beneficiaries. Final ESMF incorporating comments from relevant stakeholders will be submitted to IFAD and upon approval, uploaded to the DAR-VISTA website.

7.3. Grievance Redress

130. The DAR together with the DA BSWM shall establish a functional and accessible GRM in line with the SEP-GRM prepared for this project to respond in a timely manner to any concerns and grievances of affected parties as regards VISTA implementation, in particular, SECAP performance. Disclosure of the VISTA GRM procedures, responsible person(s), and contact details of all responsible/focal persons and channels (by hand, phone, email, online, post etc.). GRM procedural timelines will have to be made known to

stakeholders for resolution of the grievance. Grievances and resolutions shall be recorded and periodically monitored by the RPMO and CPMO SECAP Specialists. GRM will be established at project effectiveness, shortly prior to VISTA implementation.

131. GRM will be made accessible to project workers by the SP/BP proponents and Contractors, to facilitate raising concerns by workers about their rights and workplace issues. Cases involving vulnerable and physically disadvantaged persons are provided special focus in GRMs. The project will assess the existing entry points for GRMs including those on labor and GBV/SEASH incidents and strive to strengthen these early on into the project.

132. IFAD has an established complaints procedure. The procedure enables complainants' concerns to be resolved in a fair and timely manner through an independent process, via e-mail at <u>SECapcomplaints@ifad.org</u>, IFAD's Website or by post. Project-affected people may use the complaints procedure without retribution or reprisal, and the grievance and conflict-resolution system does not impede access to other judicial or administrative remedies available under national law or existing arbitration procedures.

8. Costs and Budgetary Considerations

133. The SECAP/ Abbr. ESCMP monitoring is built into the Project M&E cost. For the implementation of mitigation measures, the sites and scope of the SPs/BPs are not yet precisely defined and will be subject to further refinement and adjustment during project implementation. Total cost for this Abbr. ESCMF is **USD 2,027,555.56**, broken down as follows:

- Budget estimate for the implementation of the proposed mitigation measures is USD 30,555.56 (see Table 8)
- Budget estimate for capacity building is USD 980,000.00
- Budget estimate for consultations is USD 1,017,000.00 (see IPPF and SEP)

134. Staff considerations are embedded under Component 3.

9. Abbr. ESCMP Matrix

135. The Abbr. ESCMP matrix will be integrated into the project's implementation manual (PIM). The total cost for ESCMP mitigation is **PhP 1,650,000.00**. Some items are charged to other SECAP documents, contractor, LGU and the Philippine EIA System as indicated.

Environmental/ Social and Climate Impacts	Recommended Mitigation/ Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification (Monitoring & reporting)	Frequency of Verification	Cost Estimate
biodiversity,	 Prepare Abbr. ESCMP Apply precautionary principle and follow the 	Stakeholder Consultation Meeting (SCM), FPIC	IPMR, PPMO, PO / IPO,	 Monitoring Reports Annual reports 	Bi-annual Annual	In-house
for protection, or recognized as protected by						

Table 8. Abbr. ESCMP Matrix

Environmental/ Social and Climate Impacts	Recommended Mitigation/ Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification (Monitoring & reporting)	Frequency of Verification	Cost Estimate
traditional local communities and/or authoritative sources (i.e.	mitigation hierarchy ¹⁴					
Conflict with wildlife. Wildlife invading smallholder farms and damaging crops.	Participatory land use planning/zoning for protection of soil, water, biodiversity, forestry and climate change initiatives	Stakeholder Consultation Meeting (SCM), KII	LGU, PMO, DENR, DAR, DA, PO / IPO	 Annual Reports Activity Reports 	Bi-Annual	Lodged with LGU (Compre- hensive Land Use Plan)
Project may impact a critically endangered animal since project areas (CAR and Region 12) have sightings of the Philippine Eagle, a Critically Endangered animal.	Engage and consult a species specialist to evaluate species in target areas.	SCM, Key Informant interviews (KII)	PMO, LGU, PO / IPO	Activity/ accomplishm ent reports Monitoring reports, Annual Reports	Bi-annual	300,000 (for both regions)
Existing or target farms utilize GMOs	 Research on long term effects of GMO utilization Awareness campaign on GMO utilization 	SCM, KII	DA, PMO, PO / IPO,	 IEC materials Research articles Monitoring reports 	Annual	300,000 (for both regions)
procurement of natural resources through primary suppliers, and resource extraction	 Procure natural- resource commodities certified under appropriate certification and verification systems accepted for sustainable management of living natural resources in the Philippines Extraction of construction aggregates only from approved quarry sites Limit to suppliers that can demonstrate that they are not contributing to 	SCMs	PMO, DAR, DENR, Private sector, LGU	• Annual Reports • Activity Reports	Quarterly	Lodged with Contractor

¹⁴ The mitigation hierarchy is applied by (a) anticipating and avoiding risks and impacts; (b) where avoidance is not possible, minimizing or reducing risks and impacts; (c) once risks and impacts have been minimized or reduced, mitigating them; and (d) where residual adverse impacts remain, compensating for or offsetting them, where technically and financially feasible.

Environmental/ Social and Climate Impacts Genetic erosion of traditional crop varieties due to introduction of exotic crops, hybrids	Recommended Mitigation/ Enhancement measures significant conversion or degradation of natural or critical habitats Prepare a Regulatory Framework or Risk Assessment of Invasive Species	Public Consultation Activities KII, Focus Group Discussions (FGDs)	Responsible Institution in Implementation Phase PMO, DENR, LGU, DA, DAR	Means of Verification (Monitoring & reporting) • Abbr. ESCMP • Activity and Annual Reports • MAO monitoring	Frequency of Verification annual	Cost Estimate 300,000 (for both regions)
and entry of invasive species	and incorporate in the implementation			reports		
Resource Efficiency an	plans Pollution Prevention					
There are farmers who intensively use agri-chemicals (fertilizers and pesticides) in sensitive areas like the case in the Cordilleras	 Prepare Integrated Pest Management Plan Provide training or capacity-building on proper selection, distribution, storage, application, and disposal of pesticides and fertilizers Promote rational use of fertilizers and better management of organic alternatives 	SCMs,	PMO, DAR, DA, DENR	 Activity Reports Managemen t Plan 	annual	Lodged in Comp 2 FFS under IPM Module
on reforestation and plantation development	 Carefully select the locations and tree species to be planted Avoid monoculture forestation efforts and selection of species that are able to adapt to the projected climate contexts of the project site 	SCMs, FGD / KII	DENR, DAR, PMO, LGU, ARBs	 ESIA Abbr. ESCMP Activity Reports Annual reports IEC materials 	annual	Lodged in Comp 1 Refo
The project will require consumption of raw materials, energy, and/or water	Prepare Abbr. ESCMP	SCM, FGDs / KII	DAR, PMO, DA, LGU, NCIP	• ESIA • Abbr. ESCMP • Activity Reports	annual	In-house
	 Conduct participatory water needs audit to determine, in consultation with relevant stakeholders, who 	Participatory water needs assessment	PMO, DAR, LGU, PO / IPO	 Consultation Reports RI assessment GRM Reports 	Bi-annual	Lodged in Comp 1 SP/BP and DED activities; GRM install'n

Environmental/ Social and Climate Impacts address water shortage may contribute to extraction, diversion, or contamination of ground water.	Recommended Mitigation/ Enhancement measures depends on surface and underground water resources for various needs. • Conduct review of the design, construction, operation and decommissioning of RIs. • Apply GRM	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification (Monitoring & reporting) • Accomplish ment reports / annual reports • Monitoring reports	Frequency of Verification	Cost Estimate lodged in Comp 3. Project Mgt Costs
The project requires use of fertilizers & pesticides	 Provide training or capacity-building on proper selection, distribution, storage, application, and disposal of fertilizers Promotion on rational use of fertilizers and better management of organic alternatives Develop Management Plan 	SCM, FGDs/ KII	PMO, DAR, ARBs, DA-FPA, LGU	 Activity Reports Management Plan Monitoring reports Annual Reports 	Bi-annual	Lodged in Comp 2 FFS under IPM Module
Project areas have mining sites in the neighboring areas (i.e. Mankayan, Benguet mining firms) that may impact downstream communities	Report to LGU and EMB for proponents to control sources of pollutants and treat contaminated water before discharging into drainage systems or receiving water	SCM, KII	RPMO, DAR, LGU (national, municipal, barangay), DENR	 Activity Reports Accomplish ment reports / Annual reports Management Plan Monitoring reports 	Annual	Part of Phi EIA system cost charged to Mining firms
features or physical and religious values	 Subject to Philippine EIA system Prepare management plan that reflects relevant requirements of SECAP Standard 3 (Cultural Heritage)¹⁵ 	FPIC, SCM	NCIP, PMO, LGU (national, municipal, barangay)	 Management Plan Monitoring reports Annual reports 	annual	600,000 (for both regions)

¹⁵ may be a component of the overall environmental management plan for the program /project) that includes (i) measures for avoiding, minimizing or mitigating any adverse impacts on the cultural heritage; (ii) provisions for managing "chance finds" of cultural heritage during implementation; (iii) necessary measures for strengthening institutional capacity with respect to protection of the cultural heritage; and (iv) a monitoring system to track the progress of these activities.

Environmental/ Social and Climate Impacts	Recommended Mitigation/ Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification (Monitoring & reporting)	Frequency of Verification	Cost Estimate
Project may impact IPs traditions and culture (intangible) during construction of rural infrastructures.	 Implement FPIC-IP and prepare IPP Capacity-building on FPIC and IPP implementation, monitoring, and reporting 	FPIC	NCIP, RPMO, LGU (national, municipal, barangay)	 FPIC-IP IPP Monitoring Reports Annual reports 	annual	• See FPIC-IP & IPF budget
traditional knowledge (intangible from of cultural heritage) for commercial purposes	 Implement SEP & FPIC-IP Prepare IP Plan 	FPIC	NCIP, PMO, LGU (national, municipal, barangay)	 FPIC-IP IPP Monitoring Reports Annual reports 	annual	As above
Indigenous Peoples	Level and CED 0	- ERIC		CED		
areas, including project area of influence, have IPs as beneficiaries and indirect	 Implement SEP & FPIC-IP Prepare IP Plan 	FPIC	NCIP, RPMO, LGU (national, municipal, barangay),	 SEP Monitoring Reports FPIC-IP IP Plan Annual reports 	annual	 See SEP, FPIC-IP & IPF budget
beneficiaries. The project target areas, including project area of influence, cover IP's ancestral domains				 Accomplish ment reports 	annual	
Project may result in temporary impacts on rights of IPs with regards to their lands, territories, and resources,					quarterly	
especially during constructions of rural infrastructure. Project component is dependent on the	_				Bi-annual	
utilization or commercialization of natural resources including resources, lands, territories claimed by IPs.						
Project will promote sustainable management practices of farms and agro-forestry which includes IPs' traditional knowledge and					Bi-annual	
practices. Temporary loss of indigenous people's	-				annual	

Environmental/ Social and Climate Impacts	Recommended Mitigation/ Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification (Monitoring & reporting)	Frequency of Verification	Cost Estimate
rights to land, natural resources, territories, and livelihood due to rural infrastructure construction						
Labor and Working Co	nditions	•	•	•		•
Project operate in sectors or value chains that are characterized by working conditions	 Apply the precautionary principle and mitigation hierarchy TP to prepare and implement appropriately scaled labour management procedures to ensure labour-management practices that meet SECAP standard 5 (labour and working conditions) requirements are followed Monitor all management and mitigation measures. 	SCM, FGDs, KII	RPMO, DAR, Monitoring team, LGU, DSWD / DOLE	 SECAP Monitoring Reports Activity Reports Accomplish ment reports Annual reports 	nual	150,000 (for both regions)
areas are known to operate with no protective gears when using agri- chemical and machines which may negatively affect their health and safety when working.	 Provide training or capacity-building on proper selection, distribution, storage, application, and disposal of pesticides and fertilizers Promotion on rational use of fertilizers and better management of organic alternatives Prepare Management Plan 	SCM, KII	DAR, DA-FPA, LGU	 Managemen t Plan Activity Reports Accomplish ment reports Annual reports 	Annual	Lodged in Comp 2 FFS under IPM Module
Community Health, Sa			Lance			
Project may be at risk from vector- borne (ie malaria), water-borne (ie hepatitis) and other communicable	Prepare Abbr. ESCMP that reflects relevant requirements of SECAP standard 6	SCM, KII	RPMO, LGU- RHU,	SECAP, Annual reports, RHU advisories	Bi-annual	In-house

Environmental/ Social and Climate Impacts diseases (i.e. Covid, AIDS) Crop suggestions for agro-forestry may impact stakeholders, especially IPs, nutrition.	Recommended Mitigation/ Enhancement measures (Community Health and Safety) Assess potential risks to nutrition during project planning and development in order to avoid or	Public Consultation Activities SCM, FPIC, KII	Responsible Institution in Implementation Phase RPMO, DAR	Means of Verification (Monitoring & reporting) • Accomplish ment reports Abbr. ESCMP	Frequency of Verification One time only	Cost Estimate
Rehabilitation of rural farm roads may increase or alter traffic in the project area and neighboring areas.	 mitigate them. Road safety assessment Contractors to establish traffic management system during construction Establish GRM 	SCM, KII	RPMO, PNP, LGU	 Road Safety Assessment Consultation Documentati on Annual reports 	annual	Lodged with Contractor
issues.	 Disseminate clear employment and contracting requirements to manage expectations. Contractors to comply with R.A. 6685 Adopt clear policies for hiring away from the project site (no hiring at the gate). Increase local sourcing for direct employment and the provision of goods and services, thus reducing influx into the project area. Establish exclusion zones Institute policies restricting worker contact with the community. 	SCM, KII, FGD	RPMO, LGU, DAR	• Accomplish ment reports Annual reports LGU ordinances	quarterly	Lodged with Contractor
Resettlement Project may contribute to temporary and partial physical and economic displacement of project stakeholders during infrastructure construction	 Prepare Abbr. RAP Install GRM at project start. Implement Monitoring and Reporting System 	SCM	RPMO, DSWD, DAR, LGU,	 Abbr. RAP Monitoring Reports Accomplish ment reports Annual reports 	Bi-annual	See Abbr RF & SEP Costs

Environmental/ Social and Climate Impacts Conflicting priorities & approaches to	Recommended Mitigation/ Enhancement measures • Make use of latest satellite imageries	Public Consultation Activities Meetings, SCM,	Responsible Institution in Implementation Phase RPMO, DAR, DENR, LGUs,	Means of Verification (Monitoring & reporting) • Accomplish ment	Frequency of Verification Annual	Cost Estimate See SEP cost
spatial planning, resource utilization, investment & management among and between local, national government agencies, and communities	using expertise from national / regional offices, geo-spatial service providers • Implement SEP and GRM	participatory planning	National Mapping and Resource Information Authority (NAMRIA), COE, Primary leader in Region XII, ARBs	reports Annual reports, Meeting reports, Annual reports		
management capacities might affect project implementation	 Capacity-building of project hired staff for implementing trainings, workshops, and other project- related activities 	Meetings, Seminars, Trainings	DAR, NCIP, LGU	Activity Reports Accomplishm ent reports / annual reports	annual	See SECAP cost for capacity bldg
Financial intermediarie						
Financial intermediaries are not equipped with environmental & social management systems (ESMS) to properly service beneficiaries	 Ensure financial intermediaries prepare & install ESMS prior to onlending activities 	Meetings, Seminars, Trainings	LGUs	 Activity Reports Managemen t Plan Monitoring reports 	Bi-annual	
Others						
Lack of active participation from vulnerable groups	Establish accessible and culturally and socially appropriate consultations and GRM in SEP	SCMs, meetings, FFS		 IEC Reports GRM Reports IEC materials Meeting reports Accomplish ment reports / annual Reports 	Bi-annual	See SEP cost
 Lack of active participation from vulnerable groups 	Establish accessible and culturally and socially appropriate consultations and GRM in SEP	SCMs, meetings, FFS		 IEC Reports GRM Reports IEC materials Meeting reports Accomplish ment reports / annual Reports 	Bi-annual	See SEP cost
Elite capture on infrastructures and access to services	Intensify disclosure efforts monitoring of access to	meetings	RPMO, DAR	Accomplishm ent reports / annual	annual	As above

Environmental/ Social and Climate Impacts	Recommended Mitigation/ Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase	Means of Verification (Monitoring & reporting)	Frequency of Verification	Cost Estimate
	benefits generated through the project Apply appropriate criteria in selecting infra sub-projects under VISTA			Reports, meeting reports, BAC reports, Procurement documents		

Attachment 1. Annotated Outline for an Abbr. ESIA (Source: SECAP 2021, Volume 3)

As indicated in the SECAP, for projects that are screened as "substantial risk" in the environmental and social risk screening procedure, either an Abbreviated Environmental, Social and Climate Management Framework (ESCMF) or Abbreviated Environmental and Social Impact Assessment (ESIA) is required.

ESCMFs set out the principles, rules, guidelines and procedures for screening, assessing, and managing the potential environmental, social and climate risks and impacts of forthcoming but as yet undefined interventions. ESIAs are focused on specific individual projects, when the geographic siting and/or scope of the project is substantially clear. Abbreviated versions of ESCMFs/ESIAs are relevant when screening indicates that project or sub-project impacts are not likely to be high risk.

What follows is an outline of the required contents of an Abbreviated ESIA.

An Abbreviated Environmental and Social Impact Assessment (ESIA) is an important tool for incorporating environmental concerns at the individual project level, and should be carried out as early as possible in the project planning stage as part of feasibility. This outline is an abbreviated version of the Recommended Format for the Environmental and Social Impact Assessment (ESIA), which is presented as a separate Annex to this Volume.

An Abbreviated ESIA should consist of the following:

- Introduction (i)
- (ii) Description of the project
- (iii) Environmental and social baseline
- Institutional, Legislative and Regulatory framework. (iv)
- Scoping of potential risks and impacts (v)
- (vi) Institutional requirements and environmental monitoring plan
- (vii) Public consultation and information disclosure
- (viii) Findings and recommendations
- (ix) Conclusions

1. Introduction: This section usually includes the following: (i) Purpose of the report, including (a) identification of the project and project proponent; (b) brief description of the nature, size, and location of the project and of its importance to the country; and (c) any other pertinent background information; and (ii) Extent of the study: scope of study, magnitude of effort, person or agency performing the study, and acknowledgement.

- 2. **Description of the Project:** Sufficient details should be provided on the following:
 - type of project; (i)
 - category of project; (ii)
 - (iii) need for project;
 - (iv) location (use maps showing general location, specific location, and project site);
 - (v) size or magnitude of operation;
 - proposed schedule for implementation; and (vi)
 - descriptions of the project, including drawings showing project layout, and project (vii) components.

3. Environmental and Social Baseline in the project intervention area: Details should be provided on the following:

- Physical Resources; (i) Ecological Resources¹⁶; (ii)
- (iii) Economic Development; and,
- (iv) Social and Cultural Resources.

¹⁶ It is suggested to rely on GIS mapping.

4. **Institutional, Legislative and Regulatory framework.** This section should provide a concise description of the legal and regulatory framework on Environmental Impact Legislation, procedures to obtain environmental permits/certificates, and E&S management techniques.

5. **Scoping of Potential environmental and social Risks and Impacts:** Using readily available sector checklists, this section will attempt to identify and predict the nature, extent, and magnitude of environmental and social changes likely to result from a proposed project. It will use simple tools and techniques, the choice of which depends upon the risks and impacts of concern, data availability, and the appropriate specificity of predictive models. Attention should be paid to analysis of possible project alternatives. In addition, this section of the assessment should identify and analyse opportunities, potential positive and negative impacts¹⁷ direct and indirect impacts and immediate and long-term impacts of the proposed project on the natural resource base, livelihoods and community structure, health and pandemic. Include an assessment of the potential cumulative impacts of the proposed programme or project and other associated activities that are ongoing, planned or can reasonably be foreseen to occur in the affected area.

6. **Formulating Mitigation Measures:** Once risks and impacts have been analyzed, their significance will be determined, i.e., whether they are acceptable, require mitigation, or are unacceptable. Subsequently, measures will be devised to mitigate anticipated environmental and social changes and consequential impacts during project implementation and operation, or further reduce the residual environmental changes inherent in the selected project design. They normally include technical, social, and institutional measures to be implemented as integral elements of the project.

7. **Institutional Requirements and Environmental, Social and Climate Monitoring Plan:** This section should state the impacts to be mitigated, and activities to implement the mitigation measures, including how, when, and where they will be implemented. Institutional arrangements for implementation should be described. The environmental monitoring plan will describe the impacts to be monitored, and when and where monitoring activities will be carried out, and who will carry them out. The environmental management and monitoring costs should also be described.

8. **Public Consultation, Information Disclosure and grievance redress:** This section will describe the process undertaken to involve the public in project design and recommended measures for continuing public participation; summarize major comments received from beneficiaries, local officials, community leaders, NGOs, and others, and describe how these comments were addressed; list milestones in public involvement such as dates, attendance, and topics of public meetings; list recipients of this document and other project related documents; describe compliance with relevant regulatory requirements for public participation; and summarize other related materials or activities, such as press releases and notifications. Describe procedures for the grievance redress mechanism.

9. **Findings and Recommendations:** This section will include an evaluation of the scoping process and recommendations will be provided whether significant environmental impacts exist needing further detailed study or full ESIA.

10. Conclusions

¹⁷ Emerging issues requiring attention include: non-discrimination, gender-based violence – including sexual exploitation and abuse – disability, stakeholder engagement, reprisal risks, security, and grievance redress mechanisms. In addition, labour and working conditions, and the links with procurement



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex: Annex 5c. Stakeholder Engagement Plan

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Annex 5C. Stakeholder Engagement Plan

A. Table of Contents <u>TABLE OF CONTENTS</u>	1
LIST OF ABBREVIATIONS	2
A. INTRODUCTION	5
1. PROJECT BRIEF AND LOCATION	5
2. VISTA INVESTMENT CYCLE	5
B. OBJECTIVE OF THE SEP	7
C. REGULATIONS AND REQUIREMENTS	8
D. PROJECT STAKEHOLDERS	1
<u>1.</u> Stakeholder Identification	1
2. Stakeholder Analysis	5
E. STAKEHOLDER ENGAGEMENT STRATEGY1	7
1. STAKEHOLDER CONSULTATION DURING PROJECT CONCEPT AND DESIGN STAGES 1	8
2. CONSULTATION AND INFORMATION DISCLOSURE MODALITIES AND ACTIVITIES 2	1
3. STAKEHOLDER ENGAGEMENT WITH VULNERABLE GROUPS AND IPS	2
F. STAKEHOLDER ENGAGEMENT PROCESS	3
1. PROJECT PREPARATION	3
2. ENGAGEMENT DURING VSIP STAGE	4
<u>3.</u> PROJECT IMPLEMENTATION STAGE	5
G. RESOURCES AND RESPONSIBILITIES	5
<u>1.</u> IMPLEMENTATION ARRANGEMENTS	5
2. SECAP SUPPORT TO THIS SEP	8
H. GRIEVANCE REDRESS MECHANISM	9
I. MONITORING AND REPORTING	5
ATTACHMENT 1. LIST OF PERSONS MET	6
ATTACHMENT 2. DESIGN FIELD MISSION PHOTO-DOCUMENTATION O	F
CONSULTATIONS	7
ATTACHMENT 3. RECORD OF STAKEHOLDER CONCERNS4	2
ATTACHMENT 4. COMMUNICATIONS PLAN TEMPLATE	3
ATTACHMENT 5. SAMPLE GRIEVANCE RECEIPT FORM	4
ATTACHMENT 6. CASE RECORD MATRIX	5
ATTACHMENT 7. SAMPLE REPLY FORMAT TO THE COMPLAINANT	6
ATTACHMENT 8. SAMPLE CASE CLOSURE/RESOLUTION FORM	7

B. Table of Contents

Table 1. VISTA Strategic Investment Planning (VSIP)	
Table 2. Philippine Laws and Regulations on Citizen Participation	
Table 3. Stakeholder Analysis (Interest and Influence)	
Table 4. Consultation with Communities and Institutional Stakeholders	
Table 5. Roles/Functions of the SECAP Specialists	
Table 6. Project Grievance Machinery	

C. Table of Contents

Figure 1. VISTA Organizational Structure	. 26
Figure 2. Major Steps in the Grievance Handling Process	. 31

D. List of Abbreviations

A b b w	A have visted
Abbr	Abbreviated
AD	Ancestral Domain
AL	Ancestral Land
ANR	Assisted Natural Regeneration
AO	Administrative Order
ARBO	Agrarian Reform Beneficiaries Organization
ARC	Agrarian Reform Communities
BP	Business Plan
CA	Commonwealth Act
CAR	Cordillera Administrative Region
CBFMA	Community Based Forest Management Agreement
CIS	Community Irrigation System
CLOA	Certificates of Land Ownership Award
CNO	Certificate of No Overlap
	•
CPMO	Central Project Management Office
DA	Department of Agriculture
DAR	Department of Agrarian Reform
DBM	Department of Budget Management
DED	Detailed Engineering Design
DENR	Department of Environment and Natural Resources
DF	Development Facilitator
DO	Department Order
DOF	Department of Finance
DOH	Department of Health
DOLE	Department of Labor and Employment
DPWH	Department of Public Works and Highways
DTI	Department of Trade and Industries
EARC	Expanded Agrarian Reform Communities
EARC-CC	EARC Coordination Committees
ECA	Environmentally Critical Area
ECC	Environmental Clearance Certificate
ECP	
	Environmentally Critical Projects
EHIA	Environmental Health and Impact Assessment
EIA	Environmental Impact Assessment
EIS	Environmental Impact Statement
EMB	Environmental Management Bureau
EO	Executive Order
ESCMF	Environmental, Social and Climate Management Framework
ESCMP	Environmental, Social and Climate Management Plan
ESMS	Environmental and Social Management Systems
FASPO	Foreign Assisted and Special Projects Office
FBI	Field-based Investigations
FGD	Focus Group Discussion
FI	Financial Institution
FMR	Farm-to-Market Road
FPIC	Free, Prior and Informed Consent
GBV	Gender-based Violence
GRM	Grievance Redress Mechanism
HH	Household
IEC	Information, Education, and Communication
IEE	Initial Environmental Examination
IFAD	International Fund for Agricultural Development
IPAD IPM	
	Integrated Pest Management
IPs/ICCs	Indigenous Peoples/ Indigenous Cultural Communities
IPO	Indigenous Peoples Organizations

IPP IPRA IPMR IRR KII LGU M&E NAMRIA NCIP NEDA NRM	Indigenous Peoples Plan Indigenous Peoples' Rights Act Indigenous Peoples Mandatory Representative Implementing Rules and Regulations Key Informant interview Local Government Unit Monitoring and Evaluation National Mapping and Resource Information Authority National Commission on Indigenous Peoples National Economic Development Authority Natural Resource Management
PACBRMA	Protected Area Community-Based Resource Management
PD PEISS	Agreement Presidential Decree Philippine Environmental Impact Statement System
PHF	Post-Harvest Facilities
PMO	Project Management Office
PO	People's Organization
PPMO	Provincial Project Management Office
PSC	Project Steering Committee
RA	Republic Act
RAP	Resettlement Action Plan
RCC	Regional Coordination Committee
RF	Resettlement Framework
RIE	Rural Infrastructure Engineer
RPMO	Regional Project Management Office
SALT	Sloping Agricultural Land Technology
SCM	Stakeholder Consultation Meeting
SECAP	Social, Environment, and Climate Assessment Procedure
SEP	Stakeholder Engagement Plan
SO	Special Order
SOCCSKSARGEN	South Cotabato, Cotabato, Sarangani, General Santos
SP	Sub-project
SRN	SECAP Review Note
ToR	Terms of Reference
TP	Technical Partner
VCD	Value Chain Development
VISTA	Value Chain Innovation for Sustainable Transformation in Agrarian
VSIP	Reform Communities VISTA Strategic Investment Prioritization

A. Introduction

1. Project Brief and Location

- 1. The Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities (VISTA) project with the Department of Agrarian Reform (DAR) as executing agency and the Department of Agriculture as the co-implementing agency, is a sustainable and innovative approach to Value Chain Development (VCD) in the Philippines, with a focus on natural resource management and resilience to diverse climate shocks. The project is anchored to an ecosystems-based approach to optimize the selected value chains and adapt to environmental factors. It aims to move away from the business-as-usual approach and ensure ecosystem health for agricultural production in the long term. The impetus behind the VISTA project is driven by two main factors: 1) lessons learned from the IFAD portfolio between 2017-2022, which show that investments in ecosystems can produce multiple benefits, including economic value, securing local livelihoods, and protecting natural resources, and 2) national commitments to prevent further negative conversion of degraded lands, protect natural resources, and increase resilience to climate and natural hazards.
- 2. The VISTA project will focus on two target "anchor crops," coffee and cocoa, within the broader integrated cropping systems of upland rice and other crops to catalyze transformation in the food systems in a nature-positive and resilient manner. The project will reduce environmental degradation and negative externalities in food production systems on the demand side and across supply chains. The VISTA project development objective therefore is "to increase income and employment of target groups in fragile upland areas, including women, youth and IPs, through the strengthening of inclusive value chains with conservation and sustainable use of the natural resources and climate resilient practices". The Project has three components: Component 1 - Sustainable Protection and Enhancement of Natural Resources at Sub-Watershed Level, Component 2 - Value Chain Development and Rural Finance, and Component 3 – Project Management, Vulnerable areas or poor rural agrarian reform communities (ARC) in the Cordillera Administrative Region (CAR) and Region XII-SOCCSKARGEN in the Philippines will be selected through value chain development, natural resource protection, and support for community resilience. Extended areas outside of the ARC boundaries (EARCCs) supported by the Department of Agriculture shall also be considered

2. VISTA Investment Cycle

3. At the entry stage, social mobilization will be conducted prior to value chain strategic investment prioritization, see Table 1.

VSIP Stage	Comp 1: NRM	1	Comp 2: VCD		
vsir stage	Activity	Output	Activity	Output	
Research & analysis	 Review of existing investment plans NRM thematic maps 	Ecosystem prioritization	VCD mapping & Inventory/ classification of potential/ existing coffee/ cacao areas	VCD strategic prioritization	
		CD map overlaid with N nalysis stage	RM thematic r	naps as derived from	

Table 1. VISTA Strategic Investment Planning (VSIP)

VSIP Stage	Comp 1: NRM		Comp 2: VCD				
VSIP Staye	Activity	Output	Activity	Output			
Identificati on of gaps & priorities	Farm level NRM requirements for VCD	NRM requirements for VCD in terms of soil & water improvements & climatic considerations	Farm level priorities for VCD crop & farming system	VCD requirements in terms of enhanced resource base, seeds, extension system, HH financing, etc			
Synthesis/ harmonizati on of priorities	Technical prioritization	Greening VCD opportunities with packages of information & technologies to sustain VCD: Information Innovation Sustainable agri practices Etc	Institutional & specific VCD	Packages of Institutional strengthening: • Business support • VCD linkages & expansion • Financing • Etc			
	EARCC	endorsement of VISTA					
Preparation		RC VISTA Strategic Inv	VCD				
of NRM investment proposals (SP): Enhanced natural resources for VCD resilience		 SP on: Infra/combined infravegetative measures Streambank stabilization Protecting forest ecosystem & conserving biodiversity Disaster risk reduction measures at the community level 	business & farm proposals	BusinessPlans(BP)/SPs on• SustainableExtensionServicesandVPOsCapacityBuilding• VCDcommercialization• Public infrastructureinvestments			
	Review and endorsement of VISTA Investment Proposals (BPs/SPs) by RCC						
	Approval of V Office (RPMO)	/ISTA Investment Prop / Central Project Manag s (refer to procurement)					

- 4. **VISTA investment planning**. Component 1 (NRM) and Component 2 (VCD) activities systematically diverge-converge-diverge in the whole VSIP. Key activities are (i) Research and analysis, (ii) Identification of gaps and priorities, and (iii) Synthesis/harmonization of priorities. Once all plans are harmonized in support of VCD, Preparation of investment proposals for NRM, subproject proposals (SP), and for VCD, business plans (BP) and SPs for the rural infrastructure.
- 5. NRM, key activities revolve around the comprehensive review of existing investment plans and information from these plans that will feed into thematic maps with information and assessment on land use, crop-site suitability, hydrology, biodiversity and protected areas, climate hazard, exposure and vulnerability, socioeconomic and cultural dimensions, land tenure/access arrangements and any other relevant considerations deemed imperative to generate benchmark data, and ecosystem priorities as linked to the VSIP process.
- 6. Pertinent to VCD is the mapping and inventory/ classification of potential/existing coffee/cacao and upland rice and other crops areas. Central to VCD mapping and inventory/classification is the generation of information/data on coffee and cacao,

upland rice and other crop geographical areas, farmers/households, type of tenure or type of land, cropping systems, density, crop and variety suitability - climate, soil, water, flora and faunal composition/distribution, farmer preference, market potential, socio-cultural composition and characteristics, state of the ecosystem and value chain components-functions, players, current/existing technology being applied, and the like.

- 7. The VCD map will form the base map to which NRM thematic maps, produced through research and analysis will be overlaid. This activity is key to the identification of gaps and priorities. The outputs shall be a set of investment priorities: (i) for VCD, the necessary VCD requirements in terms of enhanced resource base, seeds, extension system, HH financing, etc; and (ii) for NRM, to address requirements for VCD in terms of soil and water improvements and climatic considerations.
- 8. VSIP defines the value-chain development model with the value chain map spelling out key players/stakeholders in the value-chain, their roles, the interrelationships between key players (power-influence dynamics) and the project investments. Output will be the EARCC VSIP which will be reviewed and endorsed by the EARCC with DAR and DA, LGUs, other relevant government agencies present on the ground, and VPOs and select private sector representatives as members.
- 9. The preparation of investment proposals (SPs/BPs) shall strictly use the VSIP as key reference. The VCD BPs/SPs shall take off from the key areas of (i) Sustainable Extension Services and VPOs Capacity Building, (ii) VCD commercialization, and (iii) Public infrastructure investments. NRM SPs shall focus on enhanced natural resources for VCD resilience along the lines of (i) Infrastructure/combined infrastructure-vegetative measures, (ii) Streambank stabilization, (iii) Protecting forest ecosystems and conserving biodiversity, and (iv) Disaster risk reduction measures at the community level.

B. **Objective of the SEP**

- 10. IFAD's guiding principles and requirements¹ to avoid, minimize, reduce or mitigate the adverse impacts of its supported projects will have to be operationalized. The guiding principles and requirement are based on IFAD's existing policies and procedures ensuring stakeholder feedback, with emphasis on the participation of and benefits to women, youth, persons with disabilities and site-specific target groups. VISTA shall engage in early and continuing meaningful consultations with the full range of stakeholders in formulating, implementing and monitoring projects, and ensure that an inclusive ongoing engagement process will be operationalized. Strategies include the strengthening of local institutions, promote appropriate pro-poor incentive systems at all levels, and maximize opportunities for local grassroots organizations and clients to engage in decision-making processes. Special emphasis will be placed on the equal participation of women, youth and persons with disabilities throughout the project cycle. In its engagement with indigenous peoples (IP), IFAD is guided by the nine fundamental principles presented in its Policy on Engagement with Indigenous Peoples. Direct investments by participating financial institutions will be required to establish procedures for external communications on environmental and social matters proportionate to the risks and impacts of investments, and the overall risk profile in line with their public disclosure policies and proprietary rights.
- 11. This SEP, will guide project implementation by the following considerations: (i) To facilitate the planning and implementation of the Project through stakeholder engagement; (ii) The scope and level of detail of the SEP is consistent and proportional to the nature, magnitude and possible risks and impacts of the Project; (iii) This SEP

¹ SECAP 2021.

is a dynamic document, prepared in the early stages of Project preparation, to be reviewed and updated during its execution; and (iv) The grievance mechanism is based on risks and impacts of the Project and its context.

12. The main purpose of this SEP is to create awareness of the key deliverables of the project, project status - update stakeholders on key activities, and provide avenues for them, especially the vulnerable, to voice their concerns and grievances.

C. **Regulations and Requirements**

13. **Country System**. Stakeholder Engagement in the environmental impact assessment (EIA) process is well supported in the EIA Law, particularly in the DAO 2003-30 as well as in the latest revision of the EIA Procedural Manual. The DAO 2003-30 includes social acceptability of projects as one of the criteria for the approval of the project. The Procedural Manual has since ensured public participation in the EIA process, particularly during scoping, during data collection and during public hearing. Table 2 lists some of the government issuances ensuring public participation in planning process and policy making.

No	Law/Regulation	Description
1	1987 Philippine Constitution	 Article II, Sec. 24 - The State recognizes the vital role of communication and information in nation- building. Article II, Sec.28 - Subject to reasonable conditions prescribed by law, the State adopts and implements a policy of full public disclosure of all its transactions involving public interest. Art. III, Sec. 4 - No law shall be passed abridging the freedom of speech, of expression, or of the press, or the right of the people peaceably to assemble and petition the government for redress of grievances. Art. III, Sec. 7 - The right of the people to information on matters of public concern shall be recognized. Access to official records, and to documents, and papers pertaining to official acts, transactions, or decisions, as well as to government research data used as basis for policy development, shall be afforded the citizen, subject to such limitations as may be provided by law. Article XIII, Sec. 16 - The right of the people and their organizations to effective and reasonable participation at all levels of social, political, and economic decision-making shall not be abridged. The State shall, by law, facilitate and establishment of adequate consultation mechanisms.
2	Presidential Decree 1586 of 1976 and its IRR: The Philippine Environmental Impact Statement System (PEISS)	Public participation is required for the entire EIA Process from social preparation prior to scoping to impact management and monitoring during project implementation/abandonment. Public Participation is defined as an element of a process that gives citizens, particularly, stakeholders, the opportunity to influence major decisions that may affect their community and their environment. Public consultation involves the gathering of information, concerns, opinions and suggestions from the public through meetings, interviews, focused group discussions, and other similar means.

Table 2. Philippine Laws and Regulations on Citizen Participation

No	Law/Regulation	Description
3	RA 7160: Local Government Code of 1991	 Sec. 2 (c) - It is likewise the policy of the State to require all national agencies and offices to conduct periodic consultations with appropriate LGUs, NGOs, and other concerned sectors of the community before any project or program is implemented in their respective jurisdictions. Sec. 26 - It shall be the duty of every national agency or GOCC authorizing or involved in the planning and implementation of any project or program that may cause pollution, climatic change, depletion of nonrenewable resources, loss of crop land, rangeland, or forest cover, and extinction of animal or plant species, to consult with the LGUs, NGOs, and other sectors concerned and explain the goals and objectives of the project or program, its impact upon the people and the community in terms of environmental or ecological balance, and the measures that will be undertaken to prevent or minimize the adverse effects thereof. Sec. 27 - No project or program shall be implemented by government authorities unless the consultations mentioned in Sections 2 (c) and 26 hereof are complied with, and prior approval of the Sanggunian concerned is obtained
4	RA 7279: Urban Development and Housing Act of 1992	 Sec. 23 - The LGUs, in coordination with the Presidential Commission for the Urban Poor and concerned government agencies, shall afford Program beneficiaries or their duly designated representatives an opportunity to be heard and to participate in the decision-making process over matters involving the protection and promotion of their legitimate collective interest which shall include appropriate documentation and feedback mechanisms. They shall also be encouraged to organize themselves and undertake self-help cooperative housing and other livelihood activities. They shall assist the Government in preventing the incursions of professional squatters and members of squatting syndicates into their communities. In instances when the affected beneficiaries have failed to organized themselves or form an alliance within a reasonable period prior to the implementation of the program of projects affecting them, consultation between the implementing agency and the affected beneficiaries shall be conducted with the assistance of the Presidential Commission for the Urban Poor and the concerned nongovernment organization. Sec. 24 — Opportunities for adequate consultation shall be accorded to the private sector involved in socialized housing project pursuant to this Act.
5	RA 8371: Indigenous Peoples Rights Act of 1997	 Sec. 16 - ICCs/IPs have the right to participate fully, if they so choose, at all levels of decision- making in matters which may affect their rights, lives and destinies through procedures determined by them as well as to maintain and develop their own indigenous
		political structures. Consequently, the State shall ensure that the ICCs/IPs shall be given mandatory

No	Law/Regulation	Description
		 representation in policy-making bodies and other local legislative councils. Sec. 17 - The ICCs/IPs shall participate in the formulation, implementation and evaluation of policies, plans and programs for national, regional and local development which may directly affect them. Sec. 65 provides that "when disputes involve ICCs/IPs, customary laws and practices shall be used to resolve the dispute."
6	Republic Act 9285: Alternative Dispute Resolution Act of 2004	 It is declared as the policy of the State to actively promote party autonomy in the resolution of disputes or the freedom of the party to make their own arrangements to resolve their disputes. Towards this end, the State shall encourage and actively promote the use of Alternative Dispute Resolution (ADR) as an important means to achieve speedy and impartial justice.
7	RA 9729: Climate Change Act of 2009	Sec. 16 - In the development and implementation of the National Climate Change Action Plan, and the local action plans, the Commission shall coordinate with NGOs, civic organizations, academe, people's organizations, the private and corporate sectors, and other concerned stakeholder groups.
8	RA 10121: Philippine Disaster Risk Reduction and Management Act of 2010	Sec. 6 – The National Disaster Risk Reduction and Management Council (NDRRMC) shall xxx (d) ensure a multi-stakeholder participation in the development, updating and sharing of a Disaster Risk Reduction and Management Information System and GIS-based national risk map as policy, planning and decision-making tools.
9	RA 10752 of 2016 and its IRR: An Act Facilitating The Acquisition Of Right- Of-Way Site Or Location For National Government Infrastructure Projects or the Right-of-Way Act	 This act stipulates that a public consultation and information dissemination with project-affected persons and other relevant stakeholders, be done in proper implementation of the policy. Government shall take all steps necessary for the timely completion of all ROW functions, to include engaging in inter-agency and stakeholder coordination and consultation, information disclosure and grievance redress. Procedures shall be provided by each executing agency across project stages.
10	Executive Order No. 02, s. 2016: Operationalizing In The Executive Branch The People's Constitutional Right To Information And The State Policies To Full Public Disclosure And Transparency In The Public Service And Providing Guidelines Therefor	Sec. 3 - Every Filipino shall have access to information, official records, public records and to documents and papers pertaining to official acts, transactions or decisions, as well as to government research data used as basis for policy development.
11	DENR Administrative Order No. 2017- 15: Guidelines on Public Participation under the Philippine Environmental	Section 1. Basic Policy and Principles: public participation should be initiated early and sustained at the various stages of the EIA Process; public participation should be well planned and would involve the stakeholders in the assessment, management and monitoring of Environmental impacts; timely public disclosure of all

No	Law/Regulation	Description
	Impact Statement (EIS) System	necessary relevant information especially to the stakeholders who shall be made to understand and appreciate the specific purpose and context of their participation for each stage of the process.
12	•	In the establishment of protected areas, public consultation is a must at locations near the proposed site by inviting the LGUs in the affected area, national agencies, people's organizations, NGOs.

- 14. Social, Environmental, and Climate Assessment Procedure (SECAP) and Stakeholder Engagement. VISTA is categorized as inherently possessing substantive risks and impacts thus there are concerns about capacity and experience in the management of stakeholder engagement. DAR will carry out, as appropriate, assessments and stakeholder engagements continuing throughout the project cycle, in accordance with the SECAP of 2021 requirements, and propose changes, including corrective measures to the Abbreviated Environmental, Social, Climate Management Framework (Abbr. ESCMF found in SECAP Review Note Appendix 7) based on findings of assessments and consultations, for approval by IFAD. It is envisaged that additional consultations could provide opportunities to promote IFAD mainstreaming objectives. A focus on strengthening the capacity of national regulatory agencies and structures to monitor environmental and social considerations and enhance decision-making will continue to have priority.
- 15. *Gaps with respect to IFAD's Engagement and Information Disclosure strategies.* There are no gaps between country system and IFAD. Requirements for stakeholder engagement under Philippine regulations (principally PEISS) are comprehensive and consistent with SECAP requirements that advocate essential elements of disclosure of information, grievance redress and feedback loop.
- 16. Stakeholder consultations are undertaken throughout project development and management stages. Enabling mechanisms are in place through the PEISS, Indigenous Peoples Right Act (IPRA), NIPAS management, ROW Act, Local Government Code, DPWH Right-of-Way and Acquisition Manual, Climate and Disaster Risk Management, to consult stakeholders throughout the project life-cycle. Meaningful consultations and grievance redress are also observed across development stages. Institutionally, the organizational capacity, roles and responsibilities, and authorities are clearly identified based on mandates of agencies and organizations as specified in the different laws and regulations. These laws support stakeholder engagement through implementing agencies and local government units. Resources and capacities are recognized constraints at implementation.
- 17. This VISTA SEP is crafted with caveats for further review of the quality of the consultations particularly in terms of inclusion of marginalized groups and/or broadbased representation to be conducted to ascertain compliance to relevant provisions of Philippine laws as well as material consistency with the SECAP requirements that consolidate other IFAD targeting/engagement policies and strategies.

D. Project Stakeholders

1. Stakeholder Identification

18. This SEP adopts the definition of a stakeholder, which is any individual or group that is potentially affected, positively or negatively, by the project, or that is potentially affected, positively or negatively, by the project, or that has an interest in the project and its potential impacts. Considering the expected beneficiaries and extensiveness of this project, the SEP will categorize stakeholders into two different types: project-affected parties and interested parties.

- 19. Project-affected parties are individuals, groups, local communities, and other stakeholders that may be directly or indirectly, positively or negatively, affected by the project. The VISTA project is intended to make significant changes in the lives of rural populations in CAR and SOCCSKSARGEN. Hence, VISTA-affected parties include: (i) agrarian reform beneficiaries (ARBs) and VISTA Participating Organizations (VPOs), (ii) smallholders, (iii) farmworkers, (iv) marginalized groups (women and youth), (v) IPs, and (vi) business development partners.
- 20. <u>ARBs, ARBOs, POs and extended ARCCs (EARCCs).</u> VPOs will be the beneficiaries of this project. Considering their source of livelihood and social status, they are the ones deemed most likely to take advantage of value chain development. Through this project, they will be assisted in managing their own communities into more resilient and sustainable societies. According to the 2015 Survey of Agrarian Reform Beneficiaries, the estimated number of ARB households is around 1.78 million. Non-ARB households have better living conditions compared to ARBs. ARBOs on the other hand were organized nationwide in identified ARCs or clusters where there is concentration of ARBs or lands distributed through the land reform program. The collective coordination of small farmers through cooperatives or farmers' associations has become critical for increased productivity and incomes of the farm sector. Organizations are comprised of community of members with recognized social interactions through time yet smallholders rarely self-organize in a formal way due to lack of resources (ie, capital, technology, facilities), limited leadership skills, weak organizational capacity (Markelova, et al 2009).
- 21. <u>Smallholder farmers.</u> Smallholders are non-ARB farmers or tenants in upland and lowland areas, usually owning less than five hectares of landholding. They are an integral part of the value chain processes. Smallholders are small-scale farmers that are relatively categorized as family farming. Despite their capacities, they are one of the primary intakes in the process. Small farm holders are commonly vegetable farmers because of the short growing period, labor intensive, and high land productivity which can fit with rotation crops². Smallholders are the most vulnerable to hardships due to environmental degradation and climate variances since they are usually cultivating marginal lands, lack technical knowledge, and have small to no financial support. Currently their lands are planted with food and cash crops such as coron, banana, upland rice varieties and sugarcane, and perennial crops such as coconut, rubber, coffee and cacao. They are interested in the project since they are one of the primary beneficiaries that will learn new innovations and techniques in farming that will lessen environmental impacts. This initiative will provide them with a resilient and sustainable livelihood.
- 22. <u>Farmworkers</u>. Farmworkers are directly involved in the project as they will be the subject of training, seminars, workshops, and technological assistance to improve their agricultural yield while coping with the ecosystem in their community. Moreover, the rural population consists mostly of farmworkers because of the nature of their livelihood, which is influenced by the landscape of their environment.
- 23. <u>Marginalized Groups.</u> Women and youth are marginalized sectors that will certainly be involved with the project. An estimated 1.8% of women are in the labor force for CAR employed in wholesale and retail trade.³ Labor force participation by women is about 4.1% in SOCCSKSARGEN who are mostly employed in the agriculture, hunting, and

² Dejarme-Calalang, G. M., Bock, L., & Colinet, G. (2015). Crop production of Northern Mindanao, Philippines: Its contribution to the regional economy and food security. Tropicultura, 33(2), 77-90.

³ PSA. (2019). Women and Men in CAR. Retrieved from: http://rssocar.psa.gov.ph/sites/default/files/2019-WAM-7th-Edition.pdf

forestry sector⁴. Lower participation is attributed to getting discouraged from looking for employment as women and girls tend to bear the larger burden of unpaid care and domestic work, which includes cooking and cleaning in the household's dwelling, person-to-person care activities, as well as transporting water from safe sources to the home.⁵

- 24. According to PSA⁶, both regions have an unemployment rate lower than the national record of 5.7%, with CAR at 4.4% and Region XII at 5.4%._Over three-quarters (76%) of rural youth had household incomes less than PhP10,000 a month compared to 68% of urban youth; nearly a third (32%) of OSY said they had to stop schooling to take up a job or help their parents with their work.⁷
- 25. <u>IPs</u>. Majority of the IP population are found in Mindanao (61%), 33% in Luzon, and 6% in Visayas⁸. CAR is home to about 1.2 million IPs, collectively known as Igorots composed of various ethno-linguistic groups, mostly Bontok, Kankanaey, Ibaloy, Kalinga, Tinggiuan, and Isneg⁹. For Region XII, IPs are the Manobo, B'laan, T'boli, and Teduray. Access to basic services among IPs falls far behind the national average with the largest disparity being in terms of access to safe drinking water, sanitation, electricity. One major reason for this disparity is remoteness.¹⁰
- 26. IPs are dependent on land and natural resources to support their livelihood and nutritional needs, mostly employed in the agri-forestry sector. Natural calamities, displacement as well as environmental degradation weaken food security among IPs (IFAD 2012). Climate change threatens the existing nutritional shortfalls, with more extreme climate variability. Undernutrition increases mortality and morbidity among children, which could result in lasting consequences on their health and development. Along with levels of education that are far lower than the national average as well as the lack of access to basic services, undernutrition and the lack of food security further impedes prospects for economic mobility among IPs. IPs will primarily benefit from value chain development, especially in enriching high-potential products such as coffee and cacao with project efforts to address resiliency to disasters and extreme climate events and improve on natural resource management by enhancing indigenous knowledge systems and practices (IKSP).
- 27. <u>Business development partners.</u> Business development partners are farmers, organizations/POs, cooperatives, private entities, and self-employed individuals that are interested in the processes of the value chain as innovators, procurers, and developers that could benefit under the auspices of VCD.
- 28. Interested parties are stakeholders who may be interested in the project because of its location, proximity to natural or other resources, or because of the sector or parties involved in it. Taking into account value chain development and processes, interested parties may comprise DAR as the executing agency, local government units, relevant government agencies, community leaders, civil society organizations, development organizations, and those who work in or with the affected communities. Interested parties are deemed necessary to study and observe as they may serve as decisive elements in the decision-making of project-affected parties. Nevertheless, this SEP will

⁴ PSA. (2021). Women and Men in SOCCSKSARGEN. Retrieved from: <u>https://drive.google.com/file/d/1QeEjCgcqlGhIXPQ6298hSEjYzfYU8REP/view</u>

⁵ Hirway, I. 2016. Unpaid Work An Obstacle to Gender Equality and Economic Empowerment including Women's Labour Force

Participation. Presentation at UN ESCAP Meeting on Sex- disaggregated data for the SDG Indicators in Asia and the Pacific Bangkok, May 25-27 2016.

⁶ Philippine Statistics Authority. (2021). Total Population 15 Years Old and Over and Rates of Labor Force Participation, Employment. Retrieved from: <u>https://psa.gov.ph/statistics/survey/labor-and-employment/labor-force-survey/title/Employment%20Rate%20in%20April%20222%20is%20Estimated%20at%2094.3%20Percent</u>

⁷ National Youth Assessment Study (NYAS) 2015

⁸ Cariño, J. K. (2012). Country technical notes on Indigenous peoples' issues: Republic of the Philippines. International Fund for Agricultural Development.

⁹ Molintas, J. M. (2004). The Philippine indigenous peoples' struggle for land and life: challenging legal texts. Ariz. J. Int'l & Comp. L., 21, 269.

¹⁰ Reyes et al (2017) based on 2010 Census of Population and Housing.

be equal in listening to all stakeholders, even those who are disproportionately disadvantaged or vulnerable.

- 29. <u>DAR</u>. The DAR will be the lead implementing agency for the project. It is the country's implementing agency for the Comprehensive Agrarian Reform Program (CARP). The department ensures that the Agrarian Reform Community Connectivity Economic and Support Services (ARCCESS) program will benefit farmers longing for their rightful lands. These farmers who will be granted land are known as Agrarian Reform Beneficiaries. Specifically, DAR is mandated to (i) provide land tenure security to landless farmers through land acquisition and distribution; leasehold arrangements' implementation and other Land Tenure Improvement (LTI) services; (ii) provide legal intervention to Agrarian Reform Beneficiaries (ARBS) through adjudication of agrarian cases and agrarian legal assistance; and (iii) implement, facilitate and coordinate the delivery of support services to ARBs through Social Infrastructure and Local Capability Building (SILCAB); Sustainable Agribusiness and Rural Enterprise Development (SARED); and Access Facilitation and Enhancement Services (AFAES).
- 30. Local government units (LGU: Provincial (PLGU), Municipal (MLGU), and Barangay (BLGU)). The local government has a high level of involvement and interest in this project because the beneficiaries of VISTA would be their constituents. The development of some regions under their jurisdiction will also be facilitated, and assistance and support may swamp their communities. Nonetheless, the LGU is expected to manage consultations and meetings with other stakeholders involved in this project. They are also critical in times of conflict and conflict resolution, whenever it may arise. Grievance mechanisms could also be facilitated by the LGUs. The establishment of regional, provincial, city, municipal, and barangay disaster coordinating councils are lodged with LGUs. The BLGUs will also be the direct beneficiaries of the value chain processes that will be crafted by this project.
- 31. Department of Agriculture (DA). The Department of Agriculture, as the coimplementing agency, is the government agency responsible for the promotion of agricultural development by providing the policy framework, public investments, and support services needed for domestic and export-oriented business enterprises. It serves as a supplementary support and foundation for the rural population, especially in providing agricultural assistance to ARBs and non-ARBs. The DA will provide technical support for training, technology, and marketing linkages, as well as enriching value-chain structures and systems to support EARC communities. Under the DA is the Bureau of Soil and Water Management (BSWM), the sole national soil resource agency mandated to formulate measures and guidelines for the effective utilization of soil and water resources as vital agricultural resources to attain food security and safety, environmental stability through soil and water resourcesbased adaptation and mitigation measures that address multi-environmental concerns on land degradation, climate change, and agricultural biodiversity conservation. The Agricultural Training Institute (ATI) provides technical assistance and trainings and disseminate agricultural technologies to beneficiaries.
- 32. Department of Environment and Natural Resources (DENR). The Department is the primary government agency responsible for the conservation, management, development, and proper use of the country's environment and natural resources, specifically forest and grazing lands, mineral resources, including those in reservation and watershed areas, and lands of the public domain, as well as the licensing and regulation of all natural resources as may be provided for by law in order to ensure equitable sharing of the benefits derived therefrom for the welfare of the present and future generations of Filipinos. Key bureaus pertinent to VISTA are the (i) Environmental Management Bureau (EMB), (ii) Forest Management Bureau (FMB), and (iii) Biodiversity Management Bureau (BMB). Further, the Cabinet Cluster on Cabinet

Cluster on Climate Change Adaptation and Mitigation and Disaster Risk Reduction (CCAM-DRR), and the National Budget Memorandum (NBM) 114 and 118 have designated responsibilities to the DENR. The DENR is tasked to lead the Cabinet Cluster on CCAM-DRR as well as oversee the implementation of the Program Convergence Budgeting for the said cluster.

- 33. <u>Department of Trade and Industry (DTI)</u>. DTI is the primary agency in the promotion and development of MSMEs through the provision of various assistance and interventions, e.g., financing, marketing and promotion, human resource development, product development, and advocacy. It is responsible for consumer welfare and balance in the market industry. The agency is also primarily involved in the advancement of value chains within or outside the country.
- 34. <u>National Commission on Indigenous Peoples (NCIP)</u>. The NCIP is the government organization in charge of developing and carrying out policies, strategies, and programs to advance and safeguard the rights, welfare, and acknowledgement of their ancestral lands and rights of Indigenous Cultural Communities and Indigenous Peoples (ICCs/IPs). The NCIP assists the ICC/IPs and serves as a conduit for help to be given to them. Additionally, it may establish and carry out plans, projects, programs, and policies for the ICCs/IPs' economic, social, and cultural development.
- 35. <u>Regional Development Council</u>. The Regional Development Council that will be engaged in the project are the RDC in CAR and Region XII. The councils serve as a sub-national counterpart of the National Economic and Development Authority (NEDA), responsible for the country's socio-economic planning or strategic integrated development. The RDC shall coordinate to the project NEDA's priorities during project implementation.
- 36. <u>Barangay Agrarian Reform Council (BARC)</u>. The BARC is a council convened by the DAR to effect and facilitate the land transfer program in the community. They are responsible for identifying beneficiaries and lands to be partitioned and distributed. They are also the body that surveys lands, monitors land valuation, and disseminates information. BARC will be involved in this project as they will be part of the government agencies that will provide close contact with the beneficiaries, such as ARBs, smallholders, and farmworkers. They are also important in information mining and data gathering.
- 37. <u>Non-government Organizations (NGOs) and Civil Society Organizations (CSOs)</u>. There are several NGO's that promote value-chain development to ensure the efficiency and effectiveness of consumer goods production and consumption. NGOs and other CSOs have extensive information on the status of some of the stakeholders in this project. This information will be pivotal and decisive for the project's path and implementation.

2. Stakeholder Analysis

38. Various stakeholders will be involved under VISTA and these are shown in Table 3 in terms of interest and degree of influence on the project. Data on influence was generated during the community consultations based on the participants' perceived influence of the stakeholder group.

	Interest on the Project		Notes
Project-Affecte	ed Stakehol	ders	
EARCCs— smallholder farmers & VPOs	High	Low	EARCCs, smallholder farmers, and ARB and VPOs are direct beneficiaries of the project. Through VCD, it is deemed that their agricultural productivity will yield more efficiently. On this premise, interest of these

Table 3. Stakeholder Analysis (Interest and Influence)

	Interest on	Degree of	Notes
Group	the Project	Influence	
			farmers and landowners are high yet their influence is low since they are yet to learn the technical know- hows of VCDs.
IPs (adjacent to selected EARCs)	High	Low	IPs will be knowledgeable on ways for agricultural production that respects and takes into account cultural practices. The project will also be an ecosystem-based approach from which natural elements of the region will be maintained through proper co-existence of environment, livelihood, and communities. Moreover, IPs have a low degree of influence because they are still marginalized and not that recognized.
Value chain small-scale producer organizations	High	Low	Interests of this stakeholder is considered high knowing that small-scale producers will be able to enhance their agricultural and market productivity. They will be able to learn strategies and techniques in pre-production until post-production of their produce. Nevertheless, their influence is low since they are only beneficiaries that will be subjected to trainings, seminars, and other project activities.
Civil Society Organization (e.g. Women and Youth groups)	High	Low	NGOs and CSOs in project target areas are believed to have the same goal of bettering the lives of the people in their community thus a high interest with the project, However, their degree of influence is remains low since their activities are limited by various factors. Furthermore, their influence is low due to pre-existing societal conditions and stereotypes.
Other Key Stal	keholders		,
DAR— Implementing Agency	High	High	VISTA project will focus on ARCs as primary beneficiaries of the project thus DAR, as the government agency overseeing them, has the highest of interest and degree of influence.
DENR	High	Moderat e	While the DENR is rated with high interest and importance based on mandate, stakeholders perceive limited influence due to low visibility in the proposed project sites.
NCIP	High	High	Interest of NCIP relies on the improvement of IPs in having a resilient and more sustainable ways of living. Moreover, NCIP has high influence due to IPRA or R.A. 8371. The NCIP has the power to ensure that consultations and rights of the IPs are safeguarded.
DA	High	High	The DA has high interest since best agricultural practices will be disseminated and developed – methods and techniques that is ecosystem-based. Their degree is also high since they are a national government agency that focuses on agriculture.
DTI	High	Low	DTI has a high interest considering the value chain processes that will ensure consumer welfare through quality products. While having high interest, their influence is low since VISTA objectives are more aligned with ecosystem-based approach.

Stakeholder Interest onDegree of Group the Project Influence			
	the Project	Influence	
MLGUs and BLGUs	High	High	Interests of LGUs towards the project might be high since the project will be offering economic and social opportunities to the community. On the other hand, LGUs also have high influence due to the RA 7160 or the Local Government Code of 1991 which stipulates that there should be periodic consultations with local government units (LGU), nongovernmental organizations, and people's organizations before any projects or programs are implemented.
			Considering that EARCCs will be the target sites of this project, BLGUs are interested on this as the project will affect people residing within their area of jurisdiction. As part of the LGU, the BLGU also has a high degree of influence since they are more familiar and has built rapport in their area of jurisdictions.
NYC	High	Moderat e	As the Philippine government's sole policy-making body on youth affairs, it coordinates and implements programs designed to respond to and raise awareness on youth issues Their strong programs at the barangays are via the Sangguniang Kabataan (SKs) which can be mobilized to encourage youth participation in the VISTA project.
PCW	High	High	The Commission as mandated by RA 9710 is the primary policy making and coordinating body on women and gender equality concerns. It ensures that government agencies are capacitated in the effective implementation of the Magna Carta of Women. Its GEWE Plan 2019-2025 aims to achieve that more women, especially among marginalized groups, enjoy higher incomes from employment and entrepreneurship, including agribusiness which VISTA offers.
BARC	High	Low	The BARC has a high interest in the project as it would affect the EARCCs however, like the ARC, as mentioned above, have a low degree of influence.
Private Sector	Medium	Low	Depending on the private sector, interest in the project would depend on their goals or vision and mission as an organization. Their degree of influence would also vary depending on their rapport with the target communities.

E. Stakeholder Engagement Strategy

39. This SEP is prepared with due consideration to the following principles:

- (i) the culture, fundamental human rights, values and traditions of stakeholders are respected in accordance with established legal precedent and accepted practices in Indonesia;
- (ii) stakeholders are treated with sensitivity and respect in terms of their issues, views and suggestions;
- (iii) interaction with stakeholders shall be made meaningful, culturally appropriate in the language understood by them, timely, transparent and responsive;

- (iv) vulnerable groups are included in the engagement to assess differential needs and perceptions of stakeholder groups (i.e., poor farmers, fisherfolk, men, women, and IPs);
- (v) gender disaggregated data from stakeholder engagement shall be incorporated into assessments, planning documents, site-specific environmental, social and climate management and mitigation plans as allowed;
- (vi) information disclosure conducted in a timely manner to ensure stakeholders are informed about the project, its potential benefits, impacts and risks, project affected persons' entitlements (if at all), grievance redress mechanism (GRM); and
- (vii) informed consultation without coercion to ensure that communities and households have the power of choice to the menu of options the Project provides.

1. Stakeholder Consultation During Project Concept and Design Stages

- 40. Initial consultations and technical meetings were conducted during project inception and design phases of VISTA from October 2022 to March 2023, with the main agenda of finalizing the VISTA scope and design. Key stakeholders from the national, regional, provincial, and municipal government agencies, CSOs, and other donor agencies participated during the design phase, including National Economic and Development Authority (NEDA), NCIP, DENR, DA, DTI, and Regional Development Councils. These agencies provided inputs to the design of the specific project components and proposed institutional arrangements.
- 41. Community consultations were likewise held by the Inception and Design Mission Teams who went on site visits in CAR, Regions 10, 12, and 13. Some participants of the consultations were IPs. During the Inception and Design Missions, the Team met with NCIP officials and in some cases, IP Mandatory Representatives (IPMR) at the Central, Regional, Provincial, and Municipal Offices. The Mission also met with ICCs of CAR, Regions 12, 10, and 13 (CARAGA). Attachment 1 provides the List of Persons Met for both the Inception and Design Missions along with photo-documentation in Attachment 2. Table 4 is a summary of issues and concerns raised during consultations.

Date	Agency/Group	Key Issues Raised/Discussions
23-Oct-22	Valencia City of	 Supportive of VISTA concept. IP lumad are the Higa-onon tribe with priority to protect their watershed and forest; AD is recognized. Major problems of the community: Coping with extreme weather events (too much rain) Deteriorating condition of farm to market road Lack of livelihood especially for women, finances, and schools
25-Oct-22	NCIP-Region 10	Per NCIP, all projects are subject to the free and prior informed consent (FPIC) process. Obtaining Certificate Pre-Condition (CP) is a very long process; according to law, without the CP, projects cannot be implemented.
28-Oct-22	NCIP-Central Office	Supportive of VISTA concept but to observe the 11- building blocks: (i) Confirmation of Indigenous Political Structure (IPS); (ii) Registration and accreditation of IP Organizations (IPO); (iii) Certificate of Ancestral Domain Title (CADT) and Certificate of Ancestral Land Title (CALT) delineation process; (iv) Establishment of Ancestral Domain Management Office (ADMO); (v) Ancestral Domain Sustainable Development and Protection Plan (ADSDPP) formulation; (vi) IP Wealth Management- Community Resource Management Development Plan

Date	Agency/Group	Key Issues Raised/Discussions
		(CRMDP) Formulation; (vii) Institutionalization of CP, FPIC, and Exercise of Priority Rights (EPR); (viii) Effective IPMR in the local legislative bodies; (ix) Efficient & enhanced MOA/MOU/MOC formulation; (x) Socio- economic activities with IP cooperatives; and (xi) Ancestral Domain Defense System.
28-Feb-23 11-Mar- 23	Regional Agencies: CAR and Region XII	Practically all govt officials are IPs of CAR; Commenting that VISTA is timely yet delayed. Include Apayao and if possible, all other CAR provinces; Coffee & cacao most welcome since production is not enough; NCIP requests procurement of equipment to help process CP documents; all relevant agencies agreed to send data; Per DA, commodity approach may not work in upland/highland areas thus preference for farming systems approach due to NRM & climate change constraints. Would like to see continuing story of CHARMP in VISTA and consideration for SIKAME (local Integrated Watershed Management Plan). Consider vulnerability of Benguet Province.
		For Region XII, expressed support of VISTA and willing to share data with the Mission Team. However, other government agencies lament proliferation of IPs selling their rights to land; NEDA raised issue of land conversions largely to subdivisions. DENR suggests that instead of ARCs, CBFM communities (also with tenure instrument but limited to usufruct) of the DENR be supported instead.
		 With respect to climate issues, the following were raised: Longer duration of cold period and more extreme cold temperatures Hotter extreme hot days in the warm season Longer rainy season Irregular start to the rainy season and timing of rain events Landslides due to heavy rain becoming more frequent and resulting in more damage Earthquakes common and resulting in significant damage Insufficient water availability and competition for water as residential area is expanding, resulting in conflict between groups over water resources, exacerbated by climate change Occurrence of tornadoes where 5 yrs ago non-existent
		 In terms of agriculture and NRM: Commodity approach may not work in upland/highland areas; farming systems approach is observed through crop diversification addressing food security in fragile ecosystems Coffee will not be grown by poor ordinary farmers due to high cost of investments Later start to the rice cropping season and false starts (planting and then heavy rain results in needing to replant) Not enough rain or water available for crop production during the dry season Cold weather and frost results in crop damage

Date	Agency/Group	Key Issues Raised/Discussions
	•	• Typhoon occurrence drives price of vegetables in the
		region (for non-organic production)Pest and diseases are a problem for vegetable and rice
		farmers
		• Illegal logging and clearing of land for vegetable
		production is resulting in land degradationIllegal dumping of pesticides
		 All measures are in place for waste management
		however the laws are not always followed
1-04 Mar- 23 And	Farming communities (includes IPs) of	While ARCs are in 1 st to 3 rd class municipalities, pockets of poor households are found in Benguet and these are mostly in ARCs. IP leaders have unclear understanding of
8-10 Mar-	Benguet, Mt.	ADs within overlaps although Government and private
23	Province & Abra, South and North Cotabato, Sarangani and Sultan Kudarat	sector are observant of the rights of IPs to their ADs. Issues on water source and climate vulnerability. Rituals and other IKSPs still being practiced.
		An age-long conflict in Sadanga, Mt. Province was renewed due to conflict in AD boundaries and water resources. Tribal killings have been reported, VISTA to take note.
		In Sarangani, NCIP, IPMR and IPs claim they do not want to be perceived as resistant to VISTA, as long as IPRA is
		upheld – everything through FPIC and respect of tribal leaders. NCIP and DAR cite the case of SPLIT (WB-funded) in Maasim, Sarangani where tribal leaders were not consulted. Conflict being resolved by Provincial LGU.
		It is reported that the Tampakan CCLOAs of DAR may be for cancellation due to overlap with Mt. Matutum Protected Area.
		Prospect for coffee and cacao under VISTA is great since the region (XII) ranks in the top 3 producing regions for both commodities.
		Due to devolution of line agencies to LGUs as in the case of DA and DENR, these agencies have less visibility at the community level, unlike DAR.
		 DAR emphasized the need for Component 1 to include mapping validation and overlaps: LGU boundaries Land ownership Crops
		Land use
		Forest coverSoil
		• Topography
		Climate issues affecting VCD raised are: • Longer duration of cold period and more extreme cold
		temperaturesLonger rainy season; flooding
		 Longer rainy season; nooding Irregular start to the rainy season and timing of rain events

Date	Agency/Group	Key Issues Raised/Discussions
		 Landslides due to heavy rain becoming more frequent and resulting in more damage Insufficient water availability and competition for water Later start to the rice cropping season Drought
		 NRM and Social constraints to VCD were noted: At the farm level: Engaged in coffee production in partnership with PhilCafe through nursery establishment and distribution of coffee seedlings to communities ie 10 trees per HH Greenhouse seen as a strategy – demofarm – leading to food security and resilience to CC and extreme events
		 Coop shared prototype of 400 sqm with drip irrigation = 1.5 million. Producing eggplant, okra, tomatoes, coffee (ave 20 seedlings) under mahogany or coconut as shade trees Tried cacao, no buyers Farms are irrigated c/o NIA; no water problems – only those HHs in upper reaches have water issues. Practice bayanihan (also through NIA) Use pesticides; organic expensive Noting that Sablan and Tublay, Benguet are 5th class municipalities adjacent to Baguio City and La Trinidad -
		 market centers ARCs are already identified by sub-watersheds as officially mapped by DENR/NAMRIA Need capacity for database/GIS Have to be clear about landuse classification system as against actual landuse Land tenure – use is possible within ADs – refer to IFMS JAO between DENR and NCIP – forest use is allowed if documented as part of customary law/IKSP Land conversion in Buguias area identified by ecologists as an "ecological time bomb"

2. Consultation and Information Disclosure Modalities and Activities

- 42. **Consultations.** The consultation process seeks to provide the stakeholders the opportunity to relay feedback and raise concerns about the project: from planning, implementation, impacts, and benefits. The meaningful consultations will seek to include comments and suggestions, where relevant and feasible, that will allow better implementation of the project, in general. The following modalities may be carried out:
 - public consultations
 - consultative-workshops
 - interviews with stakeholders and relevant organizations
 - surveys
 - regular meetings;
 - other traditional mechanisms for consultation and decision making
- 43. Documentation of stakeholder concerns will be recorded, a template of which is provided in Attachment 3. The conduct of consultative activities will be in the preferred language of the stakeholder group. It is suggested that CSO representatives be invited during these consultation sessions.

- 44. **Information Disclosure**. The timely and appropriate disclosure of information will allow stakeholders to be aware of project benefits, risks, and impacts with special attention to informing the most disadvantaged or vulnerable groups. Dissemination will be in the language that is most common amongst the stakeholders. A communications plan, which will contain specific messages will be developed with topics that will be periodically updated based on the information needs expressed by the stakeholders. The communications plan template can be found in Attachment 4. Information shall be made accessible, culturally appropriate, gender sensitive, and inclusive. The main means of dissemination would be through:
 - DAR website
 - DAR Central Office Facebook Page and other social media platform
 - Printed materials such as leaflets, brochures, flyers or banners made available at the barangay halls
 - Communication letters or notices
 - Text hotline

3. Stakeholder Engagement with Vulnerable Groups and IPs

- 45. **Consultation Strategy for Vulnerable Groups.** DAR and DA will promote inclusive and culturally appropriate participation of all parties concerned, with particular attention to the most disadvantaged or vulnerable individuals or groups. The feedback of these groups will be incorporated through different participation mechanisms that will be carried out in each stage of the project. The mechanisms proposed to incorporate the opinions of vulnerable groups include the conduct of face-to-face consultations near their homes, if possible, or use of blended modes of consultation, with onsite assistance by DAR for online meeting access.
- 46. To facilitate the participation of these groups, the events will be held in accessible venues and, if required, transport will be provided for their transfer to the meeting places. Personalized visits will be at a time that suits the person or group requesting it. The information about the project will be shared in the language or dialect being used or understandable to the groups identified. In case a specific investment will involve an IP community, the information materials to be disseminated and mode of discussion will be in the local dialect understandable to the IP group.
- 47. In the event a VISTA intervention will involve people or groups with some particular characteristic, such as people with disabilities (i.e., visual or mobility impairments), the consultation strategy for this group is to hold specific workshops in an environment with appropriate conditions and disseminate project information materials accessible to them. The consultation activities can be done in partnership with a local organization handling disability concerns or with the Office of the Disability Affairs at the provincial or municipal levels in ensuring that the methods and timing of the consultation are accessible and appropriate for people with disabilities.
- 48. **Consultation Strategy for IPs.** Consultation activities will be carried out respecting the linguistic diversity of the identified IP groups and in a culturally appropriate and inclusive manner. The meaningful consultation process with the IPs will (i) involve representative organizations and bodies of IPs (i.e., tribal chieftains, or chairpersons, or IP Mandatory Representative of the LGU and, where appropriate, other members of the community like IPOs/NGOs acceptable to the IP community; (ii) provide IPs with sufficient time for decision-making processes; and (iii) allow IPs to have an effective participation in the design of project activities or mitigation measures that could affect them positively or negatively.

- 49. DAR will promote local support by establishing and maintaining an ongoing relationship based on meaningful consultation with the IP communities who are affected by an investment during all its stages.
- 50. FPIC will be established through good faith negotiations between DAR and the IP communities that are affected. The conduct of consultations with IPs to discuss aspects of the investments that could affect their traditions and community practices, as well as project information materials to be disseminated, will be in the local language and when necessary, using illustrations.

F. Stakeholder Engagement Process

- 51. IFAD is committed to engaging stakeholders and mobilizing their feedback in its supported projects. Consultations with target groups, communities and other stakeholders are pursued throughout the project life cycle. Meaningful consultations and participation ensure: (i) that communities are able to contribute to the development of management plans and provide on other important documents; (ii) broad community support of projects; and (iii) that affected people endorse the proposed risk reduction, mitigation and management measures. Consultation is a mandatory and inclusive process, and as such, DAR and DA shall ensure stakeholder consultations are proportionate to the nature and scale of the project, potential risks and impacts, and concerns raised by communities and stakeholders¹¹.
- 52. When investments in specific communities and territories are not identifiable during the project design stage, FPIC is sought during the implementation phase. A FPIC Implementation has been prepared at design stage (see SECAP Review Note Appendix 9).

1. Project Preparation

- 53. **Institutional preparations.** Particular to Component 3, Project Operations Management will focus on enhanced implementation and coordination capability and capacity of DAR and DA, and partners for effective and efficient provision of project services. Key activities to realize SEP and other SECAP activities are: (i) to establish management offices and coordination bodies at the central, regional, provincial and EARCC levels, (ii) to forge coordination mechanisms and partnerships with key stakeholders including the private sector necessary to adequately support convergence approaches, (iii) to orient staff and partners on SECAP requirements and documents, and (vi) conduct capacity assessment and capability building activities for DAR, DA, LGUs and implementing partners.
- 54. **Designation of focals.** Key personnel will have to be hired or designated from the organic roster of DAR staff as follows:
 - SECAP specialists Three SECAP Specialists will be hired, one to be assigned at the CPMO, and one each per RPMO; (See Table 4 for functions/roles)
 - Two Senior Foresters assigned per RPMO
 - Two Senior Engineers per RPMO
 - Designate SECAP focals at Provincial Project Management Office (PPMO) and Municipal Agrarian Reform Office (MARO) levels, at least 1 each.
- 55. **Contracting for stakeholder engagement services.** Two entities will be contracted, a Technical Partner (TP) for Component 1 and Development Facilitator (DF)

¹¹ Guidance on appropriate consultation mechanisms is included IFAD's policies and guidelines on targeting, gender equality and women's empowerment, improving access to land and tenure security, and engagement with indigenous peoples, complemented by how-to-do notes.

for Component 2. The TP will be responsible for facilitating the scientific/technical review and assessment of existing plans within VISTA EARCCs for better appreciation of the biophysical, socioeconomic and cultural, and institutional characteristics and status of sub-catchments as needed under Component 1. DFs will focus on social mobilization with due consideration to politico-legal appropriateness, social and cultural acceptability, and gender sensitivity and facilitate the necessary data collection for Component 2 on value chain. In tandem during the preparatory stage, the TP and DF, will validate/update stakeholder identification and analysis in this SEP, unique to each participating ARC.

- 56. **Setting up the VISTA GRM.** The Project will establish a grievance structure at the regional, and site levels to serve as the Project's GRM machinery. The installation and management of the GRM structure shall be done at the initial stages of the project and operationalized throughout the project cycle. Please refer to Chapter H of this SEP.
- 57. **Conduct community engagement: Start-up and capacity building.** At the entry stage, social mobilization will be conducted applying this SEP, that subsumes strategies prescribed under the Free and Prior Informed Consent Implementation Plan (FPIC-IP). This SEP along with the FPIC-IP will be initiated across all stage of the project cycle ensuring meaningful stakeholder participation, not just of IPs but all stakeholders.
- 58. A start up consultative-workshop will be conducted for DAR, DA, and partners along with the participating communities to reach a common understanding of VISTA objectives, and goals. Further, it provides the opportunity to share and discuss the project stages and assign roles and responsibilities among the various stakeholders across the stages. The consultative-workshop can also provide the avenue to determine capacity needs and jumpstart capacity-building of the participants.

2. Engagement during VSIP Stage

- 59. NRM and VCD activities systematically diverge-converge-diverge in the whole VSIP. Key activities are (i) Research and analysis, (ii) Identification of gaps and priorities, (iii) Synthesis/harmonization of priorities, and (iv) Preparation of investment proposals (SP/BP) and documentary/permitting requirements. Once all plans are harmonized in support of VCD, Preparation of investment proposals follow that are subject to review and approval.
- 60. **Research and analysis.** Continuing consultations will be observed immediately after the start-up on to SP/BP Implementation and Operations. TP key activities revolve around the comprehensive review of existing investment plans and information from these plans that will feed into thematic maps with information and assessment on land use, crop-site suitability, hydrology, biodiversity and protected areas, climate hazard, exposure and vulnerability, socioeconomic and cultural dimensions, land tenure/access arrangements and any other relevant considerations deemed imperative to generate benchmark data, and ecosystem priorities as linked to the VSIP process.
- 61. For VCD mapping and inventory/classification, the DF facilitates the collection of information/data at the households level as regards the location of coffee and cacao, upland rice & other crops geographical areas as these relate to farming households, type of tenure or land classification, cropping systems, density, crop and varietal suitability climate, soil, water, flora and faunal composition/distribution, farmer preference, market potential, socio-cultural composition and characteristics, state of the ecosystem and value chain components-functions, players, current/existing technology being applied, and the like. The DF sensitively initiates engagement of local communities, IPs included, to generate relevant data.

- 62. **Identification of gaps and priorities.** The VCD map overlaying with the NRM thematic maps produced through research and analysis shall be key to the identification of gaps and priorities, conducted in a participatory manner with stakeholders. The production of thematic maps necessitates engagement with stakeholders to validate that all maps appropriately reflect information on land use, crop-site suitability assessment, hydrology, location and identification of terrestrial and aquatic flora and fauna species, protected areas, ecosystem vulnerability, and other relevant information required for the identification/enumeration of potential EARCC-related investments. Thus, together, the TP and DF should be able to translate/ popularize the information found in the development plans, and data collected for VCD as consolidated in the thematic maps to attain common understanding across stakeholder groups that result to meaningful social processing and participation.
- 63. **Synthesis/harmonization of priorities.** The key result under this activity is the VSIP that defines the desired value chain map as it spells out key players/stakeholders including IPs, in the value-chain, their roles, the interrelationships between key players (power-influence dynamics) and the project investments.
- 64. **Preparation of investment proposals parallel to SECAP documents.** The preparation of investment proposals shall strictly refer to the VSIP. The TP and DF will facilitate the preparation of the inclusive investment proposals (SPs/BPs) that combine technical plans and community knowledge. These shall be disclosed to and validated by the participating communities, ensuring women including indigenous women and young women's engagement in this process before these SPs/BPs are submitted for review and eventual approval. Community facilitation will also entail processing of information in the preparation of SECAP documents like the Abbreviated Environmental, Social and Climate Management Plan (Abbr. ESCMP), IP Plan (IPP), Screening Checklist, and Abbreviated Resettlement Action Plan (Abbr. RAP).
- 65. Disclosure of the review and approval process to the stakeholder/proponents will be observed without compromising the technical merits of the selection process.

3. Project Implementation Stage

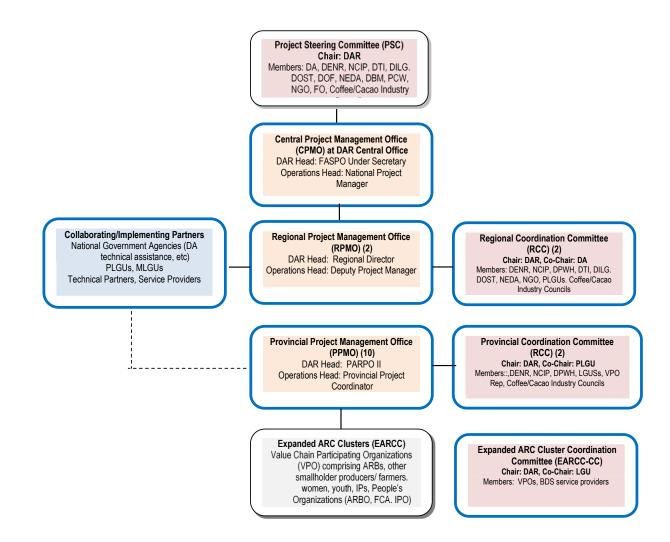
66. Salient activities under this stage are (i) Implementation of SP/BP, (ii) Managing risks and impacts, and (iii) Monitoring and reporting. Continuing stakeholder engagement shall transpire especially with the stakeholders themselves as the proponents. Assistance shall be extended them during implementation and results of periodic monitoring disclosed. Status of grievances shall also be transparent to the stakeholder-complainant.

G. **Resources and Responsibilities**

67. DAR is the lead implementing agency (DA as collaborating agency) given its demonstrated experience with IFAD as a relevant and capable institution. Strong connections at the community level through the ARCs and existing linkages with LGUs will be key for sustainable support approaches beyond project completion. DAR operations include national, regional and provincial offices and staff that are already present in the selected sites. DAR has a positive track record of effective working relationships with other agencies through the Government convergence approach, particularly DENR, DA and DILG that assists with integrated planning and support service delivery.

- 68. The DAR will have overall responsibility for implementing the project and will use its existing structures at national, regional, provincial, and EARCC levels to implement project activities. Figure 1 is the Project's organogram that aligns with the levels of DAR organization.
- 69. The **Project Steering Committee (PSC)**, chaired by the DAR and consisting of members from the DA, DENR, DILG, NCIP, DPWH, DTI, NEDA, DOF, DBM, PCW, PS, VPO Rep, and other relevant institutions/organizations, will serve as the governing body and provide policy direction and overall coordination mechanism for the project. The institutional commitments of PSC members will be formalized through special orders (SO) that specify their respective roles and responsibilities. The CPMO will be responsible for ensuring the coordination of national agencies involved in project implementation.
- 70. **Central Project Management Office (CPMO)** will be established at the national level to manage and coordinate overall implementation. This will be headed by the DAR's Undersecretary of Foreign Assisted and Special Projects Office (FASPO) as the National Director, together with a hired National Project Manager managing the day-to-day undertakings of the Project. The CPMO will be fully accountable for the performance of project; implementation and the use of funds. It will also be responsible in coordinating with IFAD; DA as collaborating agency; government oversight agencies, including, NEDA, DoF, and the DBM; and within the DAR central management that includes the Support Services Office (SSO), Finance Management and Administration Office (FMAO) and Office of the External Affairs and Communications Operations (DEACO). In addition, the CPMO will be directly responsible in effecting convergence of national agencies like DA, DENR, DILG, NCIP in project implementation.

Figure 1. VISTA Organizational Structure



- 71. **Regional Project Management Offices (RPMO**) will be created in the Cordillera Administrative Region (CAR) and Region XII. The RPMO will be headed by DAR Regional Director with a hired Deputy Project Manager, managing the day-to-day undertakings of the Project. The RPMO will oversee project implementation at the regional and provincial levels. It will be coordinating with the different agencies for the review and endorsement of proposed subprojects as well as other implementing partners at the regional level. It will organize the Regional Coordination Committees.
- 72. **Provincial Project Management Office (PPMO)**. In every target province, a PPMO will be established at the Provincial Support Services Division (SSD), under the authority of DAR Provincial Agrarian Reform Program Officer (PARPO). The day-to-day operation is managed by a hired Provincial Project Coordinator. The PPMO will oversee project operations in the selected ARCs (ARC) and will link with other implementing partners (e.g., BDS providers, PLGUs, MLGUs, etc.) at the provincial level. It will organize ARC Coordination Committees (EARCC-CC) and provide implementation support to the functioning of the EARCC-CC in the identified ARC Clusters.
- 73. **Coordination Committees** will be organized at the Regional and Expanded ARC Cluster levels.
- Regional Coordination Committee (RCC) will be chaired by DAR and co-chaired by DA and will have similar composition with the PSC at the regional level. It will review and endorse proposed subprojects and other activities, and will ensure

complementation of other agencies and organizations' programs, projects and resources for the implementation of VISTA subprojects. It will also facilitate resolution of operational issues (e.g., duplication of investments, safeguards compliance).

- **Provincial Coordination Committee (PCC)** will be chaired by DAR and co-chaired by PLGU with membership from partner/implementing agencies present at the provincial level and municipal LGUs. This body will conduct initial review and to endorse VISTA investment plans and sub-projects. It will also facilitate resolution of operational issues (e.g. counterparting, provision of technical support) within their scope.
- **Expanded ARC Cluster Coordination Committee (EARCC-CC)** will be established in an expanded ARC cluster (EARCC). It will be chaired by DAR and co-chaired by LGU, and membership is dynamic to include NGAs which have on the ground presence, VPOs (ARBOs, FCAs, IPOs), and representatives of any other critical project implementers (e.g., financial institutions) within or adjacent to the A. It will mobilize concerned LGU departments and units, coordinate with and monitor all the stakeholders and implementing partners in the implementation of sub-projects, ensure the participation of VPOs and other people's organizations in the planning and monitoring of subprojects in the EARCCs.

2. SECAP Support to this SEP

74. A SECAP Specialist shall be attached to the CPMO to ensure SECAP implementation is consistent across sites (See Table 7 for tasks). For the region, a SECAP Specialist will be hired for each, both with specialization in any of the social sciences. During the Field Mission, it was noted that the DAR has inadequate staff with background in the social sciences, hence the need that the Specialists have the social lens for projects, with experience in community development work. Specifically, the RPMO SECAP Specialists will be assisted by RPMO Foresters and Senior Engineers to cover the biophysical requirements of SECAP. Table 5 provides the roles/functions of the SECAP Specialists:

Project Investment Stages	CPMO SECAP Specialist	RPMO SECAP Specialist
VISTA strategic investment prioritization (includes pre-planning) SP/BP Preparation	regional implementation of	 ensure operationalization of the SEP and FPIC-IP at onset and across the project cycle and take lead in setting up of the VISTA GRM ensuring this is made accessible to stakeholders Facilitates: use of the SECAP Screening Checklist, conduct of the ESIA, preparation of the Abbr. ESCMP, Abbr. RAP and IPP, and initiate application for the country system permitting requirements at the regional level
SP/BP Review Approval	Oversees compliance and completeness to SECAP and country system by reviewing SECAP documents	Ensures completeness of SECAP requirements and documents to be subject for review

 Table 5. Roles/Functions of the SECAP Specialists

Project Investment Stages	CPMO SECAP Specialist	RPMO SECAP Specialist		
Procurement	Signs off/clears SPs/BPs before issuance of the Notice to Proceed with implementation/ construction			
Implementation/Const ruction Operation Phase	Compliance Monitoring and GRM monitoring: conduct random site inspections to validate these reports and/or help the proponent resolve outstanding environmental and social safeguards issues.			

H. Grievance Redress Mechanism

- 75. IFAD requires that adopt an easily accessible grievance mechanism at project-level in order to receive and resolve concerns and complaints of people who may be adversely affected or potentially harmed by IFAD-supported projects that fail to meet the SECAP Standards and related policies. Furthermore, IFAD requires that project-affected people are informed about the existence and functioning of this mechanism in any easily understandable form and language, and to integrate it into the overall community engagement strategy. The grievance redress mechanism should incorporate existing formal and informal grievance mechanisms, strengthened or supplemented as needed for each specific project, and in proportion to the expected risks and impacts of the project. Project-affected people may use the grievance mechanism without retribution or reprisal, and the grievance mechanism should not impede access to other judicial or administrative remedies available under national law or through existing arbitration procedures or other accountability mechanisms.
- 76. The Project will establish a Grievance Redress Mechanism (GRM) designed to seek/generate feedback from and to project stakeholders and address/ respond to grievances, problems, issues or complaints related to project activities and project environmental and social performance. The Project will ensure through the GRM that all project stakeholders will be aware of their rights to access and/or will have access to the GRM at all project management levels, which will be provided in a transparent manner free of costs and without fear of reprisal or retribution on the part of aggrieved parties. In addition, the Project's GRM will help ensure that the rights and interests of project stakeholders are protected from unforeseen lapses in said project performance and that all concerns arising therefrom in all project will regularly engage project stakeholders and provide them information on the processes and means of raising and addressing grievances through the GRM.
- 77. **Project-level GRM Machinery and Composition.** The structure and composition of the GRM machinery is proposed, as follows:

GRM Levels	Composition	Designated/responsible DAR personnel
СРМО	 National Project Director SECAP Specialist 	SECAP Specialist
RPMO	 Regional Grievance Officer/Legal Officer RCC-Grievance Sub-Committee 	Regional SECAP Specialist
RCC	 Provincial Grievance Officer/Legal Officer 	Provincial GRM Focal Person
EARC CC	 MARO Grievance Officer/Legal Officer EARC CC Grievance Sub-Committee 	MARO GRM Focal
Barangay	 Barangay GRM Officer 	Barangay GRM Officer

Table 6. Project Grievance Machinery

GRM Levels	Composition	Designated/responsible DAR personnel
	 Barangay Captain/Tribal Leader or Council member of the of IP conflict resolution system Representative from the NCIP or IPMR 	

- 78. **Functions of GRM Focals.** The designated persons/officers of the CPMO, RPMO, PPMO, MARO, and BARC will serve as the Central, Regional, Provincial, Municipal and Barangay Grievance Officers, respectively. The RCC and ARC CC shall form a Grievance sub-committee. These officers shall manage the grievances, provide directions on grievance resolution and be responsible in the approval of mitigation measures at their own respective levels.
- 79. The SECAP Specialists (CPMO and RPMO), Provincial SECAP Focal Person, MARO GRM focal, and Barangay GRM Coordinator (as appointed from among the BARC members) will serve as the GRM Officers at their respective levels. The GRM Officers will perform the following functions, as appropriate:
 - (i) Document and maintain a registry of grievances
 - (ii) Screen/determine validity of grievance/concerns
 - (iii) Initiate resolution process through referral to the next GRM level
 - (iv) Refer issues to concerned project personnel for technical advice
 - (v) Organize team for validation of concerns, as necessary
 - (vi) Assist in the resolution process through validation of concerns and technical assistance in crafting mitigation measures
 - (vii) Provide written response to concerned project personnel/units, contractors and complainants
 - (viii) Refer unresolved complaints to the next higher GRM level, as appropriate
- 80. Technical guidance shall come from an organic DAR lawyer or equivalent paralegal with knowledge on labor and work-related laws who shall provide advisory on grievances related to labor or workplace conditions. The GRM focals across levels shall maintain coordination and communication exchanges with the communities and contractors who employ project-contracted workers to ensure that all labor-related grievances are expeditiously and fairly resolved and systematically documented.
- 81. All GRM focals will undergo proper training on the GRM, relevant national laws, regulations and the IFAD SECAP Standards particular to Standard 5, Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations, and IFAD's Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse.
- 82. **Project GRM Channels.** The RPMOs shall provide appropriate channels for submission of grievances before the start of project implementation, which may include the following:
 - (i) Grievance Drop Box: This provides a means for anonymous complainants to raise concerns without revealing their identities. Labelling the grievance box to a more culturally-sensitive term will be encouraged.
 - (ii) A Project GRM social media platform will be established and disclosed publicly at each project level.
 - (iii) An official physical address for Grievance Desk with Contact Persons in every PMO level will be established and publicly disclosed prior to project implementation, where complainants may send complaints through letters via personal, postal or courier delivery.
 - (iv) A hotline number or call center at each project level will also be established and can be publicly accessed via voice calls or SMS.

- 83. **Possible Types of Grievances.** The Project may expect the types of grievances that may be lodged before the GRM officials to include the following which will serve as reference for documenting and facilitating resolution of such concerns:
 - (i) Non-contentious queries, comments, and suggestions. This type is noncontentious and merely requests for information/updates, seeks clarification or a response and suggestions to enhance the project design, improve operations and facilitate administrative/logistical support to the project.
 - (ii) Compliance with project policies, processes and implementation. This type of grievance results from the non-observance of project policies or non-performance of obligation of any of the parties involved in project activities, processes and documents. These may be primarily addressed at the barangay-level consultations, although there may be cases especially those involving direct-hired or contracted project workers when action from various PMO levels or in a separate process for project workers in the GRM will be required.
 - (iii) Other more serious grievances or complaints. These may include grievances or offenses pertaining to misuse of funds, allegations of corruption, falsification of public documents, sexual harassment and sexual abuse, etc.
- 84. **Grievance Handling Procedures.** The grievance process will be accessible to individual or group stakeholders and other interested/affected parties who may wish to file a grievance or ask clarifications regarding the Project through the use of standard complaint form to be developed and provided by the GRM Officers. The grievance process involves major steps as outlined below:



Figure 2. Major Steps in the Grievance Handling Process

- 85. INTAKE This step involves receipt/filling, recording of complaints and queries in the registry/database of grievances:
- 86. <u>Step 1: Filing of complaint, feedback or query.</u> A Grievance Receipt Form (sample provided in Attachment 5) will be accomplished by the concerned individual or group of individuals or by the GRM Officer if needed. Complainant may be project beneficiaries, project affected persons, or other concerned project stakeholders or interested parties, including direct-hires or contracted project workers. The Form shall be filed with the GRM Officer at any level.
- 87. Grievances may also be through call, text messaging, e-mail, grievance drop box, and personal appearance. Complainants have the right to stay anonymous depending on particular situations, provided that contact information is made available by the complainant to the GRM officer for verification and communication purposes.
- 88. <u>Step 2: Recording of queries, feedbacks and complaints in the registry/database</u>. Any grievance will be recorded by the Grievance Coordinator in the Registry/Database of Grievances of the relevant GRM level where the grievance is received/filed. Attachment 6 is a sample Case Record Matrix that is used to record grievances, claims and queries, in order to guarantee their proper management
- 89. VERIFICATION This activity includes gathering of facts and clarifying information in order to have a clear picture of the circumstances surrounding the grievance or complaint. It involves the assessment of validity of grievance, conduct of fact-finding

meetings/interviews, when necessary. The activities at the relevant GRM level, particularly the DAR GRM officer, may include the following:

- (i) Analysis/review of issues that need to be validated and the persons/parties involved
- (ii) Determination of facts to be verified and how to gather them. Validation methods include site visits, review of documents, interviews and meetings with concerned individuals/groups
- (iii) Secure all documents/means of verifications that will support the findings
- (iv) Ensure that whole procedure is properly documented (such as minutes of meeting, recordings or photos), fair and transparent
- (v) Present findings/results of validation to the AR cc/RCC or relevant/higher Grievance Officer for their decision.
- 90. <u>Step 3: Assessing validity of the query, feedback or complaint</u>. The validity of the grievance will be assessed by the GRM officer: if not relevant to the project, the GRM officer will conduct the necessary intervention within five (5) working days such as providing an explanation or education session to the complainant. When the explanation is accepted the complainant will need to sign the Resolution Form (to be prepared prior to project implementation) as indication of acceptance of the explanation. If indeed the grievance is project-related, the GRM officer will refer the case to the relevant GRM level which shall proceed to the next steps of the GRM process.
- 91. Should the grievance be labor-related, the GRM officer will refer the matter to the organic DAR lawyer or equivalent paralegal with knowledge on labor laws and the requirements of IFAD SECAP Standard 5 who shall convene a separate GRM process for project workers that may include additional members with competence on labor matters, as needed and necessary. The labor GRM process shall follow in the steps described in this GRM.
- 92. Since grievance may be directed at any level, the GRM officer at that level shall verify if the case is rightfully intended for their level. If assessed otherwise, the GRM officer shall notify and endorse the grievance to the appropriate level for proper resolution.
- 93. <u>Step 4: Organizing fact-finding meetings/interviews with the relevant parties</u>. If grievance is assessed as valid, project-related, and falls within the first type of grievance, within five (5) working days from the date the complaint was received, the GRM officer at that level shall respond at the point of intake or refer the matter to the appropriate project personnel or unit that can address the same and relay the response to the complainant or inquirer concerned.
- 94. If the grievance is of the second type, within ten (10) working days from the date the complaint was received, the relevant GRM officer will organize meetings/consultations/ interviews together with the relevant parties to further investigate and/or establish facts and circumstances of the case and discuss how to resolve the same. Based on these activities, the GRM officer shall come up with recommendations to resolve the case and present this to the aggrieved party and seek consent to implement such mitigation measure. All meetings should be recorded and copies of the minutes of meetings will be provided to the complainant. The grievance shall be resolved within 15-30 working days upon receipt of grievance.
- 95. If the grievance is of the third type, within ten (10) working days from the date the complaint was received, the relevant GRM officer will organize meetings/consultations/ interviews together with the relevant parties to further investigate and/or establish facts and circumstances of the case and discuss how to resolve the same. Based on these activities, the GRM officer shall come up with recommendations to resolve the

case and present this to the aggrieved party and seek consent to implement such mitigation measure. All meetings shall be recorded and copies of the minutes of meetings will be provided to the complainant. The grievance shall be resolved within 30-60 working days upon receipt of grievance.

- 96. ACTION This step reflects the steps towards the resolution of the case. Actions to a grievance include openly discussing the issues with relevant parties and arriving at agreements and decisions.
- 97. In general, the process is kept simple and all grievances will be dealt with at the lowest level possible at the barangay or municipal level. This is because the ultimate users of the system are the stakeholders of the barangay participating in the Project. They should therefore be kept informed and involved in determining actions to be taken. At this step, the GRM officer and aggrieved party agree on a resolution, conduct of alternative resolution process, or elevation of grievance to higher grievance level.
- 98. <u>Step 5: Agreeing on a resolution</u>. If the aggrieved party agrees with the mitigation measure/resolution, the concerned GRM officer shall implement the agreed resolution. The Resolution Form shall be signed by the complainant and the relevant GRM officer with copies to be sent to the next GRM office level copy furnishing the Central GRM officer. For labor-related grievances, in addition to the copy of the Resolution Form to be furnished, the GRM officer shall provide guidance with recommendations to the relevant/involved contractor to improve working condition/labor management issues.
- 99. Confirmation that the case has been resolved from anonymous complainant(s) and those who wouldn't be able to personally sign the resolution form due to security reasons will be communicated through their provided contact information and will be asked to confirm agreement on the resolution. The grievance is then deemed resolved.
- 100. FEEDBACK This step involves replying to the grievance sender and informing the complainant or aggrieved party of the status of the complaint (See sample in Attachment 7). If complainant is unknown, the status or the redress documents covering the complaint will be posted in the appropriate medium to be provided or utilized by the Project. Response to grievances under the first type must be presented during community consultations to provide clear and complete information to persons about their queries.
- 101. FOLLOW-UP This step involves determination of the result/outcome of resolved grievances. Follow-up must also be done to all resolved grievances immediately after feedback is provided to the complainant to determine if the final resolution yielded positive result to the aggrieved party. This involves asking whether the complainant was satisfied or not satisfied with the resolution of the issue. The Central and Regional GRM officers shall conduct selected audit to review if handling of grievances conforms with the Project's GRM process.
- 102. APPEAL Any person who does not agree with the decision on a complaint or grievance may file an appeal with the next higher level of the grievance redress machinery or to any appropriate project management office. The appeal shall be resolved by the receiving office within 30 working days.
- 103. **Escalation of Grievances to Higher Grievance levels.** In cases where any grievance is not resolved at certain grievance levels, the matter shall be elevated to the next higher grievance level. Should amicable resolution still remain to be agreed upon, another resolution procedure is conducted or escalate grievance resolution to a higher level, until the case is resolved.

- 104. If no response is received or no action taken by the level to which the complainant filed the grievance within 15 working days after the registration of the complaint, the complainant may appeal/elevate the grievance to the higher grievance level for appropriate action.
- 105. For example, if no understanding or amicable solution is reached within five (5) days for the first type of grievances, 30 days for the second type, and 60 days for the third type, or if no response is received from the relevant GRM officer within fifteen (15) days after the registration of complaint, the complainant can file another complaint or appeal, as appropriate, to the next level of grievance and shall cite the reason for elevating the grievance. The concerned higher GRM officer will organize meetings within ten (10) working days to discuss how to resolve the matter and offer resolution to the complainant. This process is repeated in provincial, regional and central GRM levels.
- 106. If the complainant finds such mitigation measures acceptable, the relevant GRM officer will implement the resolution. The Resolution Form shall be signed by complainant and the GRM officer with copies to be sent to the next level copy furnished the Central GRM officer.
- 107. **Case resolution or elevated outside the purview of the Project GRM.** A case shall be registered as resolved if the Resolution Form or any other document of its equivalent has been secured from the complainant. A Sample Case Closure Form is found in Attachment 8. If the complainant is still not satisfied with the decision of the Central GRM office, in the absence of any response within the stipulated time, the case shall be deemed closed. The complainant, as a last resort, may opt to submit the unresolved case to the courts, or in case of project workers, to proper administrative or existing arbitration procedures with the assistance of the CPMO.
- 108. <u>IP Grievance Redress Protocols.</u> Members of the ICC/IPs shall be informed of the Project GRM as described in this SEP. However, complaints from ICC/IPs about the Project should first be referred to the Barangay and/or tribal council/leader for resolution before elevating these to the project GRM. Conflicts within the affected IP community will be addressed within the community itself in the context of its customary law and customary dispute resolution process and mechanisms, in the presence of the relevant staff of the NCIP office with jurisdiction over the area.
- 109. All complaints shall be discussed and negotiations must be carried out in the specific communities where affected IPs live. The barangay and the tribal council/leader concerned should facilitate this process and the project must ensure that affected IPs are properly represented. Where necessary, the project will bring in NCIP staff who must ensure that the rights of IPs are protected. If negotiations are stalled, or IPs disagree with all possible options presented during these deliberations, the affected tribes can bring their grievance or complaints to the municipal implementing units of the project management. Should this still fail the IP expectations, the IPs can elevate their complaints to the Provincial representative of the NCIP or the Office of the Provincial Agrarian Reform Officer, with copies of the complaint furnished the Office of the Provincial Governor.
- 110. Inter-community conflicts will be addressed between the communities themselves, according to their customary or agreed upon dispute resolution processes and mechanisms. If an outside facilitator, mediator, or arbiter is required or requested for, the PMO and project implementing and monitoring units in the field will seek the intervention of the NCIP. The IP community may seek assistance of a trusted entity (ie NGO/CSO) to act as facilitator, mediator, or arbiter. This guideline applies to conflicts or disputes between the IP community and any of the project units and implementers.

- 111. The GRM officers with the assistance of office staff shall document the proceedings of the discussion or negotiations, in addition to the documentation done by the IP community themselves and by the NCIP. If no satisfactory result or impasse results, the IP communities shall be allowed to elevate their complaints and grievances to a higher grievance level. The grievance procedure established in no way substitutes for or replaces the grievance procedure set forth in FPIC Guidelines of 2012. At their choosing, the IPs may avail of the grievance procedure and mechanisms as stipulated in the FPIC Guidelines of 2012.
- 112. <u>IFAD's Complaints Procedure.</u> IFAD's SECAP ensures that the project should have an accessible and effective project-level grievance redress mechanism which has taken account the IPs' customary laws and dispute resolution processes. The GRM shall also be a result of a series of effective and meaningful consultations.
- 113. IFAD Complaints Procedure also place mechanism to allow individuals and communities to contact IFAD directly if stakeholders or non-stakeholders believe that they are or might be adversely affected by an IFAD-funded project or program not complying with IFAD's Social and Environmental Policies and mandatory aspects of SECAP. They may submit a request to SECAPcomplaints@ifad.org and request that an impartial review be carried out by IFAD's Office of the Vice-President.

I. Monitoring and Reporting

- 114. Relevant Environment and Social Safeguards documents such as this SEP, SECAP Review Note, Abbr. ESCMF/Abbr. ESCMP, IPP, Climate Risk Assessment, and monitoring reports. Project orientation will be conducted in the different project level offices to update the stakeholders on the approved processes and requirements for project implementation.
- 115. Meetings with stakeholders shall be documented, highlighting agreements and ways forward which will be monitored throughout project implementation.
- 116. SEP monitoring will be subsumed under Component 3 specific to the Project Management and Monitoring & Evaluation with key activities programmed at mid-term and end-of-project.

J. Attachment 1. List of Persons Met

IFAD Manila Office to request from DAR

K. Attachment 2. Design Field Mission Photo-Documentation of Consultations

1. Inter-Agency Consultation in Baguio City 28 February 2023





2. Consultations with Stakeholders of Benguet Province 1 March 2023





3. Consultations with Stakeholders in Mountain Province 2 March 2023



4. Community Consultations with Stakeholders of Otucan Sur, Bauko and Cadadanan, Tadian, Mountain Province 3 March 2023



5. Consultations with Govt Agencies & Private Sector in Koronadal City 7 March 2023



6. Community Consultations in South Cotabato Province 8 March 2023



7. Community Consultations in Sarangani Province 9 March 2023





8. Pre-technical wrap-up meeting in General Santos City 11 March 2023



9. Technical wrap-up meeting with DAR Officials at DAR Central Office 13 March 2023



No	Query or Comment	Issue	Parties making comments	Reply Project	by	the
1						
2						
3						
4						
5						

L. Attachment 3. Record of Stakeholder Concerns

 Provide the summary of the main concerns regarding the project, its environmental and social impacts and risks, and the environmental and social management measures and instruments.

• Descriptive record of the main concerns raised by the parties concerned and other stakeholders of the Project.

• Provide signed attendance, disaggregated by gender and ethnicity.

• Include section on photo-documentation

M. Attachment 4. Communications Plan Template

Stakeholder group Project Pr	Concerns	Communication/ Engagement method prior to effective	disclosure & feedback	Informatio n generation	engageme	Responsibl e	Date & location		
	, , ,								
VSIP stage	e								
Project In	Project Implementation								

N. Attachment 5. Sample Grievance Receipt Form

RECEIPT FORM #						
Indicate Name of the Executing Unit:						
Indicate Project Name:						
REGISTRATION OF	THE GRIEV	ANCE				
Date and time received						
Place received						
Party receiving it	Name					
	Position					
	a) Verbal					
	b) Telephon	ie				
Means of reception	a) Written	Letter (Re E-mail:	gistra	tion N°. assigned)		
	d) Office pro		nane	nt Attention		
	e) [Indicate					
I. PERSONAL DATA						
Does the person want t	o identify its	elf? Otherw	ise	Yes	No	
Name and surnames	,,				-	
Address				District		
Tel. #				E-mail		
[Add other information]	•					
II. INFORMATION A	BOUT THE C	CASE				
2.1 Type of case						
a. Grievance				c. Query		
b. Claim				d. Other		
2.2 Subject of the cas	se	2.3 Deta	ils of	the grievance		
a. [Indicate topic. Fo	r example:					
"Environmental aspec	ts of the					
Project"]						
b. [Indicate topic]						
2.4. Request conce	erning the	(indicate)				
grievance (indicate)						
2.5 Documentation p		(indicate)				
the complainant						
photographs, amon	g others)					
(indicate)						
III. ADDITIONAL RE	MARKS					
Name of the person res		case		e of the party pres		
	Signature		Posit		Signature	
The information contai						
the above signer. The					f the information	
registered and its use for						
Note: A copy of this for	rm is given t	o the perso	n who	o filed the complai	nt.	

O. Attachment 6. Case Record Matrix

	Inform Comp		(on	the	Info grievan	on	Forwa	rded		Case cl	osure		
	reaiste		E- mail		Anony mous	Issue	Request	Area forwar ded to	Date of forwar ding	reply from	Issuanc e of reply to complai nant	re re	Days for proces	Amount executed for case processin g
1														
2														
3														
4														
5														
6														
7														
8														
9														
1 0														

P. Attachment 7. Sample Reply Format to the Complainant

REPLY FORM TO GRIEVANCE #							
Executing Unit:							
Project Name:							
Date of Reply:							
I. PERSONAL DATA							
Name							
Address		Bgy/Mun					
II. REPLY TO GRIEV	ANCE FILED	ł	L				
the reasons for the Therefore, in order following actions (ir <u>SITUATION 2 - DEC</u>	your grievance has been answer). to act on what was filed adicate the actions): <u>CLINED:</u> nsidering (explain the reas CLINED.	, [Executing ons / suppor	Unit] will carry out the				
Name of the persor responsible for case	n com who	e of the plainant filed the vance					
Position	Posi	tion					
Signature	Sigr	ature					

Q. Attachment 8. Sample Case Closure/Resolution Form

CASE CLOSURE FORM ;		
Indicate Name of the E	ecuting Unit:	
Indicate Project Name:	ž	
Delivery Date:		
I. PERSONAL DATA		
Name and		
surnames		
Address	District	
II. GENERAL DESCRI	TION OF THE CASE	
IV. SUMMARY OF M	ASURES IMPLEMENTED	
1. SUMMART OF M		
2.		
3.		
4.		
5.		
5.	Name of the	
Name of the person	complainant who	
responsible for case	filed the	
	grievance	
Position	Position	
Signature	Signature	



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex: Annex 5d. FPIC Implementation Plan

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Annex 5d. Free, Prior, and Informed Consent (FPIC) Implementation Plan

• Table of Contents

Table of Contents	1
List of Tables	2
List of Figures	2
List of Abbreviations	3
Executive Summary	4
A. Project Description	
B. Description of Indigenous Peoples	8
1. Situation of the Indigenous Peoples of the Philippines	8
2. IPs within Project Participating Provinces	
C. Summary of Substantive Rights and Legal Framework	
1. Applicable National and International Laws Impinging on IP Rights	
2. IP Rights to Land and Resources	
3. Land Classification and AD Overlaps	22
4. IPRA-Prescribed FPIC Process	
5. Project Recognition of Legally Established Rights to Tenure	
D. Summary of Social and Environmental Assessment and Mitigation Meas	sures 26
E. Free, Prior, and Informed Consent Procedures	
F. Appropriate Benefits	
G. Capacity Support	
H. Grievance redress	
I. Monitoring, Reporting and Evaluation	
J. Institutional Arrangements	
K. SECAP Support	
L. Operationalization of the FPIC Implementation Plan	
M. Budget and Financing	

• List of Tables

TABLE 1. TYPOLOGY OF COMPONENT INVESTMENTS	7
TABLE 2. APPROVED* CADTS (HA) AND RIGHTS HOLDERS AS OF SEPT 2020	9
TABLE 3: NATIONAL LAWS AND INTERNATIONAL LAWS AFFECTING IPS	. 19
TABLE 4. TYPES OF PROJECTS SUBJECT TO FPIC UNDER NCIP AO 3, S 2012	. 23
TABLE 5. IMPACTS AND RISKS OF THE PROJECT AND CORRESPONDING MANAGEMENT MEASURES	. 26
TABLE 6. CONSULTATION PLAN AT IMPLEMENTATION STAGE	. 28
TABLE 7. VISTA-SECAP CAPACITY BUILDING PROGRAM.	. 32
TABLE 8. FPIC-IP MONITORING PARAMETERS	. 34
TABLE 9. ROLES/FUNCTIONS OF THE SECAP SPECIALISTS	. 37
TABLE 10. STAKEHOLDER ROLES IN FPIC-IP	. 38
TABLE 11. FPIC-IP BUDGET	. 38

• List of Figures

FIGURE 1. THE FPIC VALIDATION PROCESS	25
FIGURE 2. CONVERGENCE APPROACH TO LAND USE AND LAND MANAGEMENT ACROSS ECOSYSTEMS	26
FIGURE 3: VISTA ORGANIZATIONAL STRUCTURE	35

• List of Abbreviations

400	
A&D	Alienable and Disposable
Abbr	Abbreviated
AD	Ancestral Domain
ADO	Ancestral Domain Office
ADSDPP	Ancestral Domains Sustainable Development and Protection Plan
AL	Ancestral Land
ANR	Assisted Natural Regeneration
ARBO	Agrarian Reform Beneficiaries Organization
ARC	Agrarian Reform Communities
CA	Commonwealth Act
CADT	Certificate of Ancestral Domain Title
CALT	Certificate of Ancestral Land Title
CLOA	Certificates of Land Ownership Award
CNO	Certificate of No Overlap
CP	Certificate of Precondition
CPMO	Central Project Management Office
CSO	Civil Society Organization
DAR	Department of Agrarian Reform
DBM	Department of Budget Management
DENR	Department of Environment and Natural Resources
DF	Development Facilitator
DHSUD	Department of Human Settlements and Urban Development
DILG	Department of Interior Local Government
DOF	Department of Finance
DOH	Department of Health
DTI	Department of Trade and Industries
ESCMF	Environmental, Social and Climate Management Framework
ESMS	Environmental and Social Management Systems
FPIC	Free, Prior and Informed Consent
GRM	Grievance Redress Mechanism
IFAD	International Fund for Agricultural Development
IPs/ICCs	Indigenous Peoples/ Indigenous Cultural Communities
IPM	Integrated Pest Management
IPO	Indigenous Peoples Organizations
IPP	Indigenous Peoples Plan
IPPF	Indigenous Peoples Plan Framework
IPRA	Indigenous Peoples' Rights Act
IPMR	Indigenous Peoples Mandatory Representative
LGU	Local Government Unit
LRA	Land Registration Authority
M&E	Monitoring and Evaluation
MOU	Memorandum of Agreement
NCIP	National Commission on Indigenous Peoples
NEDA	National Economic Development Authority
NRM	Natural Resource Management
PD	Presidential Decree
PHF	Post-Harvest Facilities
PMO	Project Management Office
PPMO	Provincial Project Management Office
PSC	Project Steering Committee
RA	Republic Act
RPMO	Regional Project Management Office
SALT	Sloping Agricultural Land Technology
SECAP	Social, Environment, and Climate Assessment Procedure
SEP	Stakeholder Engagement Plan

SP	Sub-project
SRN	SECAP Review Note
ТР	Technical Partner
VC	Value Chain
VCD	Value Chain Development
VISTA	Value Chain Innovation for Sustainable Transformation in Agrarian
	Reform Communities
VSIP	VISTA Strategic Investment Prioritization

Executive Summary

1. This Free, Prior, and Informed Consent Implementation Plan (FPIC-IP) shall guide the project implementers to ensure that indigenous peoples (IPs) are empowered and to guarantee mutual respect and full and effective participation in decision-making on International Fund for Agricultural Development's (IFAD's) proposed investments that may directly and indirectly influence their rights, access to lands or territories and its resources, and their livelihoods.

2. *FPIC and Country system*. Indigenous Peoples' Rights Act (IPRA), through National Commission on Indigenous Peoples (NCIP) as oversight, has three types of projects requiring FPIC of which Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities (VISTA) interventions would be under Community-initiated category¹ primarily because projects for investment be initiated, planned, designed, and implemented by the concerned ICCs/IPs themselves. Since VISTA sites will be situated in upland areas above 18% slope and 100 meters above sea level, conflicts may arise based on the Philippine land classification system and prevailing tenurial arrangements. **VISTA will not engage or include EARCCs** (Extended Agrarian Reform Communities Clusters) with such complexities of overlap and conflict.

3. Social, Environment, and Climate Assessment Procedure (SECAP) Free, Prior, and Informed Consent (FPIC) Procedures. Consultation activities with Indigenous Cultural Communities/ Indigenous Peoples (ICCs/IPs) shall be in the presence of NCIP, IP Mandatory Representatives (IPMRs), and indigenous traditional leaders and will run parallel to subproject activities specifically at planning stage and ensure these are culturally appropriate, timely, and meaningful. It commences with information generation and assessment of IP-related (i) sociocultural and land tenure conditions, (ii) substantive rights and legal framework, (iii) decision-making institutions that impinge on timing of and strategies for consultations that eventually leads to FPIC, and (iv) formalization of the consent agreement with the local communities. The findings from this review will inform Component 1 investments with benchmark data. The maps and other information generated are to be referred to during the Abbr. Environmental, Social and Climate Management Framework (ESMCF) safeguards screening where ICC/IP stakeholders as proponents also participate to serve as basis for their final investment selection prior to Feasibility Study (FS) preparation.

4. A start-up activity for community engagement is conducted in order to achieve common understanding with ICCs/IPs as regards subproject objectives and goals, and assign clear roles and responsibilities among the entities involved in implementation. Continuing consultations will be conducted henceforth and shall be in place up to project end. Before any investment is made or before the start of civil works, a formalized consent agreement with the ICC/IP is mandatory and serves as basis for subproject approval. Monitoring and reporting shall be observed throughout project life and ends with an assessment of FPIC Implementation.

5. *Appropriate benefits*. Benefits shall be culturally appropriate and contained in the Memorandum of Agreement to address their issues and concerns on soil and water conservation, increased biodiversity, improved microclimate, and enhanced water quality and quantity as regards sourcing. By so doing, communal/cultural benefits can be realized to allow them to confidently continue with their IKSPs (Indigenous Knowledge Systems and Practices) and rites of passage that are closely dependent on land and resources. Another benefit is directly addressing increased incomes since improved ecosystem services will allow for harvests of agri/cash and annual crops that also enhances their capacities for food security especially during extreme climate events.

6. *Capacity support*. Capacity building related to SECAP and FPIC implementation will be conducted for Department of Agrarian Reform (DAR) and Department of Agriculture

¹ See Table 4 Paragraph 67

(DA) staff designated with SECAP responsibilities, agency partner staff, private sector, and participating Civil Society Organizations (CSOs). Community level appreciation of SECAP principles and instruments will likewise be made.

7. *Grievance redress*. A project level grievance mechanism found in the Stakeholder Engagement Plan (SEP), is made available to allow appeals against any disagreeable decision, practice or activity arising from land or other assets acquisition. For ICC/IP however, complaints from ICC/IPs about the Project should first be brought to the Barangay and the tribal council for resolution before elevating these to the project Grievance Redress Mechanism (GRM) in observance of their customary laws and dispute resolution process and mechanisms, in the presence of the relevant staff of the NCIP office with jurisdiction over the area. IFAD also has its Complaints Procedure and requests can be submitted to <u>SECAPcomplaints@ifad.org</u>.

8. *Monitoring, reporting and evaluation.* FPIC monitoring reports will be prepared and NCIP will be an active partner in monitoring, especially in regard to ICCs/IPs within Ancestral Domains (ADs).

9. *Institutional Arrangements*. The DAR will be the executing agency and as such will use its existing structures at national, regional, provincial, and EARCC levels to implement project activities harnessing capacities of other agencies through the National Convergence Initiative. DA will be the collaborating agency supporting DAR for the implementation of subcomponent 1.2 and 2.1. A SECAP Specialist will be assigned to CPMO while one each at the RPMO level, to be assisted by the RPMO Senior Forester and Senior Engineer. An EARCC Coordination Committee (EARCC-CC) will be established in a cluster of EARCs to be chaired by DAR, with membership from Local Government Units (LGUs), VISTA Participating Organizations (VPOs), IP Organizations (IPOs), and representatives of any other critical project implementers within or adjacent to the EARCCs. The EARCC-CC will mobilize concerned LGU departments and units, coordinate with and monitor all the stakeholders and implementing partners in the implementation of sub-projects, ensure the participation of VPOs and other people's organizations in the planning and monitoring of sub-projects in the EARCCs. The FPIC-IP will be implemented by the RPMOs as led by the SECAP Specialists along with other DAR and DA staff and consultants who will undergo training and seminars on the IFAD's SECAP Standards and other instruments.

10. *Budget*. All costs for operationalizing this FPIC-IP has been incorporated in the overall project cost in lumpsum form as line item for community/stakeholder engagement across the project components.

A. Project Description

11. Project Description: The VISTA project is a sustainable and innovative approach to Value Chain Development (VCD) in the Philippines, with a focus on natural resource management (NRM) and resilience to diverse climate shocks. The project is anchored to an ecosystems-based approach to optimize the selected value chains and adapt to environmental factors. It aims to move away from the business-as-usual approach and ensure ecosystem health for agricultural production in the long term. The impetus behind the VISTA project is driven by two main factors: 1) lessons learned from the IFAD portfolio between 2017-2022, which show that investments in ecosystems can produce multiple benefits, including economic value, securing local livelihoods, and protecting natural resources, and 2) national commitments to prevent further negative conversion of degraded lands, protect natural resources, and increase resilience to climate and natural hazards.

12. The VISTA project will focus on two target "anchor crops," coffee and cacao, within the broader integrated cropping systems of upland rice and other agricultural crops to catalyze transformation in the food systems in a nature-positive and resilient manner. The

project will reduce environmental degradation and negative externalities in food production systems on the demand side and across supply chains. The VISTA project development objective therefore is "to increase income and employment of target groups in fragile upland areas, including women, youth and IPs, through the strengthening of inclusive value chains with conservation and sustainable use of the natural resources and climate resilient practices." The Project has three components: Component 1 - Sustainable Protection and Enhancement of Natural Resources at Sub-Watershed Level, Component 2 - Value Chain Development and Rural Finance, and Component 3 – Project Management.

	or component investments
Component/Sub-	Activity/Investment (SP/BP)
Component	system Planning, Protection and Enhancement
1.2 Enhance	, , , , , , , , , , , , , , , , , , , ,
natural resources	
for value chains	
and resilience	Fencing or other protective barriers around springs
	Small-Scale Irrigation Schemes
	Rainwater Capture Tank
	• Farm Slope Protection Works through grouted riprap including
	application of bio-engineering solutions like coconets planted with
	Vetiver grass
	Small Farm Reservoir (SFR) with Interceptor Canals
	Streambank stabilization – includes Sloping Agricultural Land
	Technology (SALT), agroforestry interventions such as terracing,
	contouring, and alley cropping; may be combined with enrichment
	planting
	Protecting forest ecosystem and conserving biodiversity will be
	implemented through three specific strategies:
	Reforestation;
	Assisted natural regeneration (ANR); and
	Enrichment planting.
	Disaster risk reduction measures at the community level:
	Support disaster response packages for the most vulnerable
	households through an emergency fund.
	ue Chain Development (and Rural Finance)
2.1 Sustainable	Design sustainable extension services for smallholders
Extension	• Enhancing and replicating of DAR's FAO Farmer Business Schools
Services and VPO	(FBS) program - to upgrade their capacities, supported with
Capacity Building	demonstration of new tools, processes and ways of organizing and
	managing their cacao and coffee farms, and manage their
	agriculture business more economically, socially and
	environmentally efficient.
	• Enhance and adapt DAR's Agro-enterprise and Microfinance
	Complementation Project - Linking Smallholder Farmers to Markets
	with Microfinance (LINKsFARMM Project)
	Investment in new technologies and assets at farm Level
	• Purchase of equipment for rejuvenation and improved quality and
	density of tree plantations;
	• Improve soil and water conservation and management: Purchase of
	soil testing,
	• Rainwater gauge; beneficiary crop fixed investments, shade tree
	seedlings,
	• Provision of on farm post-harvest facilities: Storage, solar drying
	pavements, solar tunnel dryers, dehulling, moisture meters
	• Improve pest and nutrition management: Disease resistant
	seedlings, sprayer, organic manure production,

Table 1. Typology of Component Investments

Component/Sub-	
	Activity/Investment (SP/BP)
Component 2.2 Value Chain (VC) Commercialization	 Activity/Investment (SP/BP) Provide post-harvest facilities, including warehouse, solar dryers, and processing centres as well as investments to deliver for promising niche coffee and cacao value chains (VCs), such as deforestation free VC models (Cacao for Export) Provide matching grants to VPOs for additional farm-level investments beyond initial trees and first-year inputs, which are granted with performance triggers Matching grants extended to VPOs who will then onlend to farmer members under credit conditions, creating or augmenting a revolving fund. Postproduction investments that should identify and justify
	 Postproduction investments that should identify and justify needed productive assets, with particular attention paid to long term viability of such investments. Finance investments to enhance inclusion and recruitment of poorest community members, by providing eligible households with additional access to high-quality and climate-resilient agricultural inputs (e.g., climate-resilient seeds, breeds, and organic materials) and post-harvest facilities such as solar drying pavements and solar tunnel dryers that add value through aggregation and consolidation Support innovations such as potential for blockchain technology for carbon credit management to further promote sustainable agricultural practices Support and facilitate targeted access to rural finance to support appropriate value chain financing and associated skills of the ARBOs for credit management Piloting Innovative Financial Instruments for more effective
2.3 VC-related Infrastructure Support	 use of matching grants mechanism Access Infrastructure: standard Farm-to-Market Road (FMR) where appropriate and tire tracks, motorcycle/tricycle roads, and well- defined foot trails, animal trails, and animal or small tractor-drawn sledge trails where standard FMR is not appropriate
	 Post-Harvest Facilities (PHF): warehouse, solar drying pavement, solar tunnel dryer, and processing buildings to house VC equipment Greenhouse drip irrigation

B. Description of Indigenous Peoples

1. Situation of the Indigenous Peoples of the Philippines

13. The country improved² in terms of poverty reduction in the past three decades, from 49.2 percent in 1985 to 16.7 percent in 2018 coupled with declining inequality from 47 percent in 2006 to 42.3 percent in 2018. This is largely attributed to transitioning out of agriculture scaling up of the national conditional cash transfer program in 2006. However, inter-regional gaps were still evident. IP-rich regions had mixed progress in poverty reduction. In 2017, it was estimated that IPs constitute around 12%-17% of the total population (104,733,524) of which about 61% are in Mindanao, 33% in the Cordilleras, and 6% scattered in the rest of the provinces.³ Mindanao, recorded the lowest decline in poverty with the proportion of poor people in the Mindanao increased from 26 percent in 1985 to over 45 percent in 2018. In CAR, where about 33 percent of IPs live, there was slow reduction in poverty of 26 percentage points and income distribution became more unequal with the Gini coefficient increasing from 40 to 45.

² Family Income and Expenditure Survey (FIES) 1985-2018.

³ TEBTEBBA The Indigenous Peoples' International Centre for Policy Research and Education, undated. "The Philippines Fact Sheet". https://www.tebtebba.org/index.php/resources-menu/policy-briefs-and-information-service/53-the-philippines-factsheet/file

14. IPs' access to basic services lag far behind the national average with the largest disparities on (i) education, (ii) access to electricity, (iii) access to safe drinking water, and (iv) sanitation. A key reason for the is remoteness.⁴ Further, IPs are heavily reliant on land and natural resources to support their livelihood, with adults mostly working in fishing and agriculture.⁵ Food shortages are usually during the dry season. Environmental degradation and exposure to natural hazards weaken food security among IPs.⁶

15. NCIP data⁷ reveal that IPs occupy almost a quarter of the country's total land area. As of 2020, the NCIP has issued 248 Certificate of Ancestral Domain Title (CADTs) with a total land area of over 5.7 million hectares - 27% of the total land area of the country - and a total of over 1.3 million IPs as rights holders (See Table 2). There has been delays in the issuance of ancestral land (AL) titles one factor being NCIP's lack of resources leading to encroachment within ADs and unresolved overlaps with other government mandates.⁸ The IPRA law, while not a forestry or environmental law, overlaps with environmental and natural resources laws since ADs are largely within forestlands, mining areas, and areas of critical environmental concern.⁹

	CADT			Area		IP Rights Holders		
0	#	Province/City	Municipality/Baran gay		Hectares	%	#	%
24 8	Phili	ippines			5,750,81 2.86		1,330,7 51	
2 6	CAR				,	100 %	288,21 1	100 %
1	13 2	Abra	Penarubia	Tinguian-Illaud	3,918.70	1%	3,474	1%
2	31	Арауао	Calanasan	Isnag	11,268.0 3	3%	852	0.3%
3	23 2	Apayao	Conner	Isneg	19,628.0 0	5%	5,369	2%
4	23 3	Apayao	Pudtol, Luna & Kabugao	Ingajan-Isneg	18,851.8 0	5%	1,403	0.5%
5	41	Baguio City	Happy Hollow	Kankana-ey & Ibaloi).04 %	2,900	1%
6	1	Benguet	Bakun	Bago & Kankana- ey	29,444.3 4	7%	17,218	6%
7	16	Benguet	Kibungan	Kankana-ey	22,836.8 8	6%	15,472	5%
8	26	Benguet	Atok	Kankana-ey & Ibaloi	20,017.6 5	5%	15,634	5%
9	50	Benguet	Kapangan	Kankana-ey & Ibaloi	17,127.1 5	4%	15,995	6%
1 0	64	Benguet	Kabayan	Kalanguya, Ibaloi & Kankana-ey	22,883.0 6	6%	11,837	4%

Table 2. Approved* CADTs (ha) and Rights Holders as of Sept 2020

⁴ Reyes C.M., Mina C.D. and Asis R.D. 2017 "Inequality of Opportunities Among Ethnic Groups In The Philippines." *Philippine Institute for Development Studies*, Discussion Paper Series No 2017-42.

⁵ EEP-TFIP, EED Philippine Partners Task Force for Indigenous Peoples Rights 2004. "Our Harvest in Peril. A Sourcebook on Indigenous Peoples' Food Security

⁶ IFAD, International Fund for Agricultural Development 2012. "Country Technical Note on Indigenous Peoples' Issues: Republic of the Philippines."

⁷ Cortez, et. al. (2018) An Assessment of the Certificate of Ancestral Domain Title (CADT) Delineation and Recognition Process of the National Commission on Indigenous Peoples (NCIP): The Cases of Limay, Bataan and Botolan, Zambales. UP National College of Public Administration and Governance.

⁸ ANGOC, Asian NGO Coalition for Agrarian Reform and Rural Development 2019. "In defense of land rights: A monitoring report on land conflicts in six Asian countries." *Quezon City: ANGOC*

⁹ Institute for Global Environmental Strategies 2011. "Where are Indigenous Peoples Going?

N	CADT	T Location			Area		IP Holders	Rights
0	#	Province/City	Municipality/Baran gay	ICC/IP Group	Hectares	%	#	%
1 1	65	Benguet	Buguias	Kalanguya 8 Kankana-ey	17,125.4	4%	35,510	12%
1 2	80	Benguet	Bokod	Karao, Ibaloi, & Kalanguya	41,223.3 2	10 %	12,356	4%
1 3	81	Benguet	Tublay	Kankana-ey & Ibaloi	9,932.94	2%	11,065	4%
1 4	82	Benguet	Sablan	Ibaloi	11,560.4 1	3%	1,513	1%
1 5	85	Benguet	La Trinidad	Kalanguya, Ibaloi, & Kankana-ey	7,413.34	2%	26,842	9%
1 6	94	Benguet	Mankayan	Kankana-ey	13,649.8 5	3%	26,111	9%
1 7	12 1	Benguet	Itogon	Kankana-ey & Ibaloi	7	10%	27,229	9%
1 8	15 6	Benguet	Itogon	Kalanguya & Iwak	7,081.93	2%	812	0.3%
1 9	63	Ifugao	Asipulo	Kalanguya, Ayangan & Tuwali	26,578.7 0	6%	14,335	5%
2 0	99	Ifugao	Tinoc	Kalanguya	21,371.2 2	5%	12,133	4%
2 1	23 4	Ifugao	Lagawe	Ayangan	19,054.6 5	5%	6,577	2%
2 2	12 0	Kalinga	Guilayon, Tabuk	Guilayon	7,112.35	2%	2,800	1%
2 3	22 6	Kalinga	Tinglayan	Ibangad	-	0.4%	2,531	1%
2 4	22 7	Kalinga	Tanudan	Ilubo	2,561.72	1%	1,521	1%
2 5	12 2	Mt Province	Bauko	Kankana-ey	9,476.53	2%	14,190	5%
2 6	18 8	Mt Province	Natonin	Balangao	9,027.54	2%	2,532	1%
3 5		on XII			678,135. 38		249,71 1	100 %
1	9	General Santo	s City	Blaan	1,707.88			1%
2	17	Kidapawan Cty	Ilomavis	Obo-Menuvu		0.5%		0.3%
3	27	North	Carmen	Aromanon-Manobo	5,680.63	1%	715	0.3%
4	59	Cotabato	Makilala	Bagobo-Tagabawa		0.4%		0.2%
5	69		Magpet	Ubo-Manobo	5,163.10	1%	6,149	2%
6	72		Manobo, Magpet	Manobo	5,153.21	1%	3,603	1%
7	88		Carmen	Aromanon-Manobo	13,751.3 0	2%	4,131	2%
8	10 8		Pigcawayan	Aromanon-Manobo	3,999.02	1%	1,024	0.4%
9	11 1		Amabel, Magpet	Manobo	-	0.4%		0.3%
1 0	11 2		Libungan	Erumanen Menuvu	36,457.2 0	5%	5,325	2%
1 1	11 3		Magpet	Obo-Monuvu	15,102.8 3	2%	5,702	2%

N	CADT Location			Area		IP Holders	Rights	
	#	Province/City	Municipality/Baran gay	ICC/IP Group	Hectares	%	#	%
1 2	13 9		Kidapawan City	Ubo-Monuvu	716.07	0.1%	924	0.4%
1 3	15 4		Arakan, Antipas, Pres. Roxas, Magpet & Matalam	Tinonanon-	40,350.3 1	6%	16,488	7%
1 4	15 5		Magpet	Ubo-Monuvu	701.10	0.1%	1,969	1%
1 5	16 3	Sarangani	Malungon	Blaan-Tagakaulo	74,804.6 7	11%	52,110	21%
1 6	16 4		Glan	B'laan Manobo	23,925.5 8	4%	1,828	1%
1 7	16 6		Alabel	B'laan-Tagakaulo	43,811.1 9	6%	14,738	6%
1 8	16 9		Malapatan	Blaan	30,781.8 1	5%	17,382	7%
1 9	17 1	Sarangani & S. Cotabato	Maasim & Kiamba; Ned, Lake Sebu	T'boli & Manobo	- 75,135.6 2	11%	13,500	5%
2 0	17 2	South Cotabato	T'boli	T'boli & Blaan	88,184.1 8	13%	17,912	7%
2 1	17 5	cotabato	Lake Sebu	T'boli, Manubo 8 Tasaday		2%	1,487	1%
2	18 3		Tampakan	B'laan	4,533.32	1%	2,867	1%
2	18 9		Tantangan & Noralla	T'boli	4,936.82	1%	2,279	1%
3 2 4	19 0		Lake Sebu	T'boli & Ubo	40,981.6 6	6%	41,197	16%
2 5	20 2		Surallah	T'boli & Ubo	5,379.59	1%	1,835	1%
2 6	20 7		Koronadal City	Blaan	2,648.02	0.4%	4,988	2%
2 7	21 4		Banga	Blan & Tboli	3,999.62	1%	6,153	2%
2 8	22 1		Matalam	Erumanen ne Menuvu	48,669.3 1	7%	5,194	2%
2 9	22 2		Surallah	Tboli	7,893.11	1%	2,491	1%
3 0	22 8	Sultan Kudarat	Sen. Ninoy Aquino	Manobo-Dulangan	26,994.2 2	4%	3,904	2%
3 1	22 9		Kalamansig	Manobo-Dulangan		0.5%	1,007	0.4%
3	23 0		Lutayan	B'laan	815.11	0.1%	616	0.2%
3	23 1		Esperanza	Tiruray	1,253.57	0.2%	1,454	1%
3 4	24 0		Palimbang	Manobo Dulangan	7,035.02	1%	2,567	1%
3 5	24 7	Sultan Kudarat & Maguindanao	Esperanza, Isulan & Ampatuan	Manobo-Dulangan	29,458.5 4	4%	3,627	1%

* There are still CADTs on process and ADs undergoing validation, some not necessarily applying for titling.

** Includes land and water **Source**: NCIP (2020)

16. Table 2 further shows that in 2020, of the total 248 CADTs 31.4% (1,804,603.89 ha) are in Region XII awarded to 249,711 IP rights holders and in CAR, 7% (404,730.62 ha) with 288,231 rights holders. The highest is in Region XI (Davao) with 1,126,468.52 ha and 292,539 rights holders.

2. IPs within Project Participating Provinces

a. Cordillera Administrative Region

17. Cordillera is one of the largest of the country's three mountain ranges, with a semitemperate climate. The region is inhabited by several tribes of various cultural diversities most of which spend their lives in the forests of the region. CAR is home to about 1.2 million indigenous people, collectively known as *Igorots*, composed of various ethnolinguistic groups, mostly *Bontok, Kankanaey, Ibaloy, Kalinga, Tinggiuan*, and *Isneg*^{10.} *Igorot* means "mountain people".

Abra. The *Tingguians* or *Itneg* are the indigenous tribes of the province of Abra, 18. The word *Tingquian* is from the Malaysian word *tingqi/tingue* which means 'surrounding mountains'¹¹ or high or elevated¹². There are 11 subgroups belonging to the *Tingguian* aroup that have similarities but also have innate distinctiveness among them, these are the Adasen, Banao/Vanaw, Binongan, Balatok, Belwang, Gubang, Inlaud/ Illaud, Maeng, Mayudan (or Ammutan in the past), Masadiit, and Mabaka. Tingquians are known as rice cultivators in the upland fields, many of them produce traditional rice varieties such as *ballatinaw, balatoy, ulyog, binaay, sinumay, langpadan, and gangkab*. Families commonly reside in the mountain fields to protect their produce and other crops like camotes, sugarcane, and cotton¹³. With other fields situated too far up the mountains, maturity of the crops is dependent on the rainfall. Furthermore, the importance of rice is manifested in numerous and sometimes elaborate rites of the *Tingquians*, mostly consulting omens, acts of sacrifice, propitiation, and thanksgiving which is interwoven with their tribal law, that is crucial to the rice's cultivation. Secondary sources of livelihood are iron works, spinning and weaving, rope and string manufacturing, and basket making.

19. For *Tingguians*, land is related to life, since it is not only a source of sustenance but also it is where their ancestors are buried¹⁴. ADs are considered sacred as it is where the living and spirits are coexisting. A resource management system from the *Tingguians* is called *Lapat*. Under the *Lapat*, a family designates a specific domain (i.e. river, creek, portion of a forest, etc.) closed off from human activities and exploitation for years, usually 1-2 years. Violators under the *Lapat* system will be punished based on customary law.

¹⁰ Molintas, J. M. (2004). The Philippine indigenous peoples' struggle for land and life: challenging legal texts. Ariz. J. Int'l & Comp. L., 21, 269.

Paderes/publication/348190477_DEMOGRAPHIC_AND_SOCIO-CULTURAL_PARTICIPATION_OF_TINGGUIAN_WOMEN_OF_ABRA_PHILIPPINES/links/5ff32ddfa6fdccdcb82e5cb3/DEMOGRAPHIC-AND-SOCIO-CULTURAL-PARTICIPATION-OF-TINGGUIAN-WOMEN-OF-ABRA-PHILIPPINES.pdf

¹² National Commission on Indigenous Peoples & Tourism Promotions Board Philippines. (2021). Indigenous Cultural Communities "Pagkilala" Recognize Indigenous Peoples and Ancestral Domains.

¹³ Cole, F. C., & Dorsey, G. A. (1915). The Tinguian: Social, religious, and economic life of a Philippine tribe (Vol. 14). The Museum. Retrieved from:

https://books.google.com/books?hl=en&lr=&id=iVIKAQAAMAAJ&oi=fnd&pg=PA1&dq=Abra+Philippines+Tingguian&ots=ugzQJ-Ko-j&sig=FAw5bm1k6MDqFLLk9hsGJZDd6E8

¹⁴ Rovillos, R. D. (n.d.) Constructing the Boundaries of Places, Spaces and Identities in Abra (1823–1904). Retrieved from: https://thecordillerareview.upb.edu.ph/wp-content/uploads/2021/06/3-TCR-VI-1-Rovillos.pdf

20. **Apayao.**¹⁵ Majority of the IPs in the province of Apayao is the *Isnag/ Isneg* who are the original inhabitants of the province¹⁶. Due to the topography and climate of Apayao, agricultural production is rampant, with crops such as rice, corn, coffee, root, crops and vegetables and fruits like lanzones, citrus, bananas, and pineapples¹⁷. In the past when rice paddies were not yet established, the *Isnags* engage in swidden farming where they plant rice, vegetables, and legumes. With the presence of rice paddies, produce from both rice paddy farming and swidden farming are sources of livelihood. *Isnags* also practice weaving handicrafts out of rattan and bamboo. Some communities of *Isnag* have difficulties in transporting their products/ produce to the market or neighboring villages because of the need for a horse for transport.

21. For the *Isnag*, the forest is a source of livelihood but also a sacred place as it is also a place of worship. *Isnags* gather various kinds of food, raw materials, and medicinal plants and hunt wild of wild animals in forests. The *Isnag's* ADs are usually mineral resources thus it has been targeted by foreign mining corporations.

22. The most notable environmental management system that the *Isnags* practice is the *Lapat* System. The *Lapat* System¹⁸ subjects either an area of a body of water, plantation, forest, or residential lot as sacred as a way of honoring a dead family member. The bereaved family takes care and looks over the area and can impose penalties to intruders. This way, the area is untouched up to 1-2 years until a say-am / grand festivity is conducted to lift the lapat.

23. **Benguet.** *Kankanaey*¹⁹ is one of the ethnic groups residing in Benguet. The group's occupation is predominantly farming in their rice fields and uma or swidden gardens. Rice, crops, and other harvests are all used for household consumption and for sale. The forests are also source for edible plants like fruits, root crops, and vegetables. The common crops consumed by the *Kanakanaeys* are rice, corn, taro, and camote. Taro and camote are sometimes reserved for festivities like *Cañaos*, a social gathering among local communities. In general, *Kankanaeys* have a strong association with their environment as this is seen as closely tied with the world of the spirits. Therefore, traditions and rites are all related to the environment and the spirits that live among them.

24. Men and women among *Kankanaeys* are of equal status²⁰ although men usually work away from home to provide food, shelter, and draft animals then return to their homes and care for their children. Women, on the other hand, mostly, stay at home and tend to small crops like camote and coffee, prepare food for the family, sometimes community, and assist men in transporting surplus products.

25. Another IP group are the *Ibaloi*. The *Ibaloi* settlements are found in the southern parts of Benguet—Atok, Bokod, Itogon, Kabayan, Kapangan, La Trinidad, Sablan, Tuba, Tublay, and Baguio City—with some in the foothills and mountains of eastern Nueva Vizcaya. It is believed, in the past, that they were inhabiting in gold mining camps but in actuality in leveled "fertile valley lands" ideal of wet rice agriculture, as manifested in their

¹⁵ Sebastian, A., Dando, L. R., Dando, S., Goco, R. M., Galang, R., & Sia, I. (2013). Phase II documentation of Philippine traditional knowledge and practices on health and development of traditional knowledge digital library on selected ethnolinguistic groups: the Taubuid Mangyan people of sitio Safa, barangay Sabang, Pinamalayan, Oriental Mindoro. University of the Philippines, Manila. Barangay Sabang, Pinamalayan, Oriental Mindoro. Oriental Mindoro. Retrieved from: https://mabikas-foundation.org/wp-

content/uploads/2020/06/the_knowledge_and_practices_on_health_of_the_isneg_tribe_in_apayao.pdf

 ¹⁶ Angagan, J. S., Buot, I. E. J., Relox, R. E., & Rebancos, C. M. (2010). Ethnobotany of the plant resources in conner, Apayao, Northern Luzon, Philippines. J Nat Stud, 9(1), 31-38.
 ¹⁷ Ibid.

¹⁸ Sadao, N. C. (2010). Lapat system: an indigenous natural resource management system of the Isnags in Apayao [Philippines]. Journal of ISSAAS [International Society for Southeast Asian Agricultural Sciences](Philippines).
19 Bersamin, A. T., Tayaben, J. L., Balangcod, K. D., Balangcod, A. K. D., Cendana, A. C., Dom-Ogen, E. T., ... & Balangcod, T. D.

¹⁹ Bersamin, A. T., Tayaben, J. L., Balangcod, K. D., Balangcod, A. K. D., Cendana, A. C., Dom-Ogen, E. T., ... & Balangcod, T. D. (2021). Utilization of plant resources among the Kankanaeys in Kibungan, Benguet Province, Philippines. Biodiversitas Journal of Biological Diversity, 22(1). Retrieved from: https://www.smujo.id/biodiv/article/download/7516/4525

²⁰ Bean, R. B. (1908). The Benguet Igorots: a somatologic study of the live folk of Benguet and Lepanto-Bontoc. Bureau of Printing. Retrieved from:

 $[\]label{eq:https://books.google.com/books?hl=en&lr=&id=V0xWAAAAYAAJ&oi=fnd&pg=PA409&dq=Bontoc+Benguet+indigenous+people&ots=FsmluP5HYh&sig=cNEXIh-qCdiSNjfgRH_Yg-PADHQ$

oral traditions²¹. The livelihood of the *Ibaloi* are swidden farming, hunting, gold mining, and trading, with the latter two controlled by the *baknang* (elite). This was followed by intensifying their agricultural productions and diversifying to cattle raising. Currently, *Ibalois* and *Kankanaeys* are also tapped by big mining companies as manual laborers²².

26. The *Kalanguya* have settlements in various northern regions of the country but in the Cordilleras, they inhabit the provinces of Benguet and Ifugao²³. The *Kalanguyas* are into farming, many of which are root crops, rice, and vegetable. Lands are seen as sacred, especially Mt. Pulag which is a sacred ground off their departed ancestors. Mt. Pulag settlements expanded into tourism and IPs served to became tourist guides. River around their communities are also sources of food and income.

27. Living in the barangays of *Karao* and *Ekip* in Bokod, Benguet are the *Karao*²⁴. They are formerly known as *Ponoypoy* and is believed to originate from Natonin, Mountain Province. Their livelihoods are focused on agriculture with main products coming from rice, vegetables, and root crops like sweet potato, taro, and cassava. Other activities are swine and cattle raising and fruit production (mango, avocado, and papaya). Home industries like rattan and bamboo weaving is also a source of livelihood. Theu have a council of elders called *Yangkaama* or *Yangkabahkol* that governs their ADs.

28. **Ifugao.**²⁵ Ifugao came from the *Kankanaey* word "man" or "person" which was soon named after the inhabitants of the province²⁶ other say it comes from the word ipugo, meaning "people of the earth, mortals, or humans"²⁷ For the Ifugaos, mountain ranges or forests surrounding their communities are mostly privately-owned or clan-owned which are collectively called *muyong*. *Muyong* is known as a traditional land-use zoning system placed along mountain peaks until mid-slopes. These woodlot areas are sources of fuel wood, wood for construction, and edible fruits. *Muyongs* are also essential in the protection against soil erosion and watershed management that supply water to the Ifugaos' rice paddies. The province's rice terraces, one of the UNESCO World Heritage, and *muyong* are both ADs.

29. Rice is the staple food for the Ifugao, supplemented by potatoes, yam (*kamote*), vegetables and meat²⁸. Ifugaos living in rural areas are farmers tilling and cultivating their lands. Traditionally, Ifugaos believe that harvesting of rice is only done once a year so as land needs to heal or recuperate. Other sources of food, for the Ifugao, then are from outside the country which are widely available in the markets.

30. Single time harvest is hardly practiced by the Ifugao farmers, with the rampant use of commercial rice varieties to meet market and dietary needs, native *Tinawon* rice is rarely planted²⁹. The use of commercial rice varieties are affecting the terraces, with the introduction of new pests and commercial pesticides to address the issue³⁰.

²¹ Canilao, M.A. (n.d). Lost in the Retelling: Washed-out Balitok (Gold) in Ibaloi Generational Memory Ibaloi Diaspora into Benguet (Part 2). Hukay, 14, 91-110. Retrieved from: https://www.academia.edu/download/49570118/4106-10257-1-PB.pdf 22 Canilao, M. A. P. (2011). Transformations in Ibaloi gold extraction: From the protohistoric period to the current era (14th c-20th c).

Aghamtao Journal, 20, 20-39. Retieved from: https://www.academia.edu/download/49623322/Aghamtao_vol20.pdf ²³ National Commission on Indigenous Peoples & Tourism Promotions Board Philippines. (2021). Indigenous Cultural Communities "Pagkilala" Recognize Indigenous Peoples and Ancestral Domains

⁴ National Commission on Indigenous Peoples & Tourism Promotions Board Philippines. (2021). Indigenous Cultural Communities "Pagkilala" Recognize Indigenous Peoples and Ancestral Domains.

²⁵ Camacho, L. D., Gevaña, D. T., Carandang, A. P., & Camacho, S. C. (2016). Indigenous knowledge and practices for the sustainable management of Ifugao forests in Cordillera, Philippines. International Journal of Biodiversity Science, Ecosystem Services & Management, 12(1-2), 5-13.

²⁶ Lambrecht, F. H. (1981). The Kalinga and Ifugaw Universe. Ultimate Reality and Meaning, 4(1), 3-23. Retrieved from: https://www.utpjournals.press/doi/pdf/10.3138/uram.4.1.3

 ²⁷ Wardani, E. M. (2016). Food for Indigenous Communities in Times of Global Crisis: Reflection from the Experiences of Orang Rimba Community (Jambi Province, Indonesia) and Ifugao Community (Ifugao Province, the Philippines). Jurnal Kajian Wilayah, 2(1), 19-34.
 ²⁸ Wardani, E. M. (2016). Food for Indigenous Communities in Times of Global Crisis: Reflection from the Experiences of Orang Rimba Community (Jambi Province, Indonesia) and Ifugao Community (Ifugao Province, the Philippines). Jurnal Kajian Wilayah, 2(1), 19-34.
 ²⁹ Avtar, R., Tsusaka, K., & Herath, S. (2019). REDD+ implementation in community-based muyong forest management in Ifugao, Philippines. Land, 8(11), 164.

31. **Kalinga.** Kalinga province is home to the Kalinga IPs which were named as such by neighboring ethnic groups as the Kalingas were headhunters in the past³¹. The main source of livelihood by the Kalinga is farming on hillside rice terraces³². This rice terraces farming is heavily reliant on the conservation and protection of adjacent mountain forest biodiversity and overall health of local watersheds. Kalingas living in mountainous areas are also hunters and gatherers with some have individual backyard gardens³³.

32. The Kalinga practices an indigenous forest management system (IFMS) in the form of the *imong* that is forest lot or communal forest area owned and managed by an individual or family usually as an inheritance from another generation. The passing on of ownership and management of the forest (orchard). It is used as a watershed to sustain vegetation, for productive rice cultivation and for other livelihood activities. At the same time, it enhances ecological conservation through biodiversity protection and forest regeneration which are all prescribed by the traditional harmonious relationship of the earthly and supernatural world of the *iKalinga*.

33. In the *imong*, one finds diverse varieties of trees planted by the owners that can be utilized for house construction, soft trees for making coffins, trees for firewood and fruit bearing trees. Trees usually found in watershed areas are also planted, among these *Tabbog*, *Alimit*, and *Sabrang*, which are local species that indicate the presence of water sources. Other species found in the *imong* are bamboo varieties that are used for building houses and making baskets, tiger grass for making brooms, coconut trees for lumber and brooms, rattan and *anos* (wild bamboo) for weaving baskets, and *buwa* (betel nut) trees (Balawan et al, 2014).

34. **Mountain Province.** One of the major ethnolinguistic groups of the Cordillera region is the *Kankanaey* that reside in Mt. Province. This IP group are combining the beliefs of Christianity and traditional customs and beliefs³⁴. For the people of Mountain Province, rice is a staple food therefore land and water are treated with the same value. Majority of the households engage in irrigated rice farming in which it is planted in their vast rice terraces and is a source of subsistence for the community³⁵. Supplementary crops like peanut, corn, and sugar canes are also planted by the community. Other sources of income are from labor, livestock, and retail business.

35. Water sources within traditionally held private lands are regarded as accessible to all the community, as water is not owned but shared and belongs to all. Since the water source has no owner, management or leadership is usually given to the elders and those educated or articulate³⁶. Currently, customary laws are imposing the need to regenerate aquatic resources to sustain the communities' water quality and quantity.

36. For forested land, the *Tayan* is an indigenous system of forest resource management wherein a clan, particularly a bilateral descent, exclusively manages some parts of the forests³⁷, therefore activities within the land is bounded by clan rules.

³¹ Lambrecht, F. H. (1981). The Kalinga and Ifugaw Universe. Ultimate Reality and Meaning, 4(1), 3-23. Retrieved from: https://www.utpjournals.press/doi/pdf/10.3138/uram.4.1.3

³² United Nations Development Programme. 2012. Kalinga Mission for Indigenous Children and Youth Development, Inc. (KAMICYDI), Philippines Equator Initiative Case Study Series. New York, NY

³³ Atlas of Humanity. (n.d.). Kalinga People, Philippines. Retrieved from: https://www.atlasofhumanity.org/kalinga

³⁴ Dulnuan, J. R. (2005). Perceived tourism impact on indigenous communities: A case study of Sagada in Mountain

Province. Sustainable tourism: Challenges for the Philippines, 161-204. Retrieved from: https://sswm.info/sites/default/files/reference_attachments/UNESCO%202006%20Water%20and%20Cultural%20Diversity.pdf#page=1 85

³⁵ Alangui, W. V., & Caguioa, M. C. C. Protecting the Forest: Learning from the Agawa Women of Besao, Mt. Province. Sustaining & Enhancing Forests Through Traditional Resource Management, 267.

³⁶ Dictaan-Bang-Oa, E. P. (2006). Traditional water management among the Kankanaey of Besao, Mountain Province, Philippines. WATER AND CULTURAL DIVERSITY, 175.

³⁷ Molintas, J. M. (2004). The Philippine indigenous peoples' struggle for land and life: challenging legal texts. Ariz. J. Int'l & Comp. L., 21, 269. Retrieved from: https://repository.arizona.edu/bitstream/handle/10150/659142/13_21ArizJIntlCompL_269_2004.pdf

37. Another IP in the Mt. Province are the *Applai*³⁸, which means upstream. Most of them reside in the municipality of the Besao, Sagada, Tadian, and Sabangan Bauko. Their mains source of livelihood is rice farming. Other sources of income are vegetable farming, traditional mining, businesses related to tourism, pottery, and weaving. Most forests inhabited by the *Applai* are communal forests which are regulated by the elders of the community.

38. From the municipalities of Barlig, Natonin, and Parcelis, the *Balangao* IP group are found³⁹. Some of the ethnolinguistic groups in the area are the *Kachakran, Lias*, and *Fialig*. Their main source of livelihood and sustenance is from rice farming that is produced year-round. Root crops, legumes, and vegetables are also part of their diets and surplus are sold in the market. The *Lias*, ethnolinguistic group is known for their freshwater fishing activities, wherein the *chalit* or eel is considered as one of their highly priced catches. Natonin IPs are into abaca fiber production. Barlig is known for their rattan weaved products, one of which is called pasking or the rattan backpack.

39. The *I-Bontoc* or *Bontoc*⁴⁰ ethnic group is mostly found inhabiting the municipalities of Bontoc and Sadanga. ADs/ALs and settlements are usually found in the Upper Chico River area, most of which are submerged by dams. For the *Bontoc*, their land and environment should be protected because it is believed that harming the environment and its people will cause misfortune to the individual, his/her family, and community. Their livelihood is on the agriculture of rice, root crops, and legumes. Other activities by the *Bontocs* are weaving.

40. *Iwak* IPs reside in the barangays of Itogon, Benguet⁴¹. They are considered as the least populous IP group in the Cordilleras. They co-exist with the *Ibaloy* and *Kalanguya* IPs groups, even somewhat adopting their language and culture. Their agricultural systems range from wet farming to cultivation of root crops and vegetables. They also engage in weaving baskets, trays, and brooms, of which are sold in Nueva Viscaya.

b. Region 12-SOCCSKSARGEN

41. Region 12 is a melting pot of diverse cultures with indigenous groups like *Manobo*, *Tagabawa*, *Bagobo*, *B'laan*, and *Klata*⁴². Majority of the residents of Mindanao are called Muslims. Muslims see land as belonging to the community, and not to individuals⁴³. The datu/chieftain usually decides who would occupy a land. In the past, since Muslims see land as communal, they often fail to recognize land titles as legitimate.

42. **North Cotabato**⁴⁴. The majority of the IPs in North Cotabato are the *Manobos*, *Bagobo* and *Tagabawa* who are inhabiting lands beside the forests. The *Manobo* tribe found mostly in North Cotabato are the *Manuvu Erumanen*⁴⁵. In the past, *Manobos* are highland residents with swidden agriculture as a subsistence economy. With time, *Manobo* ADs have been accessed and exploited by outside groups, especially logging companies, which resulted to their displacement and intermittent access to their lands, their source of living. Dispossessed *Manobos* are mostly forced to the steep sections of mountains where soil is thin, quickly eroded, and lose their fertility. The *Manobo's* view on land is semi-communal, communal land but recognizes that individuals are occupying them. Land conflicts are also

³⁸ National Commission on Indigenous Peoples & Tourism Promotions Board Philippines. (2021). Indigenous Cultural Communities

[&]quot;Pagkilala" Recognize Indigenous Peoples and Ancestral Domains. ³⁹ Thid.

⁴⁰ Ibid.

⁴¹ National Commission on Indigenous Peoples & Tourism Promotions Board Philippines. (2021). Indigenous Cultural Communities "Pagkilala" Recognize Indigenous Peoples and Ancestral Domains.

⁴² Mancao, L. S. (2022). Indigenous Herbs and Spices in Selected Areas of North Cotabato: An Ethnobotanical Survey. Asian Journal of Agricultural and Horticultural Research, 9(1), 29-51. Retrieved from: http://sciencerepository.uk/id/eprint/1390/

⁴³ Fraiser, D. M. (2001). Land conflict of the cotabato Manobo people. Philippine studies, 49(2), 215-235. Retrieved from: https://www.jstor.org/stable/42634627. Retrieved from: http://www.philippinestudies.net/ojs/index.php/ps/article/viewFile/425/429 44 Ibid.

⁴⁵ Arciosa, R. M. (2022). DETERMINING BERNOULLI'S PRINCIPLES IN BASKET WEAVING OF MANOBO TRIBESMEN IN SOUTHERN PHILIPPINES. Journal of Technology and Operations Management, 17(2), 16-26.

present between *Manobos*, Lowlander settlers, and Muslims, usually due to differences in perspectives.

43. There are *Bagobos, Manobos*, and *Klata* ethnic settlements near the Mt. Apo National Park, majority of which are the *Manobos*. The *Manobos* are farmers and livestock dispersal project beneficiaries. The farmers plant banana, rubber, tiger grass and coffee⁴⁶.

44. The *Tagabawa-Bagobo/ Bagobo Tagabawa* tribe are known to be upland farmers and farm laborers in adjacent areas⁴⁷. Cash crops being cultivated are abaca, coffee, and some temperate vegetables. Income from agriculture is not enough to meet household monthly expenses, specifically on food, education, and medicine. They engage in farming in the mountain slopes and lowland farming of rice, corn, and vegetables. They also hunt and gather in the forests near their settlements. Livestock-raising, fishing, and trading of local handicrafts is also a common economic activity within their community.

45. **South Cotabato**⁴⁸. The majority of indigenous group occupying South Cotabato is the *B'laan*. The *B'laan's* perception on land is a part of nature and acquiring produce from nature would require permission from the Creator. Being part of the land, the *B'laan* did not claim parts of it as it was also for communal use however, due to external factors like parcelization of land which was distributed to migrant settlers, the *B'laans* migrated to the mountains. Before retreating to the mountains, *B'laan* tribes practiced shifting cultivation in the lowlands and hunting and gathering of forest products. *B'laans* in mountainous areas are cultivating slope lands with corn as the main crop. With the disadvantage of cultivating slope lands, most *B'laans* go down to the lowlands and look for various jobs as farmers, laborers, and porters.

46. There are also *Manobo Blit* and *Tasaday* communities residing in the rough and mountainous areas of Lake Sebu and South Cotabato coastlines, respectively⁴⁹. Both IP groups engage in hunting and farming as sources of living. Currently, both practice swidden farming or temimba with main crops such as upland rice, corn, root crops, peanuts, fruits, and vegetables. The *Manobo Blit* and *Tasaday* go hunting in groups to hunt for deer, wild pigs, wild rooster, monkey, and birds but these are only killed if they are harmful to their crops.

47. The word *T'boli* came from the vine vegetable called boli which grew abundantly around the community where the IP group are residing in Lake Sebu, T'boli, Maitum, and Kiamba⁵⁰.The *T'boli* IPs cultivate their lands and practice swidden farming along the foothills and produce corn, upland rice, root crops, and other vegetables. They also engage in fishing in their lakes and rivers. Weaving, mat making embroidery, beadwork, and brass cutting are also the activities common among the *T'boli* IP group.

48. The *Ubo* are known as the metalsmiths of Lake Sebu because the name originated from an *onit*, an arrow protector with bow and arrow. This mountain people practice swidden farming.

49. **Sarangani**⁵¹. In Sarangani Province, the *Blaans* are the dominant IP group living in the only landlocked Municipality of Malungon and the coastal towns of Alabel, Malapatan, Glan as well as some parts of Maasim. The groups' main source of livelihood is from

⁴⁶ Ibid

⁴⁷ Mancao, L. S. (2022). Indigenous Herbs and Spices in Selected Areas of North Cotabato: An Ethnobotanical Survey. Asian Journal of Agricultural and Horticultural Research, 9(1), 29-51. Retrieved from: http://sciencerepository.uk/id/eprint/1390/ 48 Umehara, H. (2009). Koronadal Valley Half a Century after Land Settlement in South Cotabato, Mindanao. Philippine Studies, 505-

Static end from: http://www.philippinestudies.net/files/journals/1/articles/8961/public/8961-9937-1-PB.pdf
 National Commission on Indigenous Peoples & Tourism Promotions Board Philippines. (2021). Indigenous Cultural Communities

¹⁰ National Commission on Indigenous Peoples at Ourism Promotions Board Philippines. (2021). Indigenous Cultural Commis ¹⁰ Pagkilala" Recognize Indigenous Peoples and Ancestral Domains ¹⁰ Ibid.

⁵¹ South Cotabato II Electric Cooperative, Inc. (n.d.). Indigenous Peoples Plan Solar Home System Window 2 Project. Retrieved from: www.napocor.gov.ph/images/asep/SOCOTECO_II_IP_plan_PVM_W2.pdf

swidden farming, weaving (men weave baskets while women mats), fishing, hunting, food gathering, and tool and weapon-making^{52.}

50. The traditional *Tboli* homeland was marked by the Calaun (Kalaong) river. This ancestral homeland extended east from the Celebes coast to include the hinterlands of Lakes Sebu, Lahit and Seloton as well as the coastal areas of the modern municipalities of Maitum, Kiamba, and Maasim. In Allah Valley, floodplain, *T'bolis* live with other indigenous people's group, the *Blaans*. Until now, the *T'boli* has distinguished themselves in two indigenous crafts, weaving and metal working. This craftsmanship is particularly more advanced than in other indigenous groups.

51. Another indigenous group inhabiting the province of Sarangani is the *Tagakaolo*, also known as *Saka, Kagan* (*Kalagan, Calaganes, Calagars*) or *Laoc. Tagakaolo* means "those who dwell at the head of the river". As a source of livelihood⁵³, the group are fishing in the rivers for sustenance, however, quantity of fish is affected by irrigation-use, siltation, and pollution. Other sources of livelihood are hunting and gathering. Catches from hunting is affected by deforestation so women would gather root crops, edible ferns, and mushrooms to supplement their diets. Rice is also a staple in their diets but when it is scare, the IP group turns to gathering the toxic yam from a wild vine called bay.

52. **Sultan Kudarat**⁵⁴. The *Manobo* tribe mostly found in Sultan Kudarat are the *Manobo Dulangan*⁵⁵. Some *Manobos* live in coastal areas but the *Dulungan Manobos* inhabit the mountain areas of Sultan Kudarat, this is because "*dulungan"* means "high area"⁵⁶. This Manobo group's main source of livelihood are swidden agriculture and various products from the forests. Sultan Kudarat *Manobo Dulangan* are known as weavers and most are women who specialize in craft arts weaving.

53. Just like the greater *Manobo* group, land is considered as sacred, communal, a source of identity. Usually, family-owned large portions of land are considered communal land where the owners have rights to utilize the land while people in good terms with the owners are given rights to settle and use the land. However, there are cases where *Manobo* are subjected to exploitation, oppression, killings and land grabbing thus affecting their rights to self-determination, motivating them to struggle for recognition. Swidden farming or *elgabek* is their type of farming practice⁵⁷. Traditional farming practices include *ighemula* or drawing pig's blood on the farm land to ensure good harvest. Traditional crops include native corn, upland rice, banana, camote, and vegetables.

54. Another distinct IP group from South Cotabato and Sultan Kudarat are the *Taboli Manobo*, who are direct descendants of the *Manobo Dulangan*, who have established an identity and territory of their own⁵⁸. Traditionally, they depend of swidden farming with crops such as rice or *binek*, glutenous corn, sweet potato or *mandu*, taro or *kewel*, and many more. They also practice hunting for wild animals. In their community, the *bong datu* is the highest leader that settles conflict for the whole territory. The *bong datu* is identified as having knowledgeable on customary laws and have accumulated properties and vast lands.

⁵⁶ Cruz-Lucero, R. (2007). Ang dalumat ng panahon at espasyo sa mga Traki ng Dulangan Manobo. Humanities Diliman: A Philippine Journal of Humanities, 3(1). Retrieved from: https://www.academia.edu/download/45560915/31-791-2-PB.pdf

⁵² Bello, A. T., & Bardos, S. E. (2020). B'laan Population Structure and School Indicators: Basis for School Planning. Asian Journal of Education and Social Studies, 12(3), 30-41. Retrieved from: http://stmdigitallib.com/id/eprint/601/1/Bello1232020AJESS62020.pdf 53 Arquiza, Y. D. (2001). Weaving a new web of life. INDISCO Case Study No, 7. Retrieved from:

 ⁵³ Full and the second s Second sec

⁵⁴ Petrola, J. P. J. (2017). Economic Globalization and the Manobo Peoples' Struggle for Social Justice. International Journal of Science and Research (IJSR), 6(12), 1890. Retrieved from: https://www.researchgate.net/profile/John-Paul-

Petrola/publication/322365750_Economic_Globalization_and_the_Manobo_Peoples'_Struggle_for_Social_Justice/links/5a56306aa6fdcc30 f86d2b7a/Economic-Globalization-and-the-Manobo-Peoples-Struggle-for-Social-Justice.pdf

⁵⁵ Arciosa, R. M. (2022). DETERMINING BERNOULLI'S PRINCIPLES IN BASKET WEAVING OF MANOBO TRIBESMEN IN SOUTHERN PHILIPPINES. Journal of Technology and Operations Management, 17(2), 16-26.

⁵⁷ National Commission on Indigenous Peoples & Tourism Promotions Board Philippines. (2021). Indigenous Cultural Communities "Pagkilala" Recognize Indigenous Peoples and Ancestral Domains

55. The *Teduray* came from the words "*tew*" meaning person ad "*duray*" meaning bamboo with a hook and a fishing line⁵⁹. With this, their ancestors are known to be fishermen. They classify themselves as mountain, river, and coastal peoples, depending on their settlement area. Regardless of their identification, their common livelihood is on farming of rice, corn, sweet potato, coconut, vegetables, and root crops. Others sell firewood and charcoal. They practice indigenous communal farming called *Timanan* where harvest is equally shared among the community. During dry seasons, they engage in fishing and hunting.

C. Summary of Substantive Rights and Legal Framework

1. Applicable National and International Laws Impinging on IP Rights

56. Table 3 provides the list of national and international laws that support or impact on IP rights and the lands they occupy.

Year	Policy	Salient Features
Natio	nal Laws	
198 7	The 1987 Philippine Constitution	The State recognizes, promotes, protect, and respect the rights of indigenous cultural communities within the framework of national unity and development
193 6	Commonwealth Act 141 (The Public Land Act)	This Act provides for the classification of lands that are still in the public domain into A&D, Forestland and Mineral Lands. Under this law, only A&D lands can be privately owned; Forestlands and Mineral Lands cannot be privately owned (hence inalienable). The law vests the President with authority to reclassify lands or "transfer such lands from one class to another, for the purposes of their administration and disposition".
195 2	Republic Act 730	An act to permit the sale without public auction of public lands of the republic of the Philippines for residential purposes to qualified applicants under certain conditions.
197 5	Presidential Decree 705: Revised Forestry Code of the Philippines	Tribes are entitled to rights of ownership and possession existing at the time a license is granted under this Code. Possession includes places of abode and worship, burial grounds, and old clearings, but excludes production forest inclusive of logged-over areas, commercial forests and established plantations of forest trees and trees of economic value.
198 8	Republic Act 6657 of 1988: Comprehensive Agrarian Reform Law (CARL)	States that the rights of the IP to their AD/AL must prevail over that of the farmer. Leasing of undeveloped lands on the public domain to qualified entities for the development of capital-intensive farms and traditional and pioneering crops, especially those for export, prior rights of IPs to their ALs shall likewise be respected (Section 2, par. 12). The preeminence of lands that have come under the operation of the Torrens System of titling as against ADs/ALs so in case of conflict between ADs/ALs and Torrens titles, CARL will settle in favor of the titled lands.
199 1	Republic Act 7160: The Local Government Code of 1991	IPs may establish tribal barangays as similarly recognized by the IPRA in barangays where majority of the inhabitants are members of indigenous cultural communities, local

Table 3: National Laws and International Laws Affecting IPs

Year Policy Salent Features 9 Systems of settling disputes through their of or elders shall be acknowledged without applicable provisions of this Code. The traditions of ICCs shall be applied in so between members of the cultural commun. 199 Republic Act 8293: Intellectual and industrial properties sh secure the exclusive rights of scientists, in and other gifted citizens to their intellectur creations. 199 Republic Act 8371: The national law that safeguards and recoge of ICCs/IPs with the respect of their cultur systems and ADs. It also states the creation Commission on Indigenous Peoples were ment agency responsible for implementing mechanisms, appropriating and for other purposes. 200 Republic Act 10023 An act authorizing the issuance of fresidential lands. It shall cover all lands thresidential areas, including townsites as de Public Land Act. Any Filipino citizen who occupant of a residential land may apply filte under this Act: Provided; That in freidential lands shuld not exceed two square meters; in other cities, it should not exceed fifty (750) square meters; and in all othe it should not exceed one thousand meters; Provided, further, That the land a needed for public service and/or public user frequates the process of free and Prior Informed Conservity are allowed inside any ICC/IP Administrative 2 201 NCIP Administrative 2 regulates the process of free and Prior Informed Con issues Certificate Precondition (CP) for p deemed to have received free and prior in by the ICC/IP. 201 Joint Administrative 2 The JAO clarifies the DENR has jurisdiction for the public domain while DAR has juri	
7 Intellectual Property Code of the Philippines secure the exclusive rights of scientists, in and other gifted citizens to their intellectu creations. 199 Republic Act 8371: Indigenous Peoples Rights Act (IPRA) The national law that safeguards and recog of ICCs/IPs with the respect of their cultur systems and ADs. It also states the creation Commission on Indigenous Peoples when government agency responsible for implementing mechanisms, appropriating and for other purposes. 200 Republic Act 10023 An act authorizing the issuance of fr residential lands. It shall cover all lands the residential areas, including townsites as de Public Land Act. Any Filipino citizen who occupant of a residential land may apply fr Title under this Act: Provided; That in h cities, the land should not exceed two square meters; in other cities, it should hundred (500) square meters; and in all othe it should not exceed one thousand meters; Provided, further, That the land a needed for public service and/or public use Guidelines for Free and Prior Informed Consent) 201 NCIP Administrative Order No. 1 S of 2012 of DAR, DENR, Land Registration Authority (LRA) and NCIP The JAO clarifies the DENR has jurisdictio DAR, DENR, Land Registration Authority (LRA) and NCIP The JAO clarifies the DENR has jurisdiction of Al covered with Presidential Proclamations of proclaimed the same as reservations or res of particular tribes of ICCs/IPs; and, (iv) All lands encompassed in the definition of Al covered with Presidential Proclamations of proclaimed the same as reservations or res of particular tribes of ICCs/IPs; and, (iv) All Pande NIPAS (ENIPAS)	ut prejudice to the The customs and n settling disputes nunities.
7 Indigenous Rights Act (IPRA) Of ICCs/IPs with the respect of their culture systems and ADs. It also states the creation Commission on Indigenous Peoples where government agency responsible for implementing mechanisms, appropriating and for other purposes. 200 Republic Act 10023 An act authorizing the issuance of firesidential ands. It shall cover all lands the residential areas, including townsites as de Public Land Act. Any Filipino citizen who occupant of a residential land may apply fir Title under this Act: Provided; That in fire cities, the land should not exceed two square meters; in other cities, it should hundred (500) square meters; and in all othe it should not exceed one thousand meters; Provided, further, That the land a needed for public service and/or public use fifty (750) square meters; and in all othe it should not exceed one thousand meters; Provided, further, That the land a needed for public service and/or public use figuidelines for Free and Prior Informed Consent) 201 NCIP Administrative 2 regulates the process of determining if activity are allowed inside any ICC/IP Aff process of Free and Prior Informed Con issues Certificate Precondition (CP) for p deemed to have received free and prior in by the ICC/IP. 201 Joint Administrative (IRA) and NCIP The JAO clarifies the DENR has jurisdiction the public domain while DAR has jurisdiction iands: (i) All lands encompassed in the di (ii) All lands included in the definition of Al covered with Presidential Proclamations of proclaimed the same as reservations or res of particular tribes of ICCs/IPs; and, (iv) A by the Chairman of the NCIP as AD/AL. 201 Republic Act No. 11038: The Ex	s, inventors, artists
9 residential lands. It shall cover all lands the residential areas, including townsites as de Public Land Act. Any Filipino citizen we occupant of a residential land may apply for Title under this Act: Provided; That in the cities, the land should not exceed two square meters; in other cities, it should hundred (500) square meters; in first cl class municipalities, it should not exceed fifty (750) square meters; and in all othe it should not exceed one thousand meters; Provided, further, That the land a needed for public service and/or public uses 201 NCIP Administrative Order No. 3 Series of 2012 (Revised Guidelines for Free and Prior Informed Consent) regulates the process of determining if activity are allowed inside any ICC/IP AI process of Free and Prior Informed Consent) 201 Joint Administrative Informed Consent) The JAO clarifies the DENR has jurisdiction (CP) for p deemed to have received free and prior in by the ICC/IP. 201 Joint Administrative Informed Consent) The JAO clarifies the DENR has jurisdiction on the for lands: (i) All lands encompassed in the definition of Al covered with Presidential Proclamations or proclaimed the same as reservations or reso of particular tribes of ICCs/IPs; and, (iv) A by the Chairman of the NCIP as AD/AL. 201 Republic Act No. 11038: The Expanded NIPAS (ENIPAS)	ture and traditional tion of the National nerein it shall be a for establishing
201NCIPAdministrative Order No. 3 Series of 2012 (Revised Guidelines for Free and Prior Informed Consent)regulates the process of determining if activity are allowed inside any ICC/IP AI process of Free and Prior Informed Con issues Certificate Precondition (CP) for p deemed to have received free and prior in by the ICC/IP.201JointAdministrative Order No. 1 S of 2012 of DAR, DENR, Land Registration Authority (LRA) and NCIPThe JAO clarifies the DENR has jurisdiction I ands and NCIP has jurisdiction on the fo lands: (i) All lands encompassed in the definition of AI covered with Presidential Proclamations or proclaimed the same as reservations or res of particular tribes of ICCs/IPs; and, (iv) A by the Chairman of the NCIP as AD/AL.201Republic Act No. 11038:The Expanded NIPAS (ENIPAS)	s that are zoned as s defined under the who is an actual y for a Free Patent n highly urbanized wo hundred (200) Id not exceed five class and second ed seven hundred ther municipalities, d (1,000) square d applied for is not
201JointAdministrative Order No. 1 S of 2012 of DAR, DENR, Land Registration Authority (LRA) and NCIPThe JAO clarifies the DENR has jurisdiction the public domain while DAR has jurisdiction lands and NCIP has jurisdiction on the fo lands: (i) All lands encompassed in the definition of Al covered with Presidential Proclamations or proclaimed the same as reservations or res of particular tribes of ICCs/IPs; and, (iv) A by the Chairman of the NCIP as AD/AL.201Republic Act No. 11038:TheExpandedNIPAS	if the project or AD, including the Consent. The NCIP r projects that are
	iction over all titled following types of e definition of ADs; f ALs; (iii) All lands s or by law which resettlement areas) All lands certified
Integrated Protected conserved by ICCs/IPs specifically on ADs Areas System Act rights	reas occupied and
International Treatise / Covenants	
197International Covenant on Economic, Social and Cultural Rights• State Parties recognize the inherent dig equal and inalienable rights of all member family is the foundation of freedom, justi the world • Signature:19 Dec 1966	nbers of the human

Year	Policy	Salient Features
		Ratified: 7 Jun 1974
198	Indigenous and Tribal	Also known as the International Labour Organization (ILO)
9	Peoples Convention	Convention 169, is a major binding international convention
200 5	Convention on the Protection and Promotion of the Diversity of Cultural Expressions.	The Convention on the Protection and Promotion of the Diversity of Cultural Expressions is a legally binding international agreement that ensures artists, cultural professionals, practitioners and citizens worldwide can create, produce, disseminate and enjoy a broad range of cultural goods, services and activities, including their own.
200	Convention for the	 Convention that safeguards, ensure respect, raise
6	Safeguarding of the Intangible Cultural Heritage	, , , , , , , , , , , , , , , , , , , ,
200 7	United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)	 This Declaration is a further important step forward for the recognition, promotion and protection of the rights and freedoms of indigenous peoples and in the development of relevant activities of the United Nations system in this field Philippines adopted UNDRIP

57. The United Nations (UN) Declaration on the Rights of Indigenous Peoples provide the international framework for the recognition of IPs rights to which the Philippines is a signatory. The Philippines has not ratified the ILO Convention 169 on Indigenous and Tribal Peoples but is also a signatory to other international treaties with intent to protect or manage biological resources and the environment:

- Convention on Biological Diversity (CBD)
- CBD's Cartagena Protocol on Biosafety
- International Treaty on Plant Genetic Resources for Food and Agriculture
- Ramsar Wetlands Convention
- International Convention for the Prevention of Pollution of the Sea by Oil
- Convention on the Prevention of Marine Pollution by Dumping Wastes and Other Matters
- Montreal Protocol on Substances that Deplete the Ozone Layer
- Chapter 17 of Agenda 21

58. **Gap**. Under IPRA, all proposed policies/ programs/ projects/plans/activities **within** ADs/ALs are subject to the FPIC as validated by the NCIP through field-based investigations that involve potentially affected indigenous people/indigenous cultural communities⁶⁰. Standard 4, on the other hand, requires FPIC **within and outside** only if a project is assessed to potentially result to (i) adverse impacts on land and natural resources with traditional ownership; (ii) relocation from such land or natural resources; or (iii) significant impact on cultural heritage including commercial use of land, natural resources, or cultural heritage.

59. The project shall be compliant to the requirements of IPRA through the NCIP and Standard 4 and adhere to the principles and procedures for the FPIC. An Indigenous Peoples Planning Framework (IPPF) and this FPIC-IP has been prepared (see Attachment 1 for FPIC-IP Indicative Outline).

⁶⁰ NCIP has an exhaustive list of recognized IP communities. However, there are recognized IP groups who do not consider themselves as IPs but more of ethnic group and confirmation for inclusion to the FPIC is determined through the FBI.

2. IP Rights to Land and Resources

60. In line with IFAD's policy on the engagement with IPs⁶¹, the country's primary legal instrument in protecting and upholding the rights of IPs/ICCs, is IPRA of 1997. IPRA recognizes IP inherent rights, including their right to self-determination, to ADs and the applicability of customary laws governing property rights, to self-determined development and to the requirement that free prior informed consent be obtained in relation to any developments that have impact on them. It also recognized AD rights, acknowledging the IPs' time immemorial collective possession of their ADs and establishing mechanisms for these to be delineated and formalized.⁶²

61. IPRA provided for the creation of the NCIP as its implementing agency, composed of seven commissioners appointed by the President representing the seven ethnographic regions in the country as defined by the IPRA. The NCIP is the primary government agency that formulates and implements policies, plans and programmes for the recognition, promotion and protection of the rights and well-being of IPs and for the recognition of their ADs and their rights to their domain. Despite the enactment of IPRA, other laws, on land and natural resources continue to be in force, that challenge IP rights to their ALs (refer to Table 2).

62. Under IPRA, AD pertains to all areas generally belonging to ICCs/IPs, subject to property rights within ADs already existing and/or vested upon the effectivity of IPRA, comprising lands, inland waters, coastal areas, and natural resources therein, held under a claim of ownership, occupied or possessed by ICCs/IPs by themselves or through their ancestors, communally or individually since time immemorial, continuously to the present, except when interrupted by war, force majeure or displacement by force, deceit, stealth, or as a consequence of government projects or any voluntary dealings. It shall include ALs, forests, pasture, residential, agricultural, and other lands individually owned whether alienable and disposable or otherwise; hunting grounds: burial grounds; worship areas; bodies of water; mineral and other natural resources; and lands which may no longer be exclusively occupied by ICCs/IPs, but from which they traditionally had access to, for their subsistence and traditional activities, particularly the home ranges of ICC/IPs who are still nomadic and/or shifting cultivators.

63. With IPRA vesting collective IP ownership to their AD, it thus requires that activities, projects, plans and programs be subject to FPIC of the ICC/IP owning the AD. FPIC is the consensus of all members of the ICC/IPs to be determined in accordance with their respective customary laws and practices, free from any external manipulation, interference and coercion, and obtained after fully disclosing the intent and scope of an activity, in a language and process understandable to the community. NCIP Administrative Order (AO) No. 3 Series of 2012 provides the guidelines for FPIC, further identifying project types that would be covered by the AO, and under what applicable scheme.

3. Land Classification and AD Overlaps

64. The disposition of public alienable and disposable (A&D) lands for ownership is administered by DENR through homestead and free patent based on the Public Land Act and Free Patent Law. Disposition through Free Patent is based on occupation or cultivation of land for at least 30 years. On the other hand, homestead application is based on the desire of Philippine citizens of legal age to cultivate land. In both cases, DENR issues Patents, which represent the legal title of ownership to the disposed land. The Philippines classifies its land resources as either public domain or State-owned, or A&D. Publicly owned lands like those classified as forestlands, mineral lands, national parks, are limited

⁶¹ IFAD Policy on Engagement with Indigenous Peoples (2022). https://www.ifad.org/en/-/document/ifad-policy-on-engagement-with-indigenous-peoples

⁶² Ibid. IFAD

to usufruct and resource utilization rights under certain conditions while public A&D can be disposed through titles or ownership. ADs are carved out of the public domain and are issued CADTs. It is possible that AD areas include privately titled lands and it is possible that ADs exist sans a CADT as stipulated in IPRA.

65. The DAR-issued tenure instruments for ARCs/Beneficiaries, may be through a Certificate of Land Ownership Award (CLOA) for individuals, or Collective Certificate of Land Ownership Award (CCLOA) for a group, are honored under IPRA and the DAR-DENR-NCIP-LRA Joint Administrative Order No. 1, series of 2012 (Joint Administrative Order (JAO) 2012-01), provided these were conferred or obtained **before the effectivity of the IPRA**, and should therefore be segregated from ADs. IPRA and the JAO provide for the segregation of titled properties (that include CCLOAs/CLOAs) from CADTs. Post-IPRA or subsequent issuances of new titles would require Certificate of No Overlap (CNO) from the NCIP.

66. As of this writing, the NCIP withdrew from the JAO 2012-01 and JMC 2012-08 due to certain issues concerning compliance by the other agencies on the requirements for CNO. An updated JAO is under review and is expected to be signed by DAR and NCIP within 2023.

4. IPRA-Prescribed FPIC Process

67. IPRA provides the mechanism of the FPIC in line with the principle of IP selfdetermination. The FPIC process in the country is detailed in NCIP's AO No. 3., Series of 2012. There are three types of projects requiring FPIC under IPRA (Table 4):

Extractive, Intrusive, Large-	Non-Extractive/ Small-	Community Solicited/ Initiated
 Scale projects Exploration, development, exploitation, utilization of land, energy, mineral, forest, water, marine, air, and other natural resources requiring permits, licenses, lease, contracts, concession, or agreements e.g., production-sharing agreement, from the appropriate national or local government agencies, including feasibility studies related thereto; Those that may lead to the displacement and/or relocation of ICCs/IPs including resettlement programs; Declaration and management of protected 	 Scale Projects Non-extractive exploitation and utilization of land, water and natural resources as defined under existing laws, rules and regulations of governing or regulating agencies, e.g., Integrated Social Forestry, Community Based Forest Management (CBFM), Industrial Forest Management Agreement (IFMA) etc.; Programs/projects/ activities not requiring permits from government agencies; Other Small-scale quarrying; and; 	 Projects For the delivery of basic services, LGU projects, foreign and other government projects in cooperation with NCIP and traditional activities of the IPs of natural resources found inside their AD for family, personal consumption, subsistence and livelihood: Programs, projects and activities solicited or initiated by the concerned ICCs/IPs themselves where the activity is strictly for the delivery of basic services. Projects, programs and activities undertaken by NCIP itself or in cooperation with other government agencies and LGU projects
 and environmentally critical areas, and other related undertakings; Activities that would affect their spiritual and religious 	 Feasibility studies not embraced in large-scale activities; 	• Foreign and other Government projects in cooperation with NCIP involving delivery of basic services or for the promotion of economic and sustainable
traditions, customs and		development

Table 4. Types of Projects Subject to FPIC Under NCIP AO 3, S 2012

Extractive, Intrusive, L	arge- Non-Extractive/	′ Small-	Community Solicited/ Initiated
Scale projects	Scale Projects		Projects
ceremonies, incl ceremonial ob archaeological explor diggings and excava and access to religious cultural sites:	ation, ations		 Gathering, hunting and such other traditional use by members of the ICC/IP of natural resources found within their AD for family/personal consumption, subsistence and livelihood

68. VISTA interventions would be classified to be Community Solicited/Initiated primarily because the projects for investment will have to voluntarily be initiated, planned, designed, and implemented by the concerned ICCs/IPs themselves, enabling indigenous forest management practices to promote their livelihood opportunities in a sustainable manner while enhancing resilience and food security strategies especially during extreme climatic events.

69. Per Section 43 of the AO, where validation is required to determine the consent of the Community, the process shall be as follows:

- The Regional Director, *motu proprio* or upon receipt of the written request for validation, shall constitute a team composed of not more than three (3) from the provincial office or Community Service Center, as the case may be, to conduct a field validation;
- (ii) The team shall immediately conduct the validation and thereafter submit the appropriate report, prepared under oath, to the Regional Director within ten (10) days from commencement thereof;
- (iii) The process of validation shall be done through interviews of elders/leaders and other community members; and
- (iv) If the validation yielded positive report, the Regional Director shall within three (3) days, from receipt, prepare the Certificate of Precondition (CP) and validation documents to be transmitted to the concerned commissioner for concurrence, copy furnished Ancestral Domains Office (ADO). Once concurred, the same shall be endorsed to the Chairperson for confirmation. Otherwise, the Regional Director shall return the documents to the applicant/petitioner.

70. The NCIP may exercise its injunctive powers even if the project is communityinitiated, should a written complaint of any member of the affected community arise to safeguard the rights and interests of the community. Figure 1 provides the process flow.

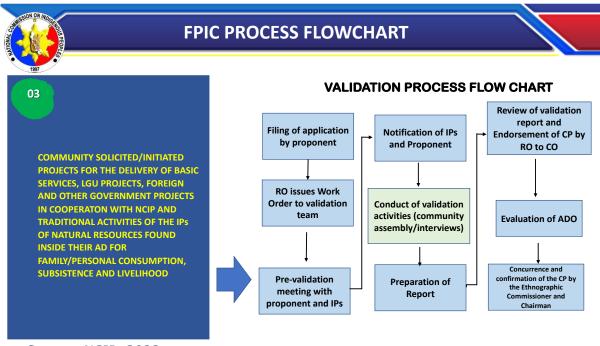


Figure 1. The FPIC Validation Process

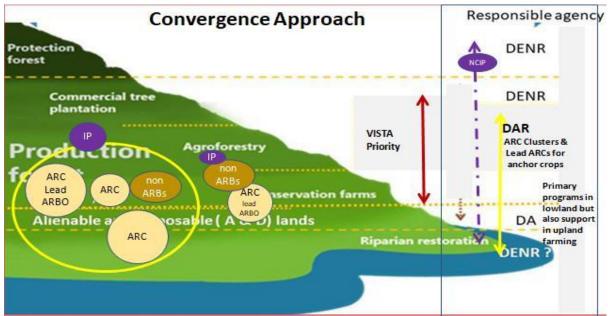
Source: NCIP, 2022.

5. Project Recognition of Legally Established Rights to Tenure

71. VISTA will improve livelihoods and enhance community resilience of vulnerable rural populations through a VCD approach anchored to natural ecosystems adaptation. The location criteria for project sites focus on: (i) Upland provinces with vulnerable ecosystems, high poverty and agricultural value chain economic potential –EARC Clusters and IPs, (ii) Upland regions with vulnerable ecosystems, (iii) Presence of high poverty (income, food security and risks to livelihood), and (iv) Agricultural value chain economic potential. The target groups are limited to (i) Upland EARC and EARC Clusters – smallholder farmers and VPOs, (ii) IP communities adjacent to selected EARCs, (iii) Value chain small scale producers in non-ARC areas, (iv) Women and young people.

72. VISTA sites will be situated in upland areas above 18% slope and 100 meters above sea level, and may even be deemed to be within vulnerable ecosystems. Further, as overlaid with the Philippine land classification system and tenurial arrangements, EARCCs may have complexities of overlaps (Figure 2).

Figure 2. Convergence Approach to Land Use and Land Management Across Ecosystems



Source: VISTA Design Mission, March 2023

73. As such, **the project will not engage or include EARCCs** with such complexities of overlaps and conflict and will have to observe paragraphs 67-70 of this FPIC-IP. The DAR will have to show proof of when the ARC was established: whether it is pre- or post-IPRA along with the necessary documents:

- (i) For pre-IPRA ARCs, DAR will have to provide IFAD with a copy of DENR certification on land classification status of the area if indeed it is A&D.
- (ii) For post-IPRA cases, DAR will have to furnish IFAD with either a CNO or FPIC as issued by NCIP.

D. Summary of Social and Environmental Assessment and Mitigation Measures

74. The list of potential VISTA investments in Table 1 will trigger key environmental and social risks and impacts. Of the 142 ARCs in the list provided by DAR for assessment for the two regions during the mission, 70% are known to have IP communities. The remaining 30% is combined non-IPs or unknown at the time of assessment. This implies that all impacts listed in Table 5 impinge on IP communities.

Measures	
Impacts / Risks	Management Measures
Substandard design coupled with	 Climate proof infra design
increased rainfall trigger landslides &	 Increase disaster preparedness of beneficiaries;
flooding; Earthquake induced	conduct drills on disaster preparedness;
landslides damage infra along sloping	Avoid siting of rural infra along fault lines, & landslide
areas/ farmlands	& flood prone areas
Construction disturbs soil exposing	 Conduct reforestation activities on bare slopes &
these to rainfall & erosion	open canopy forest areas
Species selection for reforestation and	•Use indigenous and/or commonly found tree-crop
other agroforest crops may challenge	species to be planted.
the biodiversity structure of the area	Select species that are able to adapt to the projected

Table 5. Impacts and Risks of the Project and Corresponding Management Measures

Impacts / Risks	Management Measures
	climate conditions of the project site.
occur with SPs/BPs requiring space or restricting access to formerly utilized areas	 Install GRM as avenue for information disclosure & serve as feedback loop for appropriate action
arrangements of IPs along with social & institutional arrangements around customary use of land and natural resources. Exclusion of women including young women and indigenous women from	 Install GRM as avenue for information disclosure & serve as feedback loop for appropriate action Community sensitization, adopting quota for women's participation in local decision making (through ARBOs/ARCs); Develop gender and social inclusion checklist for community level trainings/ meetings/ workshops/decision making forums (logistical arrangements, facilitation, training/meeting materials used, special measures to ensure women and other
would pollute water sources, expose women (of child bearing age) to health risks, reduce population of beneficia insects thereby reducing crop yield & eventually the income of beneficiaries	
Crop failure due to increased frequency & duration of extreme climatic events (rainfall and drought/El Nino)	 Provide "umbrella" shelter for crops Establish nurseries to ensure adequate supply of planting materials to replace damaged crops Provide technical assistance to farmers & other beneficiaries Anticipate such occurrence through disaster preparedness
Agri & nursery waste management is non-existent or is minimal - pollutes waterways & bodies of water	 Support local government initiatives on waste
Women farmers increased exposure to health hazards due to women more likely to grow crops on contaminated land ⁶³	
women's empowerment and gende transformative actions	Involve men & community leaders throughout the process of gender transformative actions, invest in shifting perceptions & practices around the recognition & promotion of women's empowerment to the whole community; community awareness raising on Gender Equality and Women Empowerment (GEWE) (incl. on gender-based violence)
Typhoons damage farm lands, induces crop failure	 Climate – proof storage facilities, roads and other infrastructure Prepare for such events by having a ready supply of planting materials to replace damaged crops
Generally weak capacities of LGUs & other partners to implement the Project will cause challenges in Project implementation	Conduct trainings on Project Management 8 implementation, Monitoring and Evaluation (M&E), 8

⁶³ https://vc.bridgew.edu/cgi/viewcontent.cgi?article=1199&context=jiws

Impacts / Risks	Management Measures
Target communities have low adaptive	Apply SECAP measures especially on Targeted Climate
capacities to climate change impacts	Adaptation Strategies
Financial intermediaries are no	Ensure financial intermediaries prepare & install ESMS
equipped with environmental & social	prior to onlending activities
management systems (ESMS) to	
properly service beneficiaries	

75. Of the above list of potential project risks and impacts, significant concerns on IPs are:

- Investments may impinge on tenure arrangements of IPs along with social and institutional arrangements around customary use of land and natural resources. The project shall uphold stipulations under this FPIC-IP and the IPPF, and prepare an IPP). Meaningful consultations will be conducted. The project grievance redress mechanism (GRM) will be installed prior to project effectiveness to serve as an avenue for information disclosure and feedback loop for appropriate actions to be taken;
- The project may result to the exclusion of women including young women and IP women from community decision making for project investments. Community sensitization, adopting quota for women's participation in local decision making will be observed. A gender and social inclusion checklist will be developed to allow for community level trainings/ meetings/workshops/decision-making fora and special measures taken to ensure women and other marginalized groups' participation.

E. Free, Prior, and Informed Consent Procedures

- 76. FPIC principles under IFAD are:
 - **Free**: consent is given voluntarily and without coercion, intimidation, or manipulation.
 - **Prior:** approval is requested sufficiently before authorization or commencement of activities, at an early stage of development or investment planning, and not only when community approval is required.
 - **Informed:** refers primarily to the nature of the agreement and the type of information provided before seeking consent and as part of the ongoing consent process.
 - **Consent:** is a collective decision made by the local communities and reached through a customary decision-making process by the community.

77. Consultation activities with ICCs/IPs will run parallel to subproject activities as shown in Table 6. For activities under A to B, the Technical Partner (TP) and Development Facilitator (DF) with oversight from the RPMO SECAP Specialist PPMO staff will ensure culturally appropriate, timely, and meaningful consultations in the presence of NCIP, IPMRs, and indigenous traditional leaders.

	Consulta	tions / FPIC-	IP	
VISTA Strategic Investment Prioritization (VSIP) stages	1. Informati on generatio n	2. Community engagement : Start-up	3. Continuing consultatio ns	4. Formalize consent agreeme nt
A. Pre-VSIP Activities				
1. Conduct initial site screening and engage with				
NCIP and/or IPMR prior to site entry				

Table 6. Consultation Plan at Implementation Stage

	Consulta	tions / FPIC-	IP	
VISTA Strategic Investment Prioritization (VSIP) stages	1. Informati on generatio n	engagement	3. Continuing consultatio ns	4. Formalize consent agreeme nt
2. Engage with IP/ICC				
3. Capacity building				
B. VISTA strategic investment prioritization (VS	IP)			
1. Research & analysis				
2. Identification of gaps & priorities				
3. Synthesis/ harmonization of priorities				
4. Preparation of investment proposals (SP/BP				
and documentary/permitting requirements				
C. SP/BP Implementation & Operations				
1. Implementation of SP/BP				
2. Managing risks and impacts				
3. Monitoring & reporting				
Assessment of FPIC Implementation				

(i) Pre-planning: EARCC/Community engagement

78. At the entry stage – prior to site entry - the project shall ensure that EARCCs have been cleared by DAR in terms of overlaps with protected areas, forestlands, cultural heritage sites, and AD/AL or those with contentious unresolved issues (i.e. conflict in resource management and boundary disputes).

79. **Information generation and assessment.** This FPIC-IP requires the conduct of assessment of (i) sociocultural and land tenure conditions, (ii) substantive rights and national legal framework related to FPIC, (iii) timing of and strategies for consultations in order to identify decision-making institutions, (iv) when and how consultations leading to FPIC will be carried out, and (v) Determine when the consent agreement will be formalized with the local communities.

Initial information generation is made prior to site entry to screen for potential 80. ARCs using the VISTA exclusion list. Information generation is a continuing process onto implementation and the assessment of this FPIC-IP implementation. Activity B. VISTA strategic investment prioritization (VSIP) across the three activities of (i) Research and analysis, (ii) identification of gaps and priorities by way of developing thematic maps, (iii) Synthesis/ harmonization of priorities with participatory data validation, and (iv) Preparation of investment proposals (SP/BP) and documentary/permitting requirements. It is during these activities when critical areas within target VCs have to be identified that require improvement to enhance the existing priority investments found within EARCCs and other participating entities. The findings from this review will provide benchmark information for the development of investment proposals. Imperatives of consultation will have to be observed especially in regard to indigenous knowledge systems and practices. Further, the application for country system permits/certificates prior to implementation will have to be satisfied and the information generated feeds into the overall information requirements of the regulatory agencies.

81. While consultations will not be necessary in the technical preparation of thematic maps, these will still need to be validated by participating IP communities and consultative measures of participation towards validation will have to be employed. Thematic maps will include land use mapping, crop-site suitability assessment, hydrological assessments, protected area mapping, vulnerability mapping, and other relevant assessments required for the inclusive SP/BP assessment of potential EARCC-related investments. The maps and

other information generated will be overlaid with the VC map and referred to during the safeguards screening.

82. Social mobilization will be conducted applying the SEP, and in areas where there are IPs, within or outside AD/L, this FPIC-IP shall be operationalized. Once the area is cleared, the project team commences with IP engagement.

83. **Community engagement: Start-up and capacity building** are other prescriptions in order to achieve common understanding with ICCs/IPs as regards VISTA objectives and goals, and assign clear roles and responsibilities among the entities involved in the process. The workshop provides the opportunity to share and discuss the (i) overall FPIC-IP and the IPPF, (ii) identify steps leading to consent, and (iii) determine capacity-building needs of local and IP community representatives. This start-up activity is conducted as the initial undertaking towards IP engagement and is made parallel to capacity building of VISTA staff/ partners and participating ICC/IP as potential SP/BP proponents.

(ii) VSIP activities

84. NRM and VC activities systematically diverge-converge-diverge in the whole VSIP. Key activities are (i) Research and analysis, (ii) Identification of gaps and priorities, (iii) Synthesis/harmonization of priorities, and (iv) Preparation of investment proposals (SP/BP) and documentary/permitting requirements. Once all plans are harmonized in support of VC, Preparation of investment proposals follow that are subject to review and approval.

85. <u>Research and analysis</u>. Pertinent to VC is VC mapping and inventory/ classification of potential/existing coffee/cacao, Upland rice and other agricultural crop areas. The output will be the development of VC strategic implementation prioritization. Central to VC mapping and inventory/classification is the generation of information/data on coffee and cacao, upland rice and other agricultural crop geographical areas, farmers/ households, type of tenure or type of land, cropping systems, density, crop and variety suitability - climate, soil, water, flora and faunal composition/distribution, farmer preference, market potential, socio-cultural composition and characteristics, state of the ecosystem and value chain components-functions, players, current/existing technology being applied, and the like. The activity will observe participatory processes by engaging IP stakeholders. This undertaking will require the deployment of a DF who can sensitively initiate engagement of IP communities.

86. For NRM, key activities revolve around the comprehensive review of existing investment plans and information from these plans that will feed into thematic maps with information and assessment on land use, crop-site suitability, hydrology, biodiversity and protected areas, climate hazard, exposure and vulnerability, socioeconomic and cultural dimensions, land tenure/access arrangements and any other relevant considerations deemed imperative to generate benchmark data, and ecosystem priorities as linked to the VSIP process. The review and assessment will be carried out by a TP, hired for six months, to facilitate planning activities with DAR, LGU and community organizations ensuring the assessment aligns with the needs of the anchor and secondary cropping systems.

87. *Continuing consultations* will be observed immediately after the start-up on to SP/BP Implementation and Operations.

88. <u>Identification of gaps and priorities</u>. The VC map overlaying with the NRM thematic maps produced through research and analysis shall be key to the identification of gaps and priorities, conducted in a participatory manner with IP communities. Identification of gaps and priorities shall be guided by an integrated/expanded framework of analyzing key opportunities and constraints for value chain development that includes NRM and value

chain factors creating a platform for VISTA stakeholders and beneficiaries to engage in the investment prioritization process taking into account the needs of women including indigenous women and young women. The continuing consultation will center on citizen science, which involves data sharing and validating technical and indigenous knowledge management practices, including IP women's knowledge.

89. <u>Synthesis/harmonization of priorities</u>. The value-chain investment plan defines the value-chain development model - the desired value chain map as it spells out key players/stakeholders especially IPs in the value-chain, their roles, the interrelationships between key players (power-influence dynamics) and the project investments. Output will be the VSIP as generated by the IPs themselves through continuing consultations and participation to the planning process. The investments plans will be reviewed and endorsed by the EARCC-CC with DAR, DA, LGUs, other relevant government agencies present on the ground, and VPOs and select private sector representatives as members.

90. <u>Preparation of investment proposals</u>. The preparation of investment proposals shall strictly refer to the VSIP. The BPs/SPs shall take off from the key areas of (i) Sustainable Extension Services and VPO Capacity Building, (ii) VC commercialization, and (iii) Public infrastructure investments. NRM SPs shall focus on enhanced natural resources for VC resilience along the lines of (i) Infrastructure/combined infrastructure-vegetative measures, (ii) Streambank stabilization, (iii) Protecting forest ecosystem and conserving biodiversity, and (iv) Disaster risk reduction measures at the community level.

91. Continuing consultations during these times shall validate SP/BP objectives, scope, and components that are shared/disclosed with IPs especially their traditional leaders or community representatives as identified by the ICCs/IPs communities themselves.

92. **Formalize consent agreement** before any investment is made or before the start of civil works. It is during investment planning that SP/BP elements form the essence of FPIC-IP requirements leading to IP formal consent. SP/BP financing and implementing arrangements (and defined roles), as well as investment benefits and risks are included in the consultation process to enhance transparency that strengthen meaningful participation towards implementation. Disclosure is imperative particularly as regards benefit-sharing, findings of M&E and assessment exercises like the sociocultural, land tenure and environmental, social and climate risk assessments. The FPIC-IP consent/agreement formalization shall be applied as basis for SP/BP approval while waiting for the certification to be issued by the NCIP with respect to the IPRA-FPIC.

93. The TP and DF will facilitate the preparation of inclusive investment proposals that combine technical plans and community knowledge, which will be disclosed to and validated by the participating communities, ensuring women including indigenous women and young women's engagement in this process before these SPs/BPs are submitted for review and eventual approval. Under VC, the key proponents for the BPs/SPs will be the VPOs and select private entities. Key proponents for NRM investments will be LGUs and community organizations – POs/IPOs/ARBOs/CBFMAs/ PACBRMAs (i.e. the VPOs) and others that may be identified later, assisted by DAR, DA and partner institutions.

(iii) SP/BP Implementation and Operations

94. Salient activities under this stage are (i) Implementation of SP/BP, (ii) Managing risks and impacts, and (iii) Monitoring and reporting. With the IPs as the proponent/implementer, continuing consultations transpire to assist them in the technical merits of SP/BP implementation and monitoring to ensure their expressed targets are met. IPP monitoring and reporting shall be embedded in regular SP/BP monitoring activities.

95. **Assessment of FPIC-IP** will be necessary at the end of each SP/BP implementation where consultation initiatives are assessed. The recording of grievances

will also come in handy during this assessment. This consultative activity shall specifically analyze: (i) the quality of project target group engagement and feedback; (ii) FPIC; (iii) SECAP requirements for implementation; (iv) inform corrective/adaptive measures, and learn lessons for subsequent dissemination; and (v) meaningfully engage with NCIP and the ICC/IP. It is envisaged that the FPIC process through the Implementation Plan, will strengthen NCIP participation and enhance ICC/IP ownership of the investments resulting to sustainability.

F. Appropriate Benefits

96. The process will define the basis upon which FPIC is provided and design support measures to enhance the benefits to the ICC/IPs and design any measures to avoid or mitigate potential risks and adverse impacts from VISTA investments. This FPIC-IP process shall ensure that IPs receive equitable social and economic benefits that are culturally appropriate. Consultations and the consent processes that will lead to the determined benefit-sharing arrangements will be documented, reported, and disclosed as lined out in the SECAP mitigating plans.

97. The process of consultation/negotiation has been carefully designed such that the ICC/IP and the project proponent are able to come up with agreed development and benefits plan that addresses ICC/IPs needs and compensate them for any adverse impacts through the execution of a Memorandum of Agreement containing benefits in the form of direct participation to VISTA programs that would address their issues and concerns on soil and water conservation, increased biodiversity, improved microclimate, and enhanced water quality and quantity as regards sourcing. By so doing, communal/cultural benefits can be realized to allow them to confidently continue with their IKSPs and rites of passage that are closely dependent on land and resources. Another benefit is directly addressing increased incomes since improved ecosystem services will allow for harvests of agri/cash and annual crops that also enhances their capacities for food security especially during extreme climate events.

G. Capacity Support

98. There would be a capacity building related to SECAP and the implementation of this IP Framework: (i) DAR and DA staff, in particular, those designated with SECAP responsibilities on engaging with stakeholders, in particular with ICCs/IPs, GRM, monitoring, and reporting, and agency partner staff like from LGU, NCIP, DENR and private sector, (ii) Community level appreciation of SECAP principles and instruments (Table 7).

Iavie	7. VISTA-SECAP Capacity Building Program	
No	Training/Workshop Topics	Intended
		Participants
1	Orientation on VISTA project cycle viz the IFAD SECAP Standards	All PMOs-national, regional, provincial
2	SECAP screening and mitigation instruments and documentation/ plans Abbr. ESCMF, SEP with GRM, FPIC-IP, IPPF, & Abbr. RF	
3	Preparation and implementation of SP/BP: Abbr. ESCMP, IPP, Abbr. RAP, & Project M&E	
4	Orientation on VISTA viz the IFAD SECAP Standards focus on GRM and screening	LGUs, Community/ Barangay Levels
5	VISTA and community engagement: conduct of meaningful VISTA consultations and participation across SP/BP stages	

Table 7. VISTA-SECAP Capacity Building Program

99. All capacity building for staff level shall be conducted during project effectiveness. It is advised that an IFAD Staff from the Environment, Climate, Gender Division takes the

lead in the capacity building with assistance from at least a National SECAP Consultant to provide the necessary context.

100. The capacity building exercises shall underscore the tenet that SECAP goes beyond compliance, avoiding risks and impacts to identify opportunities for maximizing development gains by mainstreaming environmental, social and climate issues throughout the project cycle.

H. Grievance redress

101. A GRM has been prepared under VISTA (See SEP in Abbr. ESCMF Appendix 8). It is a systematic process to receive, evaluate, and address the project-related grievances of stakeholders, in particular, the project-affected persons. Stakeholders shall be fully informed during consultations and through the social media, information, education, communication (IEC) materials about the GRM.

102. **IP Grievance Redress Protocols**. Members of the ICC/IPs shall be informed of the Grievance Redress Mechanism of the Project as described in the SEP. However, complaints from ICC/IPs about the Project should first be referred to the Barangay and the tribal council for resolution before elevating them to the project's GRM. Conflicts within the affected IP community will be addressed within the community itself in the context of its customary law and customary dispute resolution process and mechanisms, in the presence of the relevant staff of the NCIP office with jurisdiction over the area, and if so invited, project-related staff and other stakeholders, e.g. formal local leadership in the barangay and/or the municipality.

103. All complaints shall be discussed and negotiations must be carried out in the specific communities where affected IPs live. The barangay and the tribal council concerned should facilitate this process and the project must ensure that affected IPs are properly represented. Where necessary, the project will bring in NCIP staff who must ensure that the rights of IPs are protected. If negotiations are stalled, or IPs disagree with all possible options presented during these deliberations, the affected tribes can bring their grievance or complaints to the municipal implementing units of the project management. Should this still fail the IP expectations, the IPs can elevate their complaints to the Provincial representative of the NCIP or the Office of the Provincial Agrarian Reform Officer, with copies of the complaint furnished the Office of the Provincial Governor.

104. Inter-community conflicts will be addressed between the communities themselves, according to their customary or agreed upon dispute resolution processes and mechanisms. If an outside facilitator, mediator, or arbiter is required or requested for, the RPMO with the ARC CC will seek the intervention of the NCIP to act as facilitator, mediator, or arbiter. This guideline applies to conflicts or disputes between the IP community and any of the project units and implementers.

105. The SECAP Specialists shall document the proceedings of the discussion or negotiations. This is in addition to the documentation done by the IP community themselves and by the NCIP. If no satisfactory result or impasse results, the IP communities shall be allowed to elevate their complaints and grievances to the RIC. The grievance procedure established herein in no way substitutes for or replaces the grievance procedure set forth in the FPIC Guidelines of 2012. At their choosing, the IPs may avail of the grievance procedure and mechanisms spelled out in FPIC Guidelines of 2012.

106. **IFAD's Complaints Procedure**. IFAD's SECAP ensures that the project should have an accessible and effective project-level grievance redress mechanism which has taken account the IPs' customary laws and dispute resolution processes. The GRM shall also be a result of a series of effective and meaningful consultations.

107. IFAD Complaints Procedure also place mechanism to allow individuals and communities to contact IFAD directly if stakeholders or non-stakeholders believe that they are or might be adversely affected by an IFAD-funded project or program not complying with IFAD's Social and Environmental Policies and mandatory aspects of SECAP. They may submit a request to SECAPcomplaints@ifad.org and request that an impartial review be carried out by IFAD's Office of the Vice-President.

I. Monitoring, Reporting and Evaluation

108. FPIC monitoring reports will be prepared on a monthly basis by the Facilitating entity for submission to the RPMO. In turn, semi-annual FPIC monitoring reports will be prepared by RPMO and submitted to the NPMO and made accessible to IFAD during ISMs. The NCIP will be an active partner in monitoring, especially in regard to ICCs/IPs within ADs.

109. Key parameters for FPIC-IP monitoring are:

Parameter	Indicator
Demographic baseline	 The numbers of affected members of indigenous peoples and customary communities, gender, age, habitat (village etc.), income, status and position Number of households with handicapped, elderly or invalid members Number of female-headed households Number of vulnerable households (poor, elderly) Number of households by ethnic group Number of births and deaths
FPIC activities	 Number of FPIC activities conducted - meetings, information dissemination, brochures; flyers, training Percentage of women members of customary communities as participants; number of meetings exclusively with women members of customary communities Percentage of vulnerable members of customary communities represented / attending meetings; number of meetings exclusively with vulnerable customary communities Languages used at meetings Good faith negotiations—recording of process, participants, locations, correspondence Broad community support—record of processes, participants, locations and agreement obtained (Memorandum of Agreement) Consultation and participation progress against plan and budget Content of input provided by communities that is being taken into account in project implementation
Grievance redress	 Total number of members of customary communities using the grievance redress procedure Number of distinct customary communities - any of these with significantly more grievances Times an IP household submitted the same grievance Number of grievances resolved Length of time taken to be resolved Types of grievance categories and prevalence
Implementation problems	 Identified delays - (days, cost) due to personnel, capacity, insufficient funds, etc Number of times implementation schedule revised

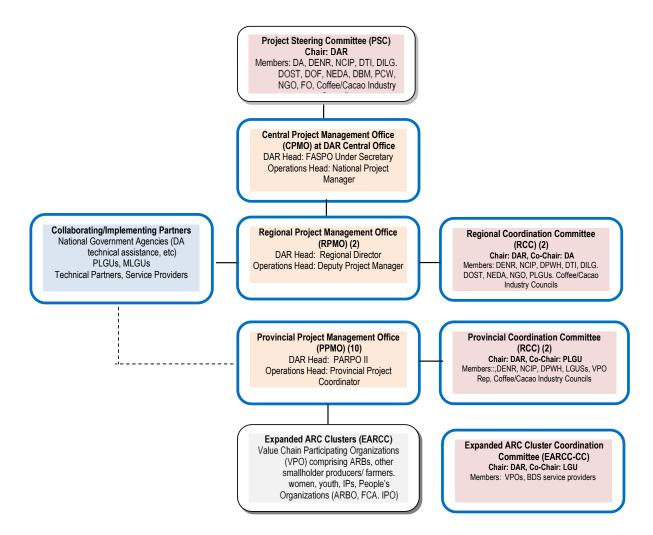
Table 8. FPIC-IP Monitoring Parameters

110. Results of monitoring shall be disclosed to stakeholders and their feedback recorded and acted upon.

J. Institutional Arrangements

111. The DAR will have overall responsibility for implementing the project and will use its existing structures at national, regional, provincial, and ARC levels to implement project activities. Figure 3 is the Project's organogram that aligns with the levels of DAR organization. The **Project Steering Committee (PSC)**, chaired by the DAR and consisting of members from the DA, DENR, DILG, NCIP, DPWH, DTI, NEDA, DOF, DBM, PCW, PS, VPO Rep, and other relevant institutions, will serve as the governing body and provide policy direction and overall coordination mechanism for the project. The institutional commitments of PSC members will be formalized through special orders (SO) that specify their respective roles and responsibilities. The CPMO will be responsible for ensuring the coordination of national agencies involved in project implementation.

Figure 3: VISTA Organizational Structure



112. **Central Project Management Office (CPMO)** will be established at the national level to manage and coordinate overall implementation. This will be headed by the DAR's Undersecretary of Foreign Assisted and Special Projects Office (FASPO) as the National Director, together with a hired National Project Manager managing the day-to-day undertakings of the Project. The CPMO will be fully accountable for the performance of project; implementation and the use of funds. It will also be responsible in coordinating with IFAD; DA as collaborating agency; government oversight agencies, including, NEDA,

DoF, and the DBM; and within the DAR central management that includes the Support Services Office (SSO), Finance Management and Administration Office (FMAO) and Office of the External Affairs and Communications Operations (DEACO). In addition, the CPMO will be directly responsible d in effecting convergence of national agencies like DA, DENR, DILG, NCIP in project implementation.

113. **Regional Project Management Offices (RPMO**) will be created in the Cordillera Administrative Region (CAR) and Region XII. The RPMO will be headed by DAR Regional Director with a hired Deputy Project Manager, managing the day-to-day undertakings of the Project. The RPMO will oversee project implementation at the regional and provincial levels. It will be coordinating with the different agencies for the review and endorsement of proposed subprojects as well as other implementing partners at the regional level. It will organize the Regional Coordination Committees.

114. **Provincial Project Management Office (PPMO**). In every target province, a PPMO will be established at the Provincial Support Services Division (SSD), under the authority of DAR Provincial Agrarian Reform Program Officer (PARPO). The day-to-day operation is managed by a hired Provincial Project Coordinator. The PPMO will oversee project operations in the selected ARCs (ARC) and will link with other implementing partners (e.g., BDS providers, PLGUs, MLGUs etc.) at the provincial level. It will organize ARC Coordination Committees (EARCC-CC) and provide implementation support to the functioning of the EARCC-CC in the identified ARC Clusters.

115. **Coordination Committees** will be organized at the Regional and Expanded ARC Cluster levels.

- **Regional Coordination Committee (RCC)** will be chaired by DAR and co-chaired by DA and will have similar composition with the PSC at the regional level. It will review and endorse proposed subprojects and other activities, and will ensure complementation of other agencies and organizations' programs, projects and resources for the implementation of VISTA subprojects. It will also facilitate resolution of operational issues (e.g., duplication of investments, safeguards compliance).
- **Provincial Coordination Committee (PCC)** will be chaired by DAR and cochaired by PLGU with membership from partner/implementing agencies present at the provincial level and municipal LGUs. This body will conduct initial review and to endorse VISTA investment plans and sub-projects. It will also facilitate resolution of operational issues (e.g. counterparting, provision of technical support) within their scope.
- **Expanded ARC Cluster Coordination Committee (EARCC-CC)** will be established in an expanded ARC cluster (EARCC). It will be chaired by DAR and co-chaired by LGU, and membership is dynamic to include NGAs which have on the ground presence, VPOs (ARBOs, FCAs, IPOs), and representatives of any other critical project implementers (e.g., financial institutions) within or adjacent to the A. It will mobilize concerned LGU departments and units, coordinate with and monitor all the stakeholders and implementing partners in the implementation of sub-projects, ensure the participation of VPOs and other people's organizations in the planning and monitoring of sub-projects in the EARCCs.

K. SECAP Support

116. A SECAP Specialist shall be attached to the CPMO to ensure SECAP implementation is consistent across sites (See Table 9 for tasks). For the region, a SECAP Specialist will be hired for each, both with specialization in any of the social sciences. During the Field Mission, it was noted that the DAR has inadequate staff with background in the social

sciences, hence the need that the Specialists have the social lens for projects, with experience in community development work. Specifically, the RPMO SECAP Specialists will be assisted by RPMO Senior Foresters and Senior Engineers to cover the biophysical requirements of SECAP. Table 9 provides the roles/functions of the SECAP Specialists:

Project Investment Stages	CPMO SECAP Specialist	RPMO SECAP Specialist
VISTA strategic investment prioritization (includes pre-planning) SP/BP Preparation	 Oversees consistency in regional implementation of SECAP requirements and compliance to country system Liaises with regulatory bodies at the national level 	 ensure operationalization of the SEP and FPIC-IP at onset and across the project cycle and take lead in setting up of the VISTA GRM ensuring this is made accessible to stakeholders Facilitates: use of the SECAP Screening Checklist, conduct of the ESIA, preparation of the Abbr. ESCMP, Abbr. RAP and IPP, and initiate application for the country system permitting requirements at the regional level
SP/BP Review Approval	Oversees compliance and completeness to SECAP and country system by reviewing	Ensures completeness of SECAP requirements and documents to be subject for review
Procurement	SECAP documents Signs off/clears SPs/BPs before issuance of the Notice to Proceed with implementation/ construction	
Implementation/Const ruction Operation Phase	Compliance Monitoring and GRM monitoring: conduct random site inspections to validate these reports and/or help the proponent resolve outstanding environmental and social safeguards issues.	

Table 9. Roles/Functions of the SECAP Specialist

117. Technical guidance necessary under SECAP at the province and EARCC level are assumed by the TP and the EARCC-CC. The SECAP Specialists at the RPMO shall oversee overall technical guidance.

L. Operationalization of the FPIC Implementation Plan

118. The FPIC Implementation Plan will be implemented by the RPMOs as led by the SECAP Specialists. They, along with other DAR staff and consultants will undergo training and seminars on the IFAD's SECAP Standards and other instruments.

119. The ARC-CC shall be formed through a Memorandum of Understanding (MOU) between the DAR, the concerned Local Government Units (LGUs), and partner agencies like the NCIP, and DENR. Within the EARCC-CC, an **Ad-Hoc sub-committee** shall be formed to:

- Assist the DAR SECAP Specialists and Consultant in facilitating the execution of the FPIC Implementation Plan;
- Assist the DAR SECAP Specialists and Consultant in engaging with ICCs/IPs towards meaningful participation and consultation;

- Receive complaints and grievances from ICCs/IPs and act accordingly; and
- Maintain a record of all public meetings, complaints, and actions taken to address complaints and grievances;

Stakeholder	Role/Potential Role in FPIC-IP
DAR and DA	As chair of the Project Steering Committee and as co- implementing agency, respectively, DAR and DA will comply with the FPIC policies and guidelines set by NCIP, regulatory body.
NCIP	Primary government agency responsible for the implementation and monitoring of executing the FPIC plan so as to recognize, protect and promote the rights of ICCs/IPs stakeholders.
RPMO	Oversee the implementation of the FPIC-IP. Conduct regular monitoring and record of FPIC activities
LGU: Province,	Provide administrative and strategic context as well as local
Municipality, and Barangay	support for FPIC activities
IP Council of Elders/tribal leaders	Traditional government of ICCs that needs to be consulted and grants permission for implementing FPIC activities
Indigenous Peoples	Project beneficiaries that will participate in consultations
Civil Society Organizations	Provide assistance to the IP communities, if needed,
Private sector	Potential resource and partnership in implementing the plan.

Table 10. Stakeholder Roles in FPIC-IP

M. Budget and Financing

120. At this stage of the project, actual costs cannot be determined since the SPs/BPs are largely community initiated and will thus be made known during the planning stage under Component 1. However, costs for consultations and social assessment have been incorporated in the overall project cost.

121. All costs for operationalizing this FPIC-IP largely revolves around consultations and social assessment that also overlap with SEP consultations, IPPF, and RAP preparation. Costs to cover application for the NCIP-FPIC will be shouldered by DAR as the executing agency. Per Costab (and using Costab language), allocations have been made across sites for:

Table 11. FPIC-IP Budget

Activity	Cost (USD)
	759,000.00
prioritisation – social assessment is embedded in this category	
Thematic technical workshops – refers to consultative, participatory, and	179,000.00
citizen science: sharing and validating technical and local knowledge	
management practices	
Community training and awareness – pertains to community engagement at	79,000.00
VISTA onset	
Total	1,017,000.00



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex: Annex 5e. IP Framework

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Annex 5e. Indigenous Peoples Framework

A.Table of Contents

	pacts on IPs
	ronmental Impacts and Risks to IPs Within 29
-	sessing Impacts and Risks to IPs Within
-	
3. Preparation of LP Plans	
-	
i. Participation, Consultation and FPIC	
 Participation, Consultation and FPIC 1. Consultations During Project Preparity 	aration
 Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple 	aration
 Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple 	aration
 i. Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple ii. Appropriate Benefits 	aration
 i. Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple ii. Appropriate Benefits iii. Capacity Support 	aration
 i. Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple ii. Appropriate Benefits iii. Capacity Support iv. Grievance Redress 	aration
 i. Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple ii. Appropriate Benefits iii. Capacity Support iv. Grievance Redress v. Monitoring, Reporting and Evaluation 	aration
 i. Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple ii. Appropriate Benefits iii. Capacity Support iv. Grievance Redress v. Monitoring, Reporting and Evaluation vi. Institutional Arrangements 	aration
 i. Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple ii. Appropriate Benefits iii. Capacity Support 	aration
 i. Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple ii. Appropriate Benefits iii. Capacity Support iv. Grievance Redress v. Monitoring, Reporting and Evaluation vi. Institutional Arrangements 	aration
 i. Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple ii. Appropriate Benefits iii. Capacity Support iv. Grievance Redress v. Monitoring, Reporting and Evaluation vi. Institutional Arrangements 	aration
 i. Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple ii. Appropriate Benefits iii. Capacity Support iv. Grievance Redress v. Monitoring, Reporting and Evaluation 	aration
 i. Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple ii. Appropriate Benefits iii. Capacity Support iv. Grievance Redress v. Monitoring, Reporting and Evaluation 	aration
 i. Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple ii. Appropriate Benefits iii. Capacity Support iv. Grievance Redress v. Monitoring, Reporting and Evaluation 	aration
 i. Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple ii. Appropriate Benefits iii. Capacity Support iv. Grievance Redress v. Monitoring, Reporting and Evaluation 	aration
 i. Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple ii. Appropriate Benefits iii. Capacity Support iv. Grievance Redress 	aration
 i. Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple ii. Appropriate Benefits iii. Capacity Support iv. Grievance Redress 	aration
 i. Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple ii. Appropriate Benefits iii. Capacity Support iv. Grievance Redress 	aration
 i. Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple ii. Appropriate Benefits iii. Capacity Support 	aration
 i. Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple ii. Appropriate Benefits 	aration
 Participation, Consultation and FPIC 1. Consultations During Project Prepa 2. Consultations During Project Imple 	aration
 Participation, Consultation and FPIC 1. Consultations During Project Preparity 	aration
i. Participation, Consultation and FPIC	
-	Processes
-	D raceses 22
3. Preparation of LP Plans	
-	
-	sessing Impacts and Risks to IPs Within
Project Sites	
	-
	blished Rights to Tenure
4. IPRA-Prescribed FPIC Process	
3. Land Classification and AD Overlag	is
2. IP Rights to Land and Resources	
1. Applicable National and Internatio	nal Laws Impinging on IP Rights22
C. Summary of Substantive Rights and	Legal Framework 22
2. IPs within Project Participating Pr	ovinces
•	
-	
C. List of Figures	
B. List of Tables C. List of Figures	
B. List of Tables	

B.List of Tables

TABLE 1. TYPOLOGY OF COMPONENT INVESTMENTS	10
TABLE 2. APPROVED* CADTS (HA) AND RIGHTS HOLDERS AS OF SEPT 2020	12
TABLE 3: NATIONAL LAWS AND INTERNATIONAL LAWS AFFECTING IPS	22
TABLE 4. TYPES OF PROJECTS SUBJECT TO FPIC UNDER NCIP AO 3, S 2012	26
TABLE 5. IMPACTS AND RISKS OF THE PROJECT AND MANAGEMENT MEASURES	30
TABLE 6. CONSULTATION WITH IPS AND NCIP	34
TABLE 7. VISTA STRATEGIC INVESTMENT PRIORITIZATION (VSIP)	36
TABLE 8. CONSULTATION AT IMPLEMENTATION STAGE	
TABLE 9. VISTA-SECAP CAPACITY BUILDING PROGRAM	41
TABLE 10. MONITORING PARAMETERS: PROCESS AND OUTCOME INDICATORS	43
TABLE 11. ROLES/FUNCTIONS OF THE SECAP SPECIALISTS	
TABLE 12. IPPF BUDGET	

C.List of Figures

FIGURE 1. THE FPIC VALIDATION PROCESS	28
FIGURE 2. CONVERGENCE APPROACH TO LAND USE AND LAND MANAGEMENT ACROSS ECOSYSTEMS	29
FIGURE 3: VISTA ORGANIZATIONAL STRUCTURE	44

D.List of Abbreviations

A&D	Alienable and Disposable
Abbr	Abbreviated
AD	Ancestral Domain
ADO	Ancestral Domains Office
ADSDPP	Ancestral Domains Sustainable Development and Protection Plan
AL	Ancestral Land
ARBO	
	Agrarian Reform Beneficiaries Organization
ARC	Agrarian Reform Communities
CA	Commonwealth Act
CADT	Certificate of Ancestral Domain Title
CALT	Certificate of Ancestral Land Title
CLOA	Certificates of Land Ownership Award
CNO	Certificate of No Overlap
СР	Certificate of Precondition
CPMO	Central Project Management Office
CS0	Civil Society Organization
DAR	Department of Agrarian Reform
DBM	Department of Budget Management
DENR	Department of Environment and Natural Resources
DF	
	Development Facilitator
DHSUD	Department of Human Settlements and Urban Development
DILG	Department of Interior Local Government
DOF	Department of Finance
DOH	Department of Health
DTI	Department of Trade and Industries
EARCC	Extended Agrarian Reform Community Clusters
ESCMF	Environmental, Social and Climate Management Framework
ESMS	Environmental and Social Management Systems
FCA	DA's Farmers' Cooperatives and Associations
FPIC	Free, Prior and Informed Consent
GRM	Grievance Redress Mechanism
IFAD	International Fund for Agricultural Development
IPs/ICCs	Indigenous Peoples/ Indigenous Cultural Communities
IPM	Integrated Pest Management
IPO	Indigenous Peoples Organizations
IPP	Indigenous Peoples Plan
IPPF	Indigenous Peoples Plan Framework
IPRA	Indigenous Peoples' Rights Act
IPMR	Indigenous Peoples Mandatory Representative
LGU	Local Government Unit
LRA	Land Registration Authority
M&E	Monitoring and Evaluation
MOU	Memorandum of Agreement
NCIP	National Commission on Indigenous Peoples
NEDA	National Economic Development Authority
NRM	Natural Resource Management
PD	Presidential Decree
PHF	Post-Harvest Facilities
PMO	Project Management Office
PPMO	Provincial Project Management Office
PSC	Project Steering Committee
RA	Republic Act
RPMO	Regional Project Management Office
SALT	Sloping Agricultural Land Technology
SECAP	Social, Environment, and Climate Assessment Procedure

SEP	Stakeholder Engagement Plan
SP	Sub-project
SRN	SECAP Review Note
ТР	Technical Partner
VC	Value Chain
VCD	Value Chain Development
VISTA	Value Chain Innovation for Sustainable Transformation in Agrarian
	Reform Communities
VPO	VISTA Participating Organizations inclusive of ARBOs, POs, IPOs,
	DA's Farmer Cooperatives and Associations
VSIP	VISTA Strategic Investment Prioritization
VCD VISTA VPO	Value Chain Development Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities VISTA Participating Organizations inclusive of ARBOs, POs, IPOs, DA's Farmer Cooperatives and Associations

E.Executive Summary

1. **Background**. The Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities (VISTA) Project will focus on two target "anchor crops," coffee and cacao, within the broader integrated cropping systems of upland rice and other agricultural crops to catalyze transformation in the food systems in a nature-positive and resilient manner. The project will reduce environmental degradation and negative externalities in food production systems on the demand side and across supply chains. The project development objective is "to increase income and employment of target groups in fragile upland areas, including women, youth and IPs, through the strengthening of inclusive value chains with conservation and sustainable use of the natural resources and climate resilient practices." The Project has three components: Component 1 - Sustainable Protection and Enhancement of Natural Resources at Sub-Watershed Level, Component 2 - Value Chain Development and Rural Finance, and Component 3 – Project Management. The Department of Agrarian Reform (DAR) will be the executing agency.

2. **Site location and situation**. The project sites are located in the indigenous peoples (IP)-rich areas of Regions XII and the Cordillera Administrative Region (CAR) that went through mixed progress in poverty reduction. IP access to basic services lag behind the national average with the largest disparities on (i) access to safe drinking water, (ii) access to electricity. IPs occupy almost a quarter of the country's total land area. By 2020, the National Commission on Indigenous Peoples (NCIP) has issued 248 Certificate of Ancestral Domain Titles (CADT) with a total land area of over 5.7 million hectares - 27% of the total land area of the country - and a total of over 1.3 million IPs as rights holders.

Legal framework. The Indigenous Peoples Rights Act (IPRA) of 1997 is the 3. country's primary legal instrument in protecting and upholding IP rights. It recognizes their inherent rights - their right to self-determination - to ancestral domains (AD) and applicability of customary laws governing property rights, to self-determined development and the requirement that free, prior, informed consent be obtained in relation to any developments that have impact on them. All proposed policies/ programs/ projects/plans/activities within ADs/lands (AD/L) are subject to the free and prior informed consent (FPIC) as validated by the NCIP through field-based investigations that involve potentially affected indigenous people/indigenous cultural communities. The International Fund for Agricultural Development (IFAD) through the IFAD Social, Environmental, and Climate Assessment Procedure (SECAP) Standard 4, on the other hand, requires FPIC within and outside ADs only if a project is assessed to potentially result to (i) adverse impacts on land and natural resources with traditional ownership; (ii) relocation from such land or natural resources; or (iii) significant impact on cultural heritage including commercial use of land, natural resources, or cultural heritage.

4. **Project policy**. The project shall be compliant to the requirements of IPRA through the NCIP and the IFAD SECAP Standard 4 on Indigenous Peoples and adhere to the principles and procedures for the FPIC. A FPIC-IP and this Indigenous Peoples Planning Framework (IPPF) has been prepared. **The project will not engage or include Extended Agrarian Reform Community Clusters (EARCC)** with complexities of overlaps into ADs unless the project has been subject to the IP's free and prior informed consent. The DAR will have to show proof of when the ARC was established: whether it is pre- or post-IPRA along with the necessary documents: (i) For pre-IPRA EARCCs, DAR will have to provide IFAD with a copy of the Department of Environment and Natural Resources (DENR) certification on land classification status of the area if indeed it is alienable and disposable (A&D); and (ii) For post-IPRA cases, DAR will have to furnish IFAD with either a Certificate of No Overlap (CNO) or FPIC as issued by NCIP. An IP Plan (IPP) will be prepared for each of the subprojects/business plans (SP/BP).

5. **Potential risks, impacts and mitigating measures**. Of the list of potential project risks and impacts, significant concerns on IPs are:

- Investments may impinge on tenure arrangements of IPs along with social and institutional arrangements around customary use of land and natural resources. The project shall uphold stipulations under this IPPF and FPIC-IP, and prepare an IPP). Meaningful consultations will be conducted. The project grievance redress mechanism (GRM) will be installed prior to project effectiveness to serve as an avenue for information disclosure and feedback loop for appropriate actions to be taken;
- The project may result to the exclusion of women including young women and IP women from community decision making for project investments. Community sensitization, adopting quota for women's participation in local decision making will be observed. A gender and social inclusion checklist will be developed to allow for community level trainings/ meetings/workshops/decision-making fora and special measures taken to ensure women and other marginalized groups' participation.

6. **Working with NCIP and the IP Mandatory Representative**. A rapid assessment and screening will be applied prior to entry of the Project team into the EARCC with IPs, to be conducted in close consultation with the NCIP and the IP Mandatory Representative (IPMR). The initial screening will result to identification of EARCCs that are either within ADs, or outside of ADs.

7. <u>EARCCs Within ADs.</u> The IPRA-FPIC process will prevail for EARCCs within ADs thus the project shall be subject to FPIC under the aegis of NCIP. An IPP will be prepared for the particular investment. The resulting Memorandum of Agreement as espoused under the IPRA-FPIC will constitute part of the IPP.

8. <u>EARCCs With IPs Outside of ADs.</u> These areas are not covered under the IPRA-FPIC Guidelines, but SECAP Standard 4 on Indigenous Peoples will apply, as embodied in this IPPF. The FPIC-IP will prevail. Similarly, an IPP will be prepared for the particular investment. The resulting Memorandum of Agreement as espoused under the IPRA-FPIC will constitute part of the IPP.

9. **IP planning proper**. The Regional Project Management Office (RPMO) SECAP Specialists, with assistance from the Technical Partner (TP), Development Facilitator (DF), and EARCC Coordinating Committee shall closely assist the IP proponent community in the conduct of the participatory planning and FPIC and ensure that appropriate process to reach consensus will be in observance of the customary ways of the indigenous cultural communities (ICC). A template for the IPP is provided in Attachment 1. The following areas shall be excluded for direct investment activities:

- Sites considered sacred or culturally important by an extant ICC/IP community located within, adjacent to, or reasonably close to the intervention, whether or not the site is located inside a parcel ICC/IP member, provided the claim is verifiable and has adequate basis;
- (ii) Burial sites of ICC/IPs;
- (iii) Identified international and local cultural heritage sites;
- (iv) Critical areas identified or reserved by the ICCs/IPs for special purposes; and
- (v) Other areas specifically identified by ICCs/IPs in their Ancestral Domain Sustainable Development and Protection Plan (ADSDPP).

10. The IPP shall stipulate that no SP/BP will be undertaken before the FPIC-IP has been obtained and the IPP prepared and approved by the RPMO. The items in the IPP shall be adopted/upheld by DAR in the course of SP/BP implementation, i.e. benefit sharing and modalities of consultation, GRM. The IPP will include for a monitoring and evaluation system. IPP implementation and the status of the FPIC (both IPRA-based and IFAD) be monitored and reported. For IPPs that cover ADs, the NCIP and/or IPMR will join DAR and DA may conduct random visits on the VISTA sites.

11. **Participation, Consultation and FPIC Processes.** DAR and DA will engage IP communities in meaningful consultations in a culturally appropriate and gender and intergenerationally inclusive manner, whereby the process: (i) involves IP representative bodies and organizations, to include traditional leaders and other ICC members; (ii) provide sufficient time for IP decision-making processes; and (iii) allow for effective participation of ICCs in the design of project activities or mitigation measures that could potentially affect them either positively or negatively.

12. <u>Consultations During Project Preparation.</u> Initial consultations (technical meetings with government including NCIP and Civil Society Organizations (CSOs) and IP community meetings onsite) were conducted during project inception and design phases of VISTA from October 2022 to March 2023, with the main agenda of finalizing the VISTA scope and design. These entities generally expressed support to VISTA, provided inputs to the design of the specific project components and agreed to the convergence initiatives of government in defining institutional arrangements.

13. <u>Consultations During Project Implementation</u>. Consultation activities with ICCs/IPs will run parallel to project activities. DAR and DA, as co-implementing agency, will ensure culturally appropriate, timely, and meaningful consultations in the presence of NCIP, IPMRs, and indigenous traditional leaders.

14. A Start-up activity will be conducted with IP stakeholders as prescribed in the FPIC-IP in order to achieve common understanding with ICCs/IPs as regards SP/BP objectives and goals, and assign clear roles and responsibilities among the entities involved in implementation. Continuing consultations shall be conducted right after the start-up in preparation that a formalized consent agreement is made before any investment commences. The FPIC-IP consent/agreement formalization shall be applied as basis for SP/BP approval while waiting for the certification to be issued by the NCIP with respect to the IPRA-FPIC.

15. **Appropriate Benefits**. The FPIC-IP process shall ensure that IPs receive equitable social and economic benefits that are culturally appropriate. Consultations and the consent processes that will lead to the determined benefit-sharing arrangements will be documented, reported, and disclosed as lined out in the SECAP mitigating plans.

16. **Capacity Support.** There would be a capacity building related to SECAP and the implementation of this IP Framework: (i) DAR and DA staff, in particular, those designated with SECAP responsibilities on engaging with stakeholders, in particular with ICCs/IPs, GRM, monitoring, and reporting, and agency partner staff like from local government units (LGU), NCIP, DENR and private sector, (ii) IP Community level appreciation of SECAP principles and instruments.

17. **Grievance Redress.** A GRM has been prepared under VISTA to receive, evaluate, and address the project-related grievances of stakeholders. Members of the ICC/IPs shall be informed of the Project GRM as described in the Stakeholder Engagement Plan (SEP). Complaints from ICC/IPs about the Project should first be referred to the Barangay and the tribal council for resolution before elevating these to the project's GRM. Conflicts within the affected IP community will be addressed within the community itself in the context of its customary law and customary dispute resolution process and mechanisms, in the presence of the relevant staff of the NCIP office with jurisdiction over the area, and if so invited, project-related staff and other stakeholders, e.g. formal local leadership in the barangay and/or the municipality.

18. <u>IFAD's Complaints Procedure</u>. IFAD's SECAP ensures that the project should have an accessible and effective project-level grievance redress mechanism which has taken account IP 'customary laws and dispute resolution processes. Stakeholders may submit a request to SECAPcomplaints@ifad.org and request that an impartial review be carried out by IFAD's Office of the Vice-President.

19. **Monitoring, Reporting and Evaluation.** IPP monitoring reports will be prepared on a monthly basis by the Facilitating entity for submission to the RPMO. In turn, semiannual IPP monitoring reports will be prepared by RPMO and submitted to the Central Project Management Office (CPMO) and made accessible to IFAD during supervision missions. The NCIP will be an active partner in monitoring, especially in regard to ICCs/IPs within ADs. Results of monitoring shall be disclosed to stakeholders and their feedback recorded and acted upon.

20. **Institutional Arrangements.** DAR will be the executing agency and DA will be the collaborating agency. A Project Steering Committee (PSC), chaired by the DAR and consisting of members from the Departments of Agriculture (DA), DENR, Interior Local Government (DILG), Trade and Industry (DTI), Finance (DOF), Budget Management (DBM), National Economic Development Authority (NEDA), and other relevant institutions, will serve as the governing body and provide policy direction and overall coordination mechanism for the project. The following structures will be set in place:

- CPMO will be established at the national level to manage and coordinate overall implementation.
- RPMO will be created in CAR and Region XII, headed by the DAR Regional Directors with a hired Deputy Project Manager, managing the day-to-day undertakings of the Project.
- A Regional Coordination Committee (RCC) will be chaired by DAR and will have similar composition with the PSC at the regional level, to review and endorse proposed investments and other activities, and will ensure complementation of their programs, projects and resources for the implementation of VISTA SPs/BPs.
- A Provincial Project Management Office (PPMO) will be installed in every target province, for the day-to-day operations to oversee project operations in the selected ARCs and will link with other implementing partners (e.g., BDS providers, PLGUs, etc.) at the provincial level.
- EARCC Coordination Committee (EARCC-CC) will be established in a cluster of EARCs chaired by DAR, with LGUs, Agrarian Reform Beneficiaries Organization (ARBO), IP organizations (IPO), and representatives of any other critical project implementers (e.g., financial institutions) within or adjacent to the EARCCs as members. It will mobilize concerned Local Government Unit (LGU) departments and units, coordinate with and monitor all the stakeholders and implementing partners in the implementation of sub-projects, ensure the participation of VPOs and other people's organizations in the planning and monitoring of sub-projects in the EARCCs.

21. **SECAP support**. A SECAP Specialist will be attached to the CPMO to ensure SECAP implementation is consistent across sites and periodically link to national regulatory bodies. For the region, a SECAP Specialist will be hired for each, both with specialization in any of the social sciences. Specifically, the RPMO SECAP Specialists will be assisted by RPMO Senior Foresters and Senior Engineers to cover the biophysical requirements of SECAP. Technical guidance necessary under SECAP at the province and EARCC level are assumed by the TP and the EARCC-CC with the SECAP Specialists at the RPMO as oversight.

22. **Budget and Financing.** At this stage of the project, actual costs cannot be determined since the SPs/BPs are largely community initiated and will thus be made known during the planning stage under Component 1.

23. All costs for operationalizing this IPPF largely revolves around consultations and social assessment that also overlap with SEP consultations, FPIC-IP, and Resettlement Action Plan (RAP) preparation. Costs to cover application for the NCIP-FPIC will be

shouldered by DAR as the executing agency. Costs for consultations and social assessment have been incorporated in the overall project cost amounting to USD **1,017,000.00**.

A. Description of the Project

24. Project Description: The VISTA project is a sustainable and innovative approach to Value Chain Development (VCD) in the Philippines, with a focus on natural resource management and resilience to diverse climate shocks. The project is anchored to an ecosystems-based approach to optimize the selected value chains and adapt to environmental factors. It aims to move away from the business-as-usual approach and ensure ecosystem health for agricultural production in the long term. The impetus behind the VISTA project is driven by two main factors: 1) lessons learned from the IFAD portfolio between 2017-2022, which show that investments in ecosystems can produce multiple benefits, including economic value, securing local livelihoods, and protecting natural resources, and 2) national commitments to prevent further negative conversion of degraded lands, protect natural resources, and increase resilience to climate and natural hazards.

25. The VISTA project will focus on two target "anchor crops," coffee and cocao, within the broader integrated cropping systems of upland rice and other agricultural crops to catalyze transformation in the food systems in a nature-positive and resilient manner. The project will reduce environmental degradation and negative externalities in food production systems on the demand side and across supply chains. The VISTA project development objective therefore is "sustainable economic gains for smallholder farmers and community resilience in fragile ecosystems." The Project has three components: Component 1 - Sustainable Protection and Enhancement of Natural Resources at Sub-Watershed Level, Component 2 - Value Chain Development and Rural Finance, and Component 3 – Project Management.

Component/Sub- Component	Activity/Investment (SP/BP)					
COMPONENT 1. Ecosystem Planning, Protection and Enhancement						
1.2 Enhance	Infra/combined infra-vegetative measures to address water					
natural resources	source protection, soil and water conservation, and streambank					
for value chains stabilization:						
and resilience	 Fencing or other protective barriers around springs 					
	Small-Scale Irrigation Schemes					
	Rainwater Capture Tank					
	Streambank Stabilization through grouted riprap including					
	application of bio-engineering solutions like coconets planted with					
	Vetiver grass					
	Streambank stabilization - includes Sloping Agricultural Land					
	Technology (SALT), agroforestry interventions such as terracing,					
	contouring, and alley cropping; may be combined with enrichment					
	planting					
	Protecting forest ecosystem and conserving biodiversity will be					
	implemented through three specific strategies:Reforestation;					
	 Assisted natural regeneration (ANR); and 					
	Enrichment planting.					
	Disaster risk reduction measures at the community level:					
	Support disaster response packages for the most vulnerable					
	households through an emergency fund.					
COMPONENT 2: Val	ue Chain Development (and Rural Finance)					
2.1 Sustainable Design sustainable extension services for smallholders						
Extension • Enhancing and replicating of DAR's FAO Farmer Business Schoo						
Services and	(FBS) and DA's Farmer Field Schools programs - to upgrade their					
ARBO Capacity	capacities, supported with demonstration of new tools, processes					
Building	and ways of organising and managing their cacao and coffee farms,					

Table 1. Typology of Component Investments

Component/Sub-	Activity/Investment (SP/BP)
Component	upland rice and other crops, and manage their agriculture business
	more economically, socially and environmentally efficient.
	• Enhance and adapt DAR's Agroenterprise and Microfinance
	Complementation Project - Linking Smallholder Farmers to Markets
	with Microfinance (LINKSFARMM Project) Investment in new technologies and assets at farm Level
	Purchase of equipment for rejuvenation and improved quality and
	density of tree plantations;
	• Improve soil and water conservation and management: Purchase of
	soil testing,
	• Rainwater gauge; beneficiary crop fixed investments, shade tree
	seedlings,
	Provision of on farm post-harvest facilities: Storage, solar drying
	pavements, solar tunnel dryers, dehulling, moisture meters
	 Improve pest and nutrition management: Disease resistant seedlings, sprayer, organic manure production,
2.2 VC	Provide post-harvest facilities, including warehouse, solar dryers,
Commercialization	and processing centres as well as investments to deliver for
	promising niche coffee and cacao / upland rice VCs, such as
	deforestation free VC models (Cacao for Export)
	• Provide matching grants to VPOs for additional farm-level
	investments beyond initial trees and first-year inputs, which are
	granted with performance triggers Matching grants extended to VPOs who will then onlend to farmer
	members under credit conditions, creating or augmenting a
	revolving fund.
	- Postproduction investments that should identify and justify
	needed productive assets, with particular attention paid to long
	term viability of such investments.
	 Finance investments to enhance inclusion and recruitment of poorest community members, by providing eligible households
	with additional access to high-quality and climate-resilient
	agricultural inputs (e.g., climate-resilient seeds, breeds, and
	organic materials) and post-harvest facilities such as solar drying
	pavements and solar tunnel dryers that add value through
	aggregation and consolidation
	 Support innovations such as potential for blockchain technology for corbon credit management to further premate sustainable
	for carbon credit management to further promote sustainable agricultural practices
	- Support and facilitate targeted access to rural finance to
	support appropriate value chain financing and associated skills of
	the ARBOs for credit management
	- Piloting Innovative Financial Instruments for more effective
	use of matching grants mechanism
2.3 Public	Access Infrastructure: standard Farm-to Market Road (FMR) in
Infrastructure Investment	lowlands and tire tracks, motorcycle/tricycle roads, and well-defined foot trails, animal trails, and animal or small tractor-drawn sledge
Investment	for the upland areas where appropriate
	• Post-Harvest Facilities (PHF): warehouse, solar drying pavement,
	solar tunnel dryer, and processing buildings to house VC equipment

B. Description of IPs in Project Sites

1. Situationer on the Philippine IPs

26. The country improved¹ in terms of poverty reduction in the past three decades, from 49.2 percent in 1985 to 16.7 percent in 2018 coupled with declining inequality from 47 percent in 2006 to 42.3 percent in 2018. This is largely attributed to transitioning out of agriculture scaling up of the national conditional cash transfer program in 2006. However, inter-regional gaps were still evident. IP-rich regions had mixed progress in poverty reduction. In 2017, it was estimated that IPs constitute around 12%-17% of the total population (104,733,524) of which about 61% are in Mindanao, 33% in the Cordilleras, and 6% scattered in the rest of the provinces.² Mindanao, recorded the lowest decline in poverty with the proportion of poor people in the Mindanao increased from 26 percent in 1985 to over 45 percent in 2018. In CAR, where about 33 percent of IPs live, there was slow reduction in poverty of 26 percentage points and income distribution became more unequal with the Gini coefficient increasing from 40 to 45.

27. IP access to basic services lag far behind the national average with the largest disparities on (i) education, (ii) access to electricity, (iii) access to safe drinking water, and (iv) sanitation. A key reason for the is remoteness.³ Further, IPs are heavily reliant on land and natural resources to support their livelihood, with adults mostly working in fishing and agriculture.⁴ Food shortages are usually during the dry season. Environmental degradation and exposure to natural hazards weaken food security among IPs.⁵

28. NCIP data⁶ reveal that IPs occupy almost a quarter of the country's total land area. As of 2020, the NCIP has issued 248 CADTs with a total land area of over 5.7 million hectares - 27% of the total land area of the country - and a total of over 1.3 million IPs as rights holders (See Table 2). There has been delays in the issuance of ancestral land (AL) titles one factor being NCIP's lack of resources leading to encroachment within ADs and unresolved overlaps with other government mandates.⁷ The IPRA law, while not a forestry or environmental law, overlaps with environmental and natural resources laws since ADs are largely within forestlands, mining areas, and areas of critical environmental concern.⁸

N	CADT	CADT Location		ICC/IP Group	Area		IP Holders	Rights
0	#	Province/City	Municipality/Baran gay		Hectares	%	#	%
24 8	Philippines				5,750,81 2.86		1,330,7 51	
2 6	CAR				,	100 %	288,21 1	100 %
1	13				3,918.70	1%	3,474	1%
	2	Abra	Penarubia	Tinguian-Illaud				

Table 2. Approved* CADTs (ha) and Rights Holders as of Sept 2020

¹ Family Income and Expenditure Survey (FIES) 1985-2018.

² TEBTEBBA The Indigenous Peoples' International Centre for Policy Research and Education, undated. "The Philippines Fact Sheet".

https://www.tebtebba.org/index.php/resources-menu/policy-briefs-and-information-service/53-the-philippines-factsheet/file ³ Reyes C.M., Mina C.D. and Asis R.D. 2017 "Inequality of Opportunities Among Ethnic Groups In The Philippines." *Philippine Institute for*

Development Studies, Discussion Paper Series No 2017-42.

⁴ EEP-TFIP, EED Philippine Partners Task Force for Indigenous Peoples Rights 2004. "Our Harvest in Peril. A Sourcebook on Indigenous Peoples' Food Security

⁵ IFAD, International Fund for Agricultural Development 2012. "Country Technical Note on Indigenous Peoples' Issues: Republic of the Philippines."

⁶ Cortez, et. al. (2018) An Assessment of the Certificate of Ancestral Domain Title (CADT) Delineation and Recognition Process of the National Commission on Indigenous Peoples (NCIP): The Cases of Limay, Bataan and Botolan, Zambales. UP National College of Public Administration and Governance.

⁷ ANGOC, Asian NGO Coalition for Agrarian Reform and Rural Development 2019. "In defense of land rights: A monitoring report on land conflicts in six Asian countries." *Quezon City: ANGOC*

⁸ Institute for Global Environmental Strategies 2011. "Where are Indigenous Peoples Going?

N	CADT	Location			Area		IP Holders	Rights
0	#	Province/City	Municipality/Baran gay	ICC/IP Group	Hectares	%	#	%
2	31	Арауао	Calanasan	Isnag	11,268.0 3	3%	852	0.3%
3	23 2	Арауао	Conner	Isneg	19,628.0 0	5%	5,369	2%
4	23 3	Арауао	Pudtol, Luna & Kabugao	Ingajan-Isneg	18,851.8 0	5%	1,403	0.5%
5	41	Baguio City	Happy Hollow	Kankana-ey & Ibaloi		0.04 %	2,900	1%
6	1	Benguet	Bakun	Bago & Kankana- ey	29,444.3 4	7%	17,218	6%
7	16	Benguet	Kibungan	Kankana-ey	22,836.8 8	6%	15,472	5%
8	26	Benguet	Atok	Kankana-ey & Ibaloi	20,017.6 5	5%	15,634	5%
9	50	Benguet	Kapangan	Kankana-ey & Ibaloi	17,127.1 5	4%	15,995	6%
1 0	64	Benguet	Kabayan	Kalanguya, Ibaloi & Kankana-ey	22,883.0 6	6%	11,837	4%
1 1	65	Benguet	Buguias	Kalanguya 8 Kankana-ey	17,125.4 4	4%	35,510	12%
1 2	80	Benguet	Bokod	Karao, Ibaloi, & Kalanguya	41,223.3 2	10 %	12,356	4%
1 3	81	Benguet	Tublay	Kankana-ey & Ibaloi	9,932.94	2%	11,065	4%
1 4	82	Benguet	Sablan	Ibaloi	11,560.4 1	3%	1,513	1%
1 5	85	Benguet	La Trinidad	Kalanguya, Ibaloi, & Kankana-ey	7,413.34	2%	26,842	9%
1 6	94	Benguet	Mankayan	Kankana-ey	13,649.8 5	3%	26,111	9%
1 7	12 1	Benguet	Itogon	Kankana-ey & Ibaloi	41,590.0 7	10%	27,229	9%
1 8	15 6	Benguet	Itogon	Kalanguya & Iwak	7,081.93	2%	812	0.3%
1 9	63	Ifugao	Asipulo	Kalanguya, Ayangan & Tuwali	26,578.7 0	6%	14,335	5%
2 0	99	Ifugao	Tinoc	Kalanguya	21,371.2 2	5%	12,133	4%
2 1	23 4	Ifugao	Lagawe	Ayangan	19,054.6 5	5%	6,577	2%
2 2	12 0	Kalinga	Guilayon, Tabuk	Guilayon	7,112.35	2%	2,800	1%
2 3	22 6	Kalinga	Tinglayan	Ibangad	1,654.18	0.4%	2,531	1%
2 4	22 7	Kalinga	Tanudan	Ilubo	2,561.72	1%	1,521	1%
2 5	12 2	Mt Province	Bauko	Kankana-ey	9,476.53	2%	14,190	5%
2 6	18 8	Mt Province	Natonin	Balangao	9,027.54	2%	2,532	1%
3 5		on XII	·		678,135. 38		249,71 1	100 %

	CADT	Location			Area		IP Holders	Rights
0	#	Province/City	Municipality/Baran gay	ICC/IP Group	Hectares	%	#	%
1	9	General Santo		Blaan		0.3%	2,407	1%
		Kidapawan	,			0.5%		0.3%
2	17	Cty	Ilomavis	Obo-Menuvu	-,			
3	27	North	Carmen	Aromanon-Manobo	5,680.63	1%	715	0.3%
4	59	Cotabato	Makilala	Bagobo-Tagabawa		0.4%	596	0.2%
5	69		Magpet	Ubo-Manobo	5,163.10	1%	6,149	2%
6	72		Manobo, Magpet	Manobo	5,153.21	1%	3,603	1%
0	12		Mariobo, Magper	Manobo	13,751.3	2%	4,131	2%
7	88		Carmen	Aromanon-Manobo	0	270	4,131	2 /0
	10				3,999.02	1%	1,024	0.4%
8	8		Pigcawayan	Aromanon-Manobo	-			
	11				2,642.23	0.4%	863	0.3%
9	1		Amabel, Magpet	Manobo				
1	11				36,457.2	5%	5,325	2%
0	2		Libungan	Erumanen Menuvu	0		•	
1	11				15,102.8	2%	5,702	2%
1	3		Magpet	Obo-Monuvu	3		,	
1	13		51		716.07	0.1%	924	0.4%
2	9		Kidapawan City	Ubo-Monuvu				_
1	15		Arakan, Antipas,		40,350.3	6%	16,488	7%
3	4		Pres. Roxas, Magpet		1	• • •	,	
			& Matalam					
1	15				701.10	0.1%	1,969	1%
4	5		Magpet	Ubo-Monuvu				
1	16	Sarangani			74,804.6	11%	52,110	21%
5	3		Malungon	Blaan-Tagakaulo	7			
1	16				23,925.5	4%	1,828	1%
6	4		Glan	B'laan Manobo	8			
1	16				43,811.1	6%	14,738	6%
7	6		Alabel	B'laan-Tagakaulo	9			
1	16			-	30,781.8	5%	17,382	7%
8	9		Malapatan	Blaan	1			
1	17	Sarangani &	Maasim & Kiamba;	T'boli & Manobo	75,135.6	11%	13,500	5%
9	1	S. Cotabato	Ned, Lake Sebu		2			
2	17	South			88,184.1	13%	17,912	7%
0	2	Cotabato	T'boli	T'boli & Blaan	8			
2	17		Lake Sebu	T'boli, Manubo 8	15,941.4	2%	1,487	1%
1	5			Tasaday	0			
2	18			•	4,533.32	1%	2,867	1%
2	3		Tampakan	B'laan	-			
2	18		Tantangan &		4,936.82	1%	2,279	1%
3	9		Noralla	T'boli				
2	19				40,981.6	6%	41,197	16%
4	0		Lake Sebu	T'boli & Ubo	6			
2	20				5,379.59	1%	1,835	1%
5	2		Surallah	T'boli & Ubo	-			
2	20				2,648.02	0.4%	4,988	2%
6	7		Koronadal City	Blaan	-			
2	21		,		3,999.62	1%	6,153	2%
7	4		Banga	Blan & Tboli	-			
	22			Erumanen ne	48,669.3	7%	5,194	2%
2			Matalam	Menuvu	1		•	1

N	CADT	Location		ICC/IP Group	Area		IP Holders	Rights
0	#	Province/City	Municipality/Baran gay		Hectares	%	#	%
2 9	22 2		Surallah	Tboli	7,893.11	1%	2,491	1%
3 0	22 8	Sultan Kudarat	Sen. Ninoy Aquino	Manobo-Dulangan	26,994.2 2	4%	3,904	2%
3 1	22 9		Kalamansig	Manobo-Dulangan	3,377.83	0.5%	1,007	0.4%
3 2	23 0		Lutayan	B'laan	815.11	0.1%	616	0.2%
3 3	23 1		Esperanza	Tiruray	1,253.57	0.2%	1,454	1%
3 4	24 0		Palimbang	Manobo Dulangan	7,035.02	1%	2,567	1%
3 5	24 7	Sultan Kudarat & Maguindanao	Esperanza, Isulan & Ampatuan	Manobo-Dulangan	29,458.5 4	4%	3,627	1%

* There are still CADTs on process and ADs undergoing validation, some not necessarily applying for titling.

** Includes land and water **Source**: NCIP (2020)

29. Table 2 further shows that in 2020, of the total 248 CADTs 31.4% (1,804,603.89 ha) are in Region XII awarded to 249,711 IP rights holders and in CAR, 7% (404,730.62 ha) with 288,231 rights holders. The highest is in Region XI (Davao) with 1,126,468.52 ha and 292,539 rights holders.

2. IPs within Project Participating Provinces

a. Cordillera Administrative Region

30. Cordillera is one of the largest of the country's three mountain ranges, with a semitemperate climate. The region is inhabited by several tribes of various cultural diversities most of which spend their lives in the forests of the region. CAR is home to about 1.2 million indigenous people, collectively known as *Igorots*, composed of various ethnolinguistic groups, mostly *Bontok, Kankanaey, Ibaloy, Kalinga, Tinggiuan*, and *Isneg*⁹. *Igorot* means "mountain people".

31. **Abra**. The *Tingguians* or *Itneg* are the indigenous tribes of the province of Abra, The word *Tingguian* is from the Malaysian word *tinggi/tingue* which means 'surrounding mountains'¹⁰ or high or elevated¹¹. There are 11 subgroups belonging to the *Tingguian* group that have similarities but also have innate distinctiveness among them, these are the *Adasen*, *Banao/Vanaw*, *Binongan*, *Balatok*, *Belwang*, *Gubang*, *Inlaud/ Illaud*, *Maeng*, *Mayudan* (or *Ammutan* in the past), *Masadiit*, and *Mabaka*. *Tingguians* are known as rice cultivators in the upland fields, many of them produce traditional rice varieties such as *ballatinaw*, *balatoy*, *ulyog*, *binaay*, *sinumay*, *langpadan*, and *gangkab*. Families commonly reside in the mountain fields to protect their produce and other crops like camotes, sugar-

⁹Molintas, J. M. (2004). The Philippine indigenous peoples' struggle for land and life: challenging legal texts. Ariz. J. Int'l & Comp. L., 21, 269.

¹⁰ Paderes, N. M., Quileza, R. A., Abalos, M. V. A., & Fuente, B. D. Demographic and Socio-Cultural Participation ff Tingguian Women Of Abra, Philippines. Retrieved from: https://www.researchgate.net/profile/Nero-Paderes/publication/348190477_DEMOGRAPHIC_AND_SOCIO-

CULTURAL_PARTICIPATION_OF_TINGGUIAN_WOMEN_OF_ABRA_PHILIPPINES/links/5ff32ddfa6fdccdcb82e5cb3/DEMOGRAPHIC-AND-SOCIO-CULTURAL-PARTICIPATION-OF-TINGGUIAN-WOMEN-OF-ABRA-PHILIPPINES.pdf

¹¹ National Commission on Indigenous Peoples & Tourism Promotions Board Philippines. (2021). Indigenous Cultural Communities "Pagkilala" Recognize Indigenous Peoples and Ancestral Domains.

cane, and $cotton^{12}$. With other fields situated too far up the mountains, maturity of the crops is dependent on the rainfall. Furthermore, the importance of rice is manifested in numerous and sometimes elaborate rites of the *Tingguians*, mostly consulting omens, acts of sacrifice, propitiation, and thanksgiving which is interwoven with their tribal law, that is crucial to the rice's cultivation. Secondary sources of livelihood are iron works, spinning and weaving, rope and string manufacturing, and basket making.

For *Tingguians*, land is related to life, since it is not only a source of sustenance 32. but also it is where their ancestors are buried¹³. ADs are considered sacred as it is where the living and spirits are coexisting. A resource management system from the *Tingquians* is called *Lapat*. Under the *Lapat*, a family designates a specific domain (i.e. river, creek, portion of a forest, etc.) closed off from human activities and exploitation for years, usually 1-2 years. Violators under the *Lapat* system will be punished based on customary law.

Apayao.¹⁴ Majority of the IPs in the province of Apayao is the *Isnag/ Isneg* who 33. are the original inhabitants of the province¹⁵. Due to the topography and climate of Apayao, agricultural production is rampant, with crops such as rice, corn, coffee, root, crops and vegetables and fruits like lanzones, citrus, bananas, and pineapples¹⁶. In the past when rice paddies were not yet established, the Isnags engage in swidden farming where they plant rice, vegetables, and legumes. With the presence of rice paddies, produce from both rice paddy farming and swidden farming are sources of livelihood. Isnags also practice weaving handicrafts out of rattan and bamboo. Some communities of Isnag have difficulties in transporting their products/ produce to the market or neighboring villages because of the need for a horse for transport.

34. For the *Isnag*, the forest is a source of livelihood but also a sacred place as it is also a place of worship. Isnags gather various kinds of food, raw materials, and medicinal plants and hunt wild of wild animals in forests. The Isnaq's ADs are usually mineral resources thus it has been targeted by foreign mining corporations.

The most notable environmental management system that the *Isnags* practice is 35. the Lapat System. The Lapat System¹⁷ subjects either an area of a body of water, plantation, forest, or residential lot as sacred as a way of honoring a dead family member. The bereaved family takes care and looks over the area and can impose penalties to intruders. This way, the area is untouched up to 1-2 years until a say-am / grand festivity is conducted to lift the lapat.

Benguet. *Kankanaey*¹⁸ is one of the ethnic groups residing in Benguet. The group's 36. occupation is predominantly farming in their rice fields and uma or swidden gardens. Rice, crops, and other harvests are all used for household consumption and for sale. The forests are also source for edible plants like fruits, root crops, and vegetables. The common crops consumed by the Kanakanaeys are rice, corn, taro, and camote. Taro and camote are sometimes reserved for festivities like *Cañaos*, a social gathering among local

¹² Cole, F. C., & Dorsey, G. A. (1915). The Tinguian: Social, religious, and economic life of a Philippine tribe (Vol. 14). The Museum. Retrieved from:

https://books.google.com/books?hl=en&lr=&id=iVIKAQAAMAAJ&oi=fnd&pg=PA1&dq=Abra+Philippines+Tingguian&ots=ugzQJ-Koj&sig=FAw5bm1k6MDqFLLk9hsGJZDd6E8

¹³ Rovillos, R. D. (n.d.) Constructing the Boundaries of Places, Spaces and Identities in Abra (1823–1904). Retrieved from: https://thecordillerareview.upb.edu.ph/wp-content/uploads/2021/06/3-TCR-VI-1-Rovillos.pdf

¹⁴ Sebastian, A., Dando, L. R., Dando, S., Goco, R. M., Galang, R., & Sia, I. (2013). Phase II documentation of Philippine traditional knowledge and practices on health and development of traditional knowledge digital library on selected ethnolinguistic groups: the Taubuid Mangyan people of sitio Safa, barangay Sabang, Pinamalayan, Oriental Mindoro. University of the Philippines, Manila. Barangay Sabang, Pinamalayan, Oriental Mindoro. Retrieved from: https://mabikas-foundation.org/wp-

content/uploads/2020/06/the_knowledge_and_practices_on_health_of_the_isneg_tribe_in_apayao.pdf ¹⁵ Angagan, J. S., Buot, I. E. J., Relox, R. E., & Rebancos, C. M. (2010). Ethnobotany of the plant resources in conner, Apayao, Northern Luzon, Philippines. J Nat Stud, 9(1), 31-38. ¹⁶ Ibid.

¹⁷ Sadao, N. C. (2010). Lapat system: an indigenous natural resource management system of the Isnags in Apayao [Philippines]. Journal of ISSAAS [International Society for Southeast Asian Agricultural Sciences](Philippines).

¹⁸ Bersamin, A. T., Tayaben, J. L., Balangcod, K. D., Balangcod, A. K. D., Cendana, A. C., Dom-Ogen, E. T., ... & Balangcod, T. D. (2021). Utilization of plant resources among the Kankanaeys in Kibungan, Benguet Province, Philippines. Biodiversitas Journal of Biological Diversity, 22(1). Retrieved from: https://www.smujo.id/biodiv/article/download/7516/4525

communities. In general, *Kankanaeys* have a strong association with their environment as this is seen as closely tied with the world of the spirits. Therefore, traditions and rites are all related to the environment and the spirits that live among them.

37. Men and women among *Kankanaeys* are of equal status¹⁹ although men usually work away from home to provide food, shelter, and draft animals then return to their homes and care for their children. Women, on the other hand, mostly, stay at home and tend to small crops like camote and coffee, prepare food for the family, sometimes community, and assist men in transporting surplus products.

38. Another IP group are the *Ibaloi*. The *Ibaloi* settlements are found in the southern parts of Benguet—Atok, Bokod, Itogon, Kabayan, Kapangan, La Trinidad, Sablan, Tuba, Tublay, and Baguio City—with some in the foothills and mountains of eastern Nueva Vizcaya. It is believed, in the past, that they were inhabiting in gold mining camps but in actuality in leveled "fertile valley lands" ideal of wet rice agriculture, as manifested in their oral traditions²⁰. The livelihood of the *Ibaloi* are swidden farming, hunting, gold mining, and trading, with the latter two controlled by the *baknang* (elite). This was followed by intensifying their agricultural productions and diversifying to cattle raising. Currently, *Ibalois* and *Kankanaeys* are also tapped by big mining companies as manual laborers²¹.

39. The *Kalanguya* have settlements in various northern regions of the country but in the Cordilleras, they inhabit the provinces of Benguet and Ifugao²². The *Kalanguyas* are into farming, many of which are root crops, rice, and vegetable. Lands are seen as sacred, especially Mt. Pulag which is a sacred ground off their departed ancestors. Mt. Pulag settlements expanded into tourism and IPs served to became tourist guides. River around their communities are also sources of food and income.

40. Living in the barangays of *Karao* and *Ekip* in Bokod, Benguet are the *Karao*²³. They are formerly known as *Ponoypoy* and is believed to originate from Natonin, Mountain Province. Their livelihoods are focused on agriculture with main products coming from rice, vegetables, and root crops like sweet potato, taro, and cassava. Other activities are swine and cattle raising and fruit production (mango, avocado, and papaya). Home industries like rattan and bamboo weaving is also a source of livelihood. Theu have a council of elders called *Yangkaama* or *Yangkabahkol* that governs their ADs.

41. **Ifugao.**²⁴ Ifugao came from the *Kankanaey* word "man" or "person" which was soon named after the inhabitants of the province²⁵ other say it comes from the word ipugo, meaning "people of the earth, mortals, or humans"²⁶ For the Ifugaos, mountain ranges or forests surrounding their communities are mostly privately-owned or clan-owned which are collectively called *muyong*. *Muyong* is known as a traditional land-use zoning system placed along mountain peaks until mid-slopes. These woodlot areas are sources of fuel wood, wood for construction, and edible fruits. *Muyongs* are also essential in the protection against soil erosion and watershed management that supply water to the Ifugaos' rice

"Pagkilala" Recognize Indigenous Peoples and Ancestral Domains

²⁵ Lambrecht, F. H. (1981). The Kalinga and Ifugaw Universe. Ultimate Reality and Meaning, 4(1), 3-23. Retrieved from: https://www.utpjournals.press/doi/pdf/10.3138/uram.4.1.3

¹⁹ Bean, R. B. (1908). The Benguet Igorots: a somatologic study of the live folk of Benguet and Lepanto-Bontoc. Bureau of Printing. Retrieved from:

https://books.google.com/books?hl=en&lr=&id=V0xWAAAAYAAJ&oi=fnd&pg=PA409&dq=Bontoc+Benguet+indigenous+people&ots=Fs mluP5HYh&sig=cNEXIh-qCdISNjfgRH_Yg-PADHQ

²⁰ Canilao, M.A. (n.d). Lost in the Retelling: Washed-out Balitok (Gold) in Ibaloi Generational Memory Ibaloi Diaspora into Benguet (Part 2). Hukay, 14, 91-110. Retrieved from: https://www.academia.edu/download/49570118/4106-10257-1-PB.pdf 21 Canilao, M.A. P. (2011). Transformations in Ibaloi gold extraction: From the protobistoric period to the current era (14th c-20th

²¹ Canilao, M. A. P. (2011). Transformations in Ibaloi gold extraction: From the protohistoric period to the current era (14th c-20th c). Aghamtao Journal, 20, 20-39. Retieved from: https://www.academia.edu/download/49623322/Aghamtao_vol20.pdf ²² National Commission on Indigenous Peoples & Tourism Promotions Board Philippines. (2021). Indigenous Cultural Communities

²³ National Commission on Indigenous Peoples & Tourism Promotions Board Philippines. (2021). Indigenous Cultural Communities "Pagkilala" Recognize Indigenous Peoples and Ancestral Domains.

²⁴ Camacho, L. D., Gevaña, D. T., Carandang, A. P., & Camacho, S. C. (2016). Indigenous knowledge and practices for the sustainable management of Ifugao forests in Cordillera, Philippines. International Journal of Biodiversity Science, Ecosystem Services & Management, 12(1-2), 5-13.

²⁶ Wardani, E. M. (2016). Food for Indigenous Communities in Times of Global Crisis: Reflection from the Experiences of Orang Rimba Community (Jambi Province, Indonesia) and Ifugao Community (Ifugao Province, the Philippines). Jurnal Kajian Wilayah, 2(1), 19-34.

paddies. The province's rice terraces, one of the UNESCO World Heritage, and muyong are both ADs.

Rice is the staple food for the Ifugao, supplemented by potatoes, yam (kamote), 42. vegetables and meat²⁷. Ifugaos living in rural areas are farmers tilling and cultivating their lands. Traditionally, Ifugaos believe that harvesting of rice is only done once a year so as land needs to heal or recuperate. Other sources of food, for the Ifugao, then are from outside the country which are widely available in the markets.

43. Single time harvest is hardly practiced by the Ifugao farmers, with the rampant use of commercial rice varieties to meet market and dietary needs, native *Tinawon* rice is rarely planted²⁸. The use of commercial rice varieties are affecting the terraces, with the introduction of new pests and commercial pesticides to address the issue²⁹.

Kalinga. Kalinga province is home to the Kalinga IPs which were named as such 44. by neighboring ethnic groups as the Kalingas were headhunters in the past³⁰. The main source of livelihood by the Kalinga is farming on hillside rice terraces³¹. This rice terraces farming is heavily reliant on the conservation and protection of adjacent mountain forest biodiversity and overall health of local watersheds. Kalingas living in mountainous areas are also hunters and gatherers with some have individual backyard gardens³².

45. The Kalinga practices an indigenous forest management system (IFMS) in the form of the *imong* that is forest lot or communal forest area owned and managed by an individual or family usually as an inheritance from another generation. The passing on of ownership and management of the forest (orchard). It is used as a watershed to sustain vegetation, for productive rice cultivation and for other livelihood activities. At the same time, it enhances ecological conservation through biodiversity protection and forest regeneration which are all prescribed by the traditional harmonious relationship of the earthly and supernatural world of the *iKalinga*.

In the *imong*, one finds diverse varieties of trees planted by the owners that can 46. be utilized for house construction, soft trees for making coffins, trees for firewood and fruit bearing trees. Trees usually found in watershed areas are also planted, among these Tabbog, Alimit, and Sabrang, which are local species that indicate the presence of water sources. Other species found in the *imong* are bamboo varieties that are used for building houses and making baskets, tiger grass for making brooms, coconut trees for lumber and brooms, rattan and anos (wild bamboo) for weaving baskets, and buwa (betel nut) trees (Balawan et al, 2014).

Mountain Province. One of the major ethnolinguistic groups of the Cordillera 47. region is the Kankanaey that reside in Mt. Province. This IP group are combining the beliefs of Christianity and traditional customs and beliefs³³. For the people of Mountain Province, rice is a staple food therefore land and water are treated with the same value. Majority of the households engage in irrigated rice farming in which it is planted in their vast rice terraces and is a source of subsistence for the community³⁴. Supplementary crops like

²⁷ Wardani, E. M. (2016). Food for Indigenous Communities in Times of Global Crisis: Reflection from the Experiences of Orang Rimba Community (Jambi Province, Indonesia) and Ifugao Community (Ifugao Province, the Philippines). Jurnal Kajian Wilayah, 2(1), 19-34. 28 Avtar, R., Tsusaka, K., & Herath, S. (2019). REDD+ implementation in community-based muyong forest management in Ifugao, Philippines. Land, 8(11), 164.

²⁹ Ibid.

³⁰ Lambrecht, F. H. (1981). The Kalinga and Ifugaw Universe. Ultimate Reality and Meaning, 4(1), 3-23. Retrieved from: https://www.utpjournals.press/doi/pdf/10.3138/uram.4.1.3

³¹ United Nations Development Programme. 2012. Kalinga Mission for Indigenous Children and Youth Development, Inc. (KAMICYDI), Philippines Equator Initiative Case Study Series. New York, NY

³² Atlas of Humanity. (n.d.). Kalinga People, Philippines. Retrieved from: https://www.atlasofhumanity.org/kalinga 33 Dulnuan, J. R. (2005). Perceived tourism impact on indigenous communities: A case study of Sagada in Mountain

Province. Sustainable tourism: Challenges for the Philippines, 161-204. Retrieved from: https://sswm.info/sites/default/files/reference_attachments/UNESCO%202006%20Water%20and%20Cultural%20Diversity.pdf#page=1 85

³⁴ Alangui, W. V., & Caguioa, M. C. C. Protecting the Forest: Learning from the Agawa Women of Besao, Mt. Province. Sustaining & Enhancing Forests Through Traditional Resource Management, 267.

peanut, corn, and sugar canes are also planted by the community. Other sources of income are from labor, livestock, and retail business.

48. Water sources within traditionally held private lands are regarded as accessible to all the community, as water is not owned but shared and belongs to all. Since the water source has no owner, management or leadership is usually given to the elders and those educated or articulate³⁵. Currently, customary laws are imposing the need to regenerate aquatic resources to sustain the communities' water quality and quantity.

49. For forested land, the *Tayan* is an indigenous system of forest resource management wherein a clan, particularly a bilateral descent, exclusively manages some parts of the forests³⁶, therefore activities within the land is bounded by clan rules.

50. Another IP in the Mt. Province are the *Applai*³⁷, which means upstream. Most of them reside in the municipality of the Besao, Sagada, Tadian, and Sabangan Bauko. Their main source of livelihood is rice farming. Other sources of income are vegetable farming, traditional mining, businesses related to tourism, pottery, and weaving. Most forests inhabited by the *Applai* are communal forests which are regulated by the elders of the community.

51. From the municipalities of Barlig, Natonin, and Parcelis, the *Balangao* IP group are found³⁸. Some of the ethnolinguistic groups in the area are the *Kachakran, Lias*, and *Fialig*. Their main source of livelihood and sustenance is from rice farming that is produced year-round. Root crops, legumes, and vegetables are also part of their diets and surplus are sold in the market. The *Lias*, ethnolinguistic group is known for their freshwater fishing activities, wherein the *chalit* or eel is considered as one of their highly priced catches. Natonin IPs are into abaca fiber production. Barlig is known for their rattan weaved products, one of which is called pasking or the rattan backpack.

52. The *I*-Bontoc or Bontoc³⁹ ethnic group is mostly found inhabiting the municipalities of Bontoc and Sadanga. ADs/ALs and settlements are usually found in the Upper Chico River area, most of which are submerged by dams. For the Bontoc, their land and environment should be protected because it is believed that harming the environment and its people will cause misfortune to the individual, his/her family, and community. Their livelihood is on the agriculture of rice, root crops, and legumes. Other activities by the Bontocs are weaving.

53. *Iwak* IPs reside in the barangays of Itogon, Benguet⁴⁰. They are considered as the least populous IP group in the Cordilleras. They co-exist with the *Ibaloy* and *Kalanguya* IPs groups, even somewhat adopting their language and culture. Their agricultural systems range from wet farming to cultivation of root crops and vegetables. They also engage in weaving baskets, trays, and brooms, of which are sold in Nueva Viscaya.

b. Region 12-SOCCSKSARGEN

54. Region 12 is a melting pot of diverse cultures with indigenous groups like *Manobo*, *Tagabawa*, *Bagobo*, *B'laan*, and *Klata*⁴¹. Majority of the residents of Mindanao are called

³⁵ Dictaan-Bang-Oa, E. P. (2006). Traditional water management among the Kankanaey of Besao, Mountain Province, Philippines. WATER AND CULTURAL DIVERSITY, 175.

³⁶ Molintas, J. M. (2004). The Philippine indigenous peoples' struggle for land and life: challenging legal texts. Ariz. J. Int'l & Comp. L., 21, 269. Retrieved from: https://repository.arizona.edu/bitstream/handle/10150/659142/13_21ArizJIntlCompL_269_2004.pdf ³⁷ National Commission on Indigenous Peoples & Tourism Promotions Board Philippines. (2021). Indigenous Cultural Communities "Pagkilala" Recognize Indigenous Peoples and Ancestral Domains.

³⁸ Ibid.

³⁹ Ibid.

⁴⁰ National Commission on Indigenous Peoples & Tourism Promotions Board Philippines. (2021). Indigenous Cultural Communities "Pagkilala" Recognize Indigenous Peoples and Ancestral Domains.

⁴¹ Mancao, L. S. (2022). Indigenous Herbs and Spices in Selected Areas of North Cotabato: An Ethnobotanical Survey. Asian Journal of Agricultural and Horticultural Research, 9(1), 29-51. Retrieved from: http://sciencerepository.uk/id/eprint/1390/

Muslims. Muslims see land as belonging to the community, and not to individuals⁴². The datu/chieftain usually decides who would occupy a land. In the past, since Muslims see land as communal, they often fail to recognize land titles as legitimate.

55. **North Cotabato**⁴³. The majority of the IPs in North Cotabato are the *Manobos*, *Bagobo* and *Tagabawa* who are inhabiting lands beside the forests. The *Manobo* tribe found mostly in North Cotabato are the *Manuvu Erumanen*⁴⁴. In the past, *Manobos* are highland residents with swidden agriculture as a subsistence economy. With time, *Manobo* ADs have been accessed and exploited by outside groups, especially logging companies, which resulted to their displacement and intermittent access to their lands, their source of living. Dispossessed *Manobos* are mostly forced to the steep sections of mountains where soil is thin, quickly eroded, and lose their fertility. The *Manobo's* view on land is semi-communal, communal land but recognizes that individuals are occupying them. Land conflicts are also present between *Manobos*, Lowlander settlers, and Muslims, usually due to differences in perspectives.

56. There are *Bagobos, Manobos*, and *Klata* ethnic settlements near the Mt. Apo National Park, majority of which are the *Manobos*. The *Manobos* are farmers and livestock dispersal project beneficiaries. The farmers plant banana, rubber, tiger grass and coffee⁴⁵.

57. The *Tagabawa-Bagobo/ Bagobo Tagabawa* tribe are known to be upland farmers and farm laborers in adjacent areas⁴⁶. Cash crops being cultivated are abaca, coffee, and some temperate vegetables. Income from agriculture is not enough to meet household monthly expenses, specifically on food, education, and medicine. They engage in farming in the mountain slopes and lowland farming of rice, corn, and vegetables. They also hunt and gather in the forests near their settlements. Livestock-raising, fishing, and trading of local handicrafts is also a common economic activity within their community.

58. **South Cotabato**⁴⁷. The majority of indigenous group occupying South Cotabato is the *B'laan*. The *B'laan's* perception on land is a part of nature and acquiring produce from nature would require permission from the Creator. Being part of the land, the *B'laan* did not claim parts of it as it was also for communal use however, due to external factors like parcelization of land which was distributed to migrant settlers, the *B'laans* migrated to the mountains. Before retreating to the mountains, *B'laan* tribes practiced shifting cultivation in the lowlands and hunting and gathering of forest products. *B'laans* in mountainous areas are cultivating slope lands with corn as the main crop. With the disadvantage of cultivating slope lands, most *B'laans* go down to the lowlands and look for various jobs as farmers, laborers, and porters.

59. There are also *Manobo Blit* and *Tasaday* communities residing in the rough and mountainous areas of Lake Sebu and South Cotabato coastlines, respectively⁴⁸. Both IP groups engage in hunting and farming as sources of living. Currently, both practice swidden farming or temimba with main crops such as upland rice, corn, root crops, peanuts, fruits, and vegetables. The *Manobo Blit* and *Tasaday* go hunting in groups to hunt for deer, wild pigs, wild rooster, monkey, and birds but these are only killed if they are harmful to their crops.

⁴² Fraiser, D. M. (2001). Land conflict of the cotabato Manobo people. Philippine studies, 49(2), 215-235. Retrieved from: https://www.jstor.org/stable/42634627. Retrieved from: http://www.philippinestudies.net/ojs/index.php/ps/article/viewFile/425/429 43 Ibid.

⁴⁴ Arciosa, R. M. (2022). DETERMINING BERNOULLI'S PRINCIPLES IN BASKET WEAVING OF MANOBO TRIBESMEN IN SOUTHERN PHILIPPINES. Journal of Technology and Operations Management, 17(2), 16-26. 45 Ibid

⁴⁶ Mancao, L. S. (2022). Indigenous Herbs and Spices in Selected Areas of North Cotabato: An Ethnobotanical Survey. Asian Journal of Agricultural and Horticultural Research, 9(1), 29-51. Retrieved from: http://sciencerepository.uk/id/eprint/1390/

⁴⁷ Umehara, H. (2009). Koronadal Valley Half a Century after Land Settlement in South Cotabato, Mindanao. Philippine Studies, 505-541. Retrieved from: http://www.philippinestudies.net/files/journals/1/articles/8961/public/8961-9937-1-PB.pdf

⁴⁸ National Commission on Indigenous Peoples & Tourism Promotions Board Philippines. (2021). Indigenous Cultural Communities "Pagkilala" Recognize Indigenous Peoples and Ancestral Domains

60. The word *T'boli* came from the vine vegetable called boli which grew abundantly around the community where the IP group are residing in Lake Sebu, T'boli, Maitum, and Kiamba⁴⁹. The *T'boli* IPs cultivate their lands and practice swidden farming along the foothills and produce corn, upland rice, root crops, and other vegetables. They also engage in fishing in their lakes and rivers. Weaving, mat making embroidery, beadwork, and brass cutting are also the activities common among the *T'boli* IP group.

61. The *Ubo* are known as the metalsmiths of Lake Sebu because the name originated from an *onit*, an arrow protector with bow and arrow. This mountain people practice swidden farming.

62. **Sarangani**⁵⁰. In Sarangani Province, the *Blaans* are the dominant IP group living in the only landlocked Municipality of Malungon and the coastal towns of Alabel, Malapatan, Glan as well as some parts of Maasim. The groups' main source of livelihood is from swidden farming, weaving (men weave baskets while women mats), fishing, hunting, food gathering, and tool and weapon-making⁵¹.

63. The traditional *Tboli* homeland was marked by the Calaun (Kalaong) river. This ancestral homeland extended east from the Celebes coast to include the hinterlands of Lakes Sebu, Lahit and Seloton as well as the coastal areas of the modern municipalities of Maitum, Kiamba, and Maasim. In Allah Valley, floodplain, *T'bolis* live with other indigenous people's group, the *Blaans*. Until now, the *T'boli* has distinguished themselves in two indigenous crafts, weaving and metal working. This craftsmanship is particularly more advanced than in other indigenous groups.

64. Another indigenous group inhabiting the province of Sarangani is the *Tagakaolo*, also known as *Saka, Kagan* (*Kalagan, Calaganes, Calagars*) or *Laoc. Tagakaolo* means "those who dwell at the head of the river". As a source of livelihood⁵², the group are fishing in the rivers for sustenance, however, quantity of fish is affected by irrigation-use, siltation, and pollution. Other sources of livelihood are hunting and gathering. Catches from hunting is affected by deforestation so women would gather root crops, edible ferns, and mushrooms to supplement their diets. Rice is also a staple in their diets but when it is scare, the IP group turns to gathering the toxic yam from a wild vine called bay.

65. **Sultan Kudarat**⁵³. The *Manobo* tribe mostly found in Sultan Kudarat are the *Manobo Dulangan*⁵⁴. Some *Manobos* live in coastal areas but the *Dulungan Manobos* inhabit the mountain areas of Sultan Kudarat, this is because "*dulungan"* means "high area"⁵⁵. This Manobo group's main source of livelihood are swidden agriculture and various products from the forests. Sultan Kudarat *Manobo Dulangan* are known as weavers and most are women who specialize in craft arts weaving.

66. Just like the greater *Manobo* group, land is considered as sacred, communal, a source of identity. Usually, family-owned large portions of land are considered communal land where the owners have rights to utilize the land while people in good terms with the owners are given rights to settle and use the land. However, there are cases where *Manobo* are subjected to exploitation, oppression, killings and land grabbing thus affecting their

51 Bello, A. T., & Bardos, S. E. (2020). B'laan Population Structure and School Indicators: Basis for School Planning. Asian Journal of Education and Social Studies, 12(3), 30-41. Retrieved from: http://stmdigitallib.com/id/eprint/601/1/Bello1232020AJESS62020.pdf 52 Arquiza, Y. D. (2001). Weaving a new web of life. INDISCO Case Study No, 7. Retrieved from:

https://www.lifemosaic.net/images/uploads/Resources/Docs%20(Eng)/Weaving_the_Web_of_Life.pdf

⁵⁴ Arciosa, R. M. (2022). DETERMINING BERNOULLI'S PRINCIPLES IN BASKET WEAVING OF MANOBO TRIBESMEN IN SOUTHERN PHILIPPINES. Journal of Technology and Operations Management, 17(2), 16-26.

⁴⁹ Ibid.

⁵⁰ South Cotabato II Electric Cooperative, Inc. (n.d.). Indigenous Peoples Plan Solar Home System Window 2 Project. Retrieved from: www.napocor.gov.ph/images/asep/SOCOTECO_II_IP_plan_PVM_W2.pdf

⁵³ Petrola, J. P. J. (2017). Economic Globalization and the Manobo Peoples' Struggle for Social Justice. International Journal of Science and Research (JJSR), 6(12), 1890. Retrieved from: https://www.researchgate.net/profile/John-Paul-Dated Augustantian Content of Cont

Petrola/publication/322365750_Economic_Globalization_and_the_Manobo_Peoples'_Struggle_for_Social_Justice/links/5a56306aa6fdcc30 f86d2b7a/Economic-Globalization-and-the-Manobo-Peoples'Struggle-for-Social-Justice.pdf ⁵⁴ Arciosa, R. M. (2022). DETERMINING BERNOULLI'S PRINCIPLES IN BASKET WEAVING OF MANOBO TRIBESMEN IN SOUTHERN

⁵⁵ Cruz-Lucero, R. (2007). Ang dalumat ng panahon at espasyo sa mga Traki ng Dulangan Manobo. Humanities Diliman: A Philippine Journal of Humanities, 3(1). Retrieved from: https://www.academia.edu/download/45560915/31-791-2-PB.pdf

rights to self-determination, motivating them to struggle for recognition. Swidden farming or *elgabek* is their type of farming practice⁵⁶. Traditional farming practices include *ighemula* or drawing pig's blood on the farm land to ensure good harvest. Traditional crops include native corn, upland rice, banana, camote, and vegetables.

67. Another distinct IP group from South Cotabato and Sultan Kudarat are the *Taboli Manobo*, who are direct descendants of the *Manobo Dulangan*, who have established an identity and territory of their own⁵⁷. Traditionally, they depend of swidden farming with crops such as rice or *binek*, glutenous corn, sweet potato or *mandu*, taro or *kewel*, and many more. They also practice hunting for wild animals. In their community, the *bong datu* is the highest leader that settles conflict for the whole territory. The *bong datu* is identified as having knowledgeable on customary laws and have accumulated properties and vast lands.

68. The *Teduray* came from the words "*tew*" meaning person ad "*duray*" meaning bamboo with a hook and a fishing line⁵⁸. With this, their ancestors are known to be fishermen. They classify themselves as mountain, river, and coastal peoples, depending on their settlement area. Regardless of their identification, their common livelihood is on farming of rice, corn, sweet potato, coconut, vegetables, and root crops. Others sell firewood and charcoal. They practice indigenous communal farming called *Timanan* where harvest is equally shared among the community. During dry seasons, they engage in fishing and hunting.

C. Summary of Substantive Rights and Legal Framework

1. Applicable National and International Laws Impinging on IP Rights

69. Table 3 provides the list of national and international laws that support or impact on IP rights and the lands they occupy.

Yea r	Policy	Salient Features
Natio	nal Laws	
198 7	The 1987 Philippine Constitution	The State recognizes, promotes, protect, and respect the rights of indigenous cultural communities within the framework of national unity and development
193 6	Commonwealth Act 141 (The Public Land Act)	This Act provides for the classification of lands that are still in the public domain into A&D, Forestland and Mineral Lands. Under this law, only A&D lands can be privately owned; Forestlands and Mineral Lands cannot be privately owned (hence inalienable). The law vests the President with authority to reclassify lands or "transfer such lands from one class to another, for the purposes of their administration and disposition".
195 2	Republic Act 730	An act to permit the sale without public auction of public lands of the republic of the Philippines for residential purposes to qualified applicants under certain conditions.
197 5	Presidential Decree 705: Revised Forestry Code of the Philippines	Tribes are entitled to rights of ownership and possession existing at the time a license is granted under this Code. Possession includes places of abode and worship, burial grounds, and old clearings, but excludes production forest inclusive of logged-over areas, commercial forests and

Table 3: National Laws and International Laws Affecting IPs

⁵⁶ National Commission on Indigenous Peoples & Tourism Promotions Board Philippines. (2021). Indigenous Cultural Communities

[&]quot;Pagkilala" Recognize Indigenous Peoples and Ancestral Domains

⁵⁷ Ibid. 58 Ibid.

Yea r	Policy	Salient Features
Natio	nal Laws	
		established plantations of forest trees and trees of economic value.
198 8	Republic Act 6657 of 1988: Comprehensive Agrarian Reform Law (CARL)	States that the rights of the IP to their AD/AL must prevail over that of the farmer. Leasing of undeveloped lands on the public domain to qualified entities for the development of capital-intensive farms and traditional and pioneering crops, especially those for export, prior rights of IPs to their ALs shall likewise be respected (Section 2, par. 12). The preeminence of lands that have come under the operation of the Torrens System of titling as against
		ADs/ALs so in case of conflict between ADs/ALs and
199 1	Republic Act 7160: The Local Government Code of 1991	Torrens titles, CARL will settle in favor of the titled lands. IPs may establish tribal barangays as similarly recognized by the IPRA in barangays where majority of the inhabitants are members of indigenous cultural communities, local systems of settling disputes through their councils of datus or elders shall be acknowledged without prejudice to the applicable provisions of this Code. The customs and traditions of ICCs shall be applied in settling disputes between members of the cultural communities.
199 7	Republic Act 8293: Intellectual Property Code of the Philippines	intellectual and industrial properties shall protect and secure the exclusive rights of scientists, inventors, artists and other gifted citizens to their intellectual property and creations.
199 7	Republic Act 8371: Indigenous Peoples Rights Act (IPRA)	The national law that safeguards and recognizes the rights of ICCs/IPs with the respect of their culture and traditional systems and ADs. It also states the creation of the National Commission on Indigenous Peoples wherein it shall be a government agency responsible for establishing implementing mechanisms, appropriating funds therefor, and for other purposes.
200 9	Republic Act 10023	An act authorizing the issuance of free patents to residential lands. It shall cover all lands that are zoned as residential areas, including townsites as defined under the Public Land Act. Any Filipino citizen who is an actual occupant of a residential land may apply for a Free Patent Title under this Act: Provided; That in highly urbanized cities, the land should not exceed two hundred (200) square meters; in other cities, it should not exceed five hundred (500) square meters; in first class and second class municipalities, it should not exceed seven hundred fifty (750) square meters; and in all other municipalities, it should not exceed for public service and/or public use.
201 2	NCIP Administrative Order No. 3 Series of 2012 (Revised Guidelines for Free and Prior Informed Consent)	regulates the process of determining if the project or activity are allowed inside any ICC/IP AD, including the process of Free and Prior Informed Consent. The NCIP issues Certificate Precondition (CP) for projects that are deemed to have received free and prior informed consent by the ICC/IP.

Yea	Policy	Salient Features
r		Sulent reactives
201 2	Joint Administrative Order No. 1 S of 2012 of DAR, DENR, LRA and NCIP	The JAO clarifies the DENR has jurisdiction of all lands in the public domain while DAR has jurisdiction over all titled lands and NCIP has jurisdiction on the following types of lands: (i) All lands encompassed in the definition of ADs; (ii) All lands included in the definition of ALs; (iii) All lands covered with Presidential Proclamations or by law which proclaimed the same as reservations or resettlement areas of particular tribes of ICCs/IPs; and, (iv) All lands certified
201 8	Republic Act No. 11038: Expanded National Integrated Protected Areas System Act	by the Chairman of the NCIP as AD/AL. The Expanded NIPAS (ENIPAS) covers the acknowledgement of territories and areas occupied and conserved by ICCs/IPs specifically on ADs and customary rights
	national Treatise / Cove	
197 6	International Covenant on Economic, Social and Cultural Rights	 State Parties recognize the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice, and peace in the world Signature:19 Dec 1966 Ratified: 7 Jun 1974
198 9	Indigenous and Tribal Peoples Convention	Also known as the ILO Convention 169, is a major binding international convention
200 5	Convention on the Protection and Promotion of the Diversity of Cultural Expressions.	The Convention on the Protection and Promotion of the Diversity of Cultural Expressions is a legally binding international agreement that ensures artists, cultural professionals, practitioners and citizens worldwide can create, produce, disseminate and enjoy a broad range of cultural goods, services and activities, including their own.
200 6	Convention for the Safeguarding of the Intangible Cultural Heritage	 Convention that safeguards, ensure respect, raise awareness, and provide international cooperation and assistance for intangible cultural heritage. Ratified: 18 August 2006
200 7	United Nations Declaration on the Rights of Indigenous Peoples	 This Declaration is a further important step forward for the recognition, promotion and protection of the rights and freedoms of indigenous peoples and in the development of relevant activities of the United Nations system in this field Philippines adopted UNDRIP

70. The United Nations (UN) Declaration on the Rights of Indigenous Peoples provide the international framework for the recognition of IP rights to which the Philippines is a signatory. The Philippines has not ratified the International Labour Organization (ILO) Convention 169 on Indigenous and Tribal Peoples but is also a signatory to other international treaties with intent to protect or manage biological resources and the environment:

- Convention on Biological Diversity (CBD)
- CBD"s Cartagena Protocol on Biosafety
- International Treaty on Plant Genetic Resources for Food and Agriculture
- Ramsar Wetlands Convention
- International Convention for the Prevention of Pollution of the Sea by Oil
- Convention on the Prevention of Marine Pollution by Dumping Wastes and Other Matters

- Montreal Protocol on Substances that Deplete the Ozone Layer
- Chapter 17 of Agenda 21

71. **Gap**. Under IPRA, all proposed policies/ programs/ projects/plans/activities **within** ADs/ALs are subject to the FPIC as validated by the NCIP through field-based investigations that involve potentially affected indigenous people/indigenous cultural communities⁵⁹. Standard 4, on the other hand, requires FPIC **within and outside** only if a project is assessed to potentially result to (i) adverse impacts on land and natural resources with traditional ownership; (ii) relocation from such land or natural resources; or (iii) significant impact on cultural heritage including commercial use of land, natural resources, or cultural heritage.

72. The project shall be compliant to the requirements of IPRA through the NCIP and Standard 4 and adhere to the principles and procedures for the FPIC. A FPIC-IP and this IPPF has been prepared.

2. IP Rights to Land and Resources

73. In line with IFAD's policy on the engagement with IPs⁶⁰, the country's primary legal instrument in protecting and upholding the rights of IPs/ICCs, is IPRA of 1997. IPRA recognizes IP inherent rights, including their right to self-determination, to ADs and the applicability of customary laws governing property rights, to self-determined development and to the requirement that free prior informed consent be obtained in relation to any developments that have impact on them. It also recognized AD rights, acknowledging the IPs' time immemorial collective possession of their ADs and establishing mechanisms for these to be delineated and formalized.⁶¹

74. IPRA provided for the creation of the NCIP as its implementing agency, composed of seven commissioners appointed by the President representing the seven ethnographic regions in the country as defined by the IPRA. The NCIP is the primary government agency that formulates and implements policies, plans and programmes for the recognition, promotion and protection of the rights and well-being of IPs and for the recognition of their ADs and their rights to their domain. Despite the enactment of IPRA, other laws, on land and natural resources continue to be in force, that challenge IP rights to their ALs (refer to Table 2).

75. Under IPRA, AD pertains to all areas generally belonging to ICCs/IPs, subject to property rights within ADs already existing and/or vested upon the effectivity of IPRA, comprising lands, inland waters, coastal areas, and natural resources therein, held under a claim of ownership, occupied or possessed by ICCs/IPs by themselves or through their ancestors, communally or individually since time immemorial, continuously to the present, except when interrupted by war, force majeure or displacement by force, deceit, stealth, or as a consequence of government projects or any voluntary dealings. It shall include ALs, forests, pasture, residential, agricultural, and other lands individually owned whether alienable and disposable or otherwise; hunting grounds: burial grounds; worship areas; bodies of water; mineral and other natural resources; and lands which may no longer be exclusively occupied by ICCs/IPs, but from which they traditionally had access to, for their subsistence and traditional activities, particularly the home ranges of ICC/IPs who are still nomadic and/or shifting cultivators.

76. With IPRA vesting collective IP ownership to their AD, it thus requires that activities, projects, plans and programs be subject to FPIC of the ICC/IP owning the AD. FPIC is the

⁵⁹ NCIP has an exhaustive list of recognized IP communities. However, there are recognized IP groups who do not consider themselves as IPs but more of ethnic group and confirmation for inclusion to the FPIC is determined through the FBI.

⁶⁰ IFAD Policy on Engagement with Indigenous Peoples (2022). https://www.ifad.org/en/-/document/ifad-policy-on-engagement-withindigenous-peoples

⁶¹ Ibid. IFAD

consensus of all members of the ICC/IPs to be determined in accordance with their respective customary laws and practices, free from any external manipulation, interference and coercion, and obtained after fully disclosing the intent and scope of an activity, in a language and process understandable to the community. NCIP Administrative Order (AO) No. 3 Series of 2012 provides the guidelines for FPIC, further identifying project types that would be covered by the AO, and under what applicable scheme.

3. Land Classification and AD Overlaps

77. The disposition of public A&D lands for ownership is administered by DENR through homestead and free patent based on the Public Land Act and Free Patent Law (Table 2). Disposition through Free Patent is based on occupation or cultivation of land for at least 30 years. On the other hand, homestead application is based on the desire of Philippine citizens of legal age to cultivate land. In both cases, DENR issues Patents, which represent the legal title of ownership to the disposed land. The Philippines classifies its land resources as either public domain or State-owned, or A&D. Publicly owned lands like those classified as forestlands, mineral lands, national parks, are limited to usufruct and resource utilization rights under certain conditions while public A&D can be disposed through titles or ownership. ADs are carved out of the public domain and are issued CADTs. It is possible that AD areas include privately titled lands and it is possible that ADs exist sans a CADT as stipulated in IPRA.

78. The DAR-issued tenure instruments for ARCs/Beneficiaries, may be through a Certificate of Land Ownership Award (CLOA) for individuals, or Collective Certificate of Land Ownership Award (CCLOA) for a group, are honored under IPRA and the DAR-DENR-NCIP-LRA Joint Administrative Order No. 1, series of 2012 (JAO 2012-01), provided these were conferred or obtained **before the effectivity of the IPRA**, and should therefore be segregated from ADs. IPRA and the JAO provide for the segregation of titled properties (that include CCLOAs/CLOAs) from CADTs. Post-IPRA or subsequent issuances of new titles would require CNO from the NCIP.

79. As of this writing, the NCIP withdrew from the JAO 2012-01 and JMC 2012-08 due to certain issues concerning compliance by the other agencies on the requirements for CNO. An updated JAO is under review and is expected to be signed by DAR and NCIP within 2023.

4. IPRA-Prescribed FPIC Process

80. IPRA provides the mechanism of the FPIC in line with the principle of IP selfdetermination. The FPIC process in the country is detailed in NCIP's AO No. 3., Series of 2012. There are three types of projects requiring FPIC under IPRA (Table 4):

Extractive, Intrusive, Large-	Non-Extractive/ Small-	Community Solicited/ Initiated
Scale projects	Scale Projects	Projects
• Exploration, development,	 Non-extractive 	For the delivery of basic services,
exploitation, utilization of	exploitation and	LGU projects, foreign and other
land, energy, mineral,		
forest, water, marine, air,	and natural resources as	cooperation with NCIP and
and other natural resources	defined under existing	traditional activities of the IPs of
requiring permits, licenses,	laws, rules and	natural resources found inside
lease, contracts, concession,	regulations of governing	their AD for family, personal
or agreements e.g.,	or regulating agencies,	consumption, subsistence and
production-sharing	e.g., Integrated Social	livelihood:
agreement, from the	Forestry, Community	
appropriate national or local	Based Forest	

Table 4. Types of Projects Subject to FPIC Under NCIP AO 3, S 2012

Extractive Intrucive Large	Non-Extractive/ Small-	Community Solicited/ Initiated
Extractive, Intrusive, Large-	-	
Scale projects	Scale Projects	Projects
government agencies,	Management (CBFM),	 Programs, projects and
including feasibility studies	Industrial Forest	activities solicited or initiated
related thereto;	Management	by the concerned ICCs/IPs
• Those that may lead to the	Agreement (IFMA) etc.;	themselves where the activity
displacement and/or	 Programs/projects/ 	is strictly for the delivery of
relocation of ICCs/IPs	activities not requiring	basic services.
including resettlement	permits from	 Projects, programs and
programs;	government agencies;	
• Declaration and	• Other Small-scale	
management of protected	quarrying; and;	other government agencies and
and environmentally critical	• Feasibility studies not	5 5
areas, and other related	embraced in large-scale	• Foreign and other Government
undertakings;	activities;	projects in cooperation with
Activities that would affect	detivities,	NCIP involving delivery of basic
their spiritual and religious		services or for the promotion of
traditions, customs and		economic and sustainable
ceremonies, including		development
ceremonial objects,		Gathering, hunting and such
archaeological exploration,		other traditional use by
diggings and excavations		members of the ICC/IP of
and access to religious and		natural resources found within
cultural sites:		their AD for family/personal
		consumption, subsistence and
		livelihood

81. VISTA interventions would be classified to be Community Solicited/Initiated primarily because the projects for investment will have to voluntarily be initiated, planned, designed, and implemented by the concerned ICCs/IPs themselves, enabling indigenous forest management practices to promote their livelihood opportunities in a sustainable manner while enhancing resilience and food security strategies especially during extreme climatic events.

82. Per Section 43 of the AO, where validation is required to determine the consent of the Community, the process shall be as follows:

- The Regional Director, *motu proprio* or upon receipt of the written request for validation, shall constitute a team composed of not more than three (3) from the provincial office or Community Service Center, as the case may be, to conduct a field validation;
- (ii) The team shall immediately conduct the validation and thereafter submit the appropriate report, prepared under oath, to the Regional Director within ten (10) days from commencement thereof;
- (iii) The process of validation shall be done through interviews of elders/leaders and other community members; and
- (iv) If the validation yielded positive report, the Regional Director shall within three (3) days, from receipt, prepare the CP and validation documents to be transmitted to the concerned commissioner for concurrence, copy furnished ADO. Once concurred, the same shall be endorsed to the Chairperson for confirmation. Otherwise, the Regional Director shall return the documents to the applicant/petitioner.

83. The NCIP may exercise its injunctive powers even if the project is communityinitiated, should a written complaint of any member of the affected community arise to safeguard the rights and interests of the community. Figure 1 provides the process flow.

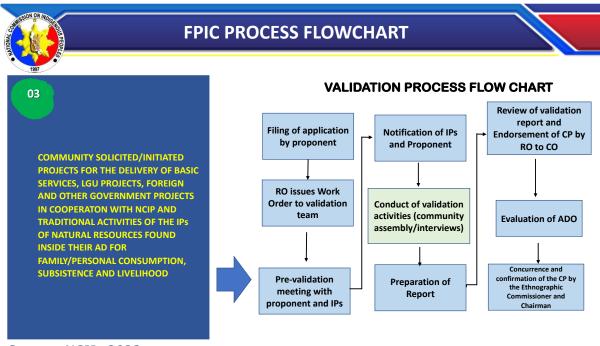


Figure 1. The FPIC Validation Process

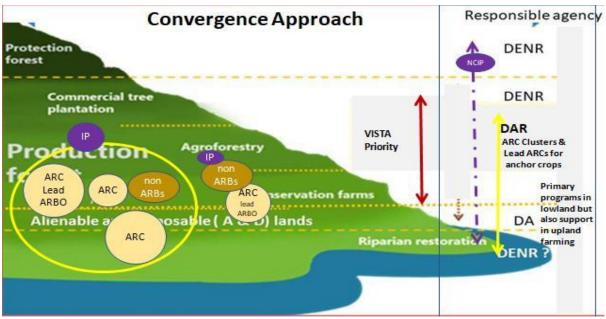
Source: NCIP, 2022.

5. Project Recognition of Legally Established Rights to Tenure

84. VISTA will improve livelihoods and enhance community resilience of vulnerable rural populations through a VCD approach anchored to natural ecosystems adaptation. The location criteria for project sites focus on: (i) Upland provinces with vulnerable ecosystems, high poverty and agricultural value chain economic potential –Extended ARC Clusters and IPs, (ii) Upland regions with vulnerable ecosystems, (iii) Presence of high poverty (income, food security and risks to livelihood), and (iv) Agricultural value chain economic potential. The target groups are limited to (i) Upland EARC and ARC Clusters – smallholder farmers and VISTA participating organisations, (ii) IP communities adjacent to selected EARCCs, (iii) Value chain small scale producers in non-ARC areas, (iv) Women and young people.

85. VISTA sites will be situated in upland areas above 18% slope and 100 meters above sea level, and may even be deemed to be within vulnerable ecosystems. Further, as overlaid with the Philippine land classification system and tenurial arrangements, EARCCs may have complexities of overlaps (Figure 2).

Figure 2. Convergence Approach to Land Use and Land Management Across Ecosystems



Source: VISTA Design Mission, March 2023

86. As such, **the project will not engage or include EARCCs** within ancestral domains with such complexities of overlaps and conflict and will have to observe paragraphs 71-72 of this IPPF. The DAR will have to show proof of when the EARCC was established: whether it is pre- or post-IPRA along with the necessary documents:

- (i) For pre-IPRA EARCCs, DAR will have to provide IFAD with a copy of DENR certification on land classification status of the area if indeed it is A&D at the time of clearance towards ARC establishment.
- (ii) For post-IPRA cases, DAR will have to furnish IFAD with either a CNO or FPIC as issued by NCIP.

D. Management of Project Risks and Impacts on IPs

1. Potential Adverse Social and Environmental Impacts and Risks to IPs Within Project Sites

87. VISTA Components 1 and 2 will implement various interventions on water source protection, water capture and storage, forest ecosystem protection and biodiversity conservation, rural infrastructure construction, planning, community engagement, organizational strengthening, and forging partnerships with other agencies, LGUs, CSOs, and private sectors. These investments will address natural resource management (NRM), production, access, and storage issues and concerns that support the anchor crops and other crops within the farm level agro-ecosystems.

88. The list of potential VISTA investments will trigger key environmental and social risks and impacts as enumerated in Table 5 below.

Table 5. Impacts and Risks of the Project and Management Measures

Table 5. Impacts and Risks of the F	
Impacts / Risks	Management Measures
Substandard design coupled with	 Climate proof infra design
increased rainfall trigger landslides 8	 Increase disaster preparedness of beneficiaries;
flooding; Earthquake induced	conduct drills on disaster preparedness;
landslides damage infra along sloping	Avoid siting of rural infra along fault lines, &
areas/ farmlands	landslide & flood prone areas
	Conduct reforestation activities on bare slopes &
these to rainfall & erosion	open canopy forest areas
	Use indigenous and/or commonly found tree-
other agroforest crops may challenge	5
the biodiversity structure of the area	 Select species that are able to adapt to the
,	projected climate conditions of the project site.
Physical & economic displacement may	 Uphold the Abbr. RF (See SECAP Review Note
occur with SPs/BPs requiring space of	
	Install GRM as avenue for information disclosure
areas	& serve as feedback loop for appropriate action
	 Observe this IPPF and FPIC-IP (See SRN
	Appendix 10) & prepare an IPP). Meaningful
& institutional arrangements around	
	Install GRM as avenue for information disclosure
resources.	& serve as feedback loop for appropriate action
Exclusion of women including yound	Community sensitization, adopting quota for
	women's participation in local decision making
-	(through VPOs/EARCCs); Develop gender and
investments	social inclusion checklist for community level
	trainings/ meetings/ workshops/decision making
	forums (logistical arrangements, facilitation,
	training/meeting materials used, special
	measures to ensure women and other
	marginalised groups' participation etc).
Unregulated pesticide use & fertilizer	Strictly implement the provisions of PD 1144
	governing the sale & use, storage of fertilizers &
women (of child bearing age) to healt	
risks, reduce population of beneficia	
insects thereby reducing crop yield	
eventually the income of beneficiaries	
	Provide "umbrella" shelter for crops and water
& duration of extreme climatic event	
(rainfall and drought/El Nino)	Establish nurseries to ensure adequate supply of
	planting materials to replace damaged crops
	 Provide technical assistance to farmers & other
	beneficiaries
	 Anticipate such occurrence through disaster
	preparedness
	 Support local government initiatives on waste
non-existent or is minimal - pollutes	
waterways & bodies of water	Provide trainings on organic agriculture -
	Convert agri-wastes into organic fertilizer
	 Promote integrated pest management (IPM)
health hazards due to women mor	
likely to grow crops on contaminate	4
land ⁶²	
	Involve men & community leaders throughout the process of gender transformative actions, invest in
	incrocoss of gondor transformative actions invest in

⁶² <u>https://vc.bridgew.edu/cgi/viewcontent.cgi?article=1199&context=jiws</u>

Impacts / Risks	Management Measures
transformative actions	shifting perceptions & practices around the recognition & promotion of women's empowerment to the whole community community awareness raising on Gender Equality and Women Empowerment (GEWE) [incl. or gender-based violence]
Typhoons damage farm lands, induces crop failure	 Climate – proof storage facilities, roads and other infrastructure Prepare for such events by having a ready supply of planting materials to replace damaged crops
	Conduct trainings on Project mgt 8 implementation, M&E, & governance to LGUs 8 ARC/ARBs
Target communities have low adaptive capacities to climate change impacts	Apply SECAP measures especially on Targeted Climate Adaptation Strategies
	Ensure financial intermediaries prepare & instal ESMS prior to onlending activities

89. Of the 142 ARCs in the list provided by DAR for assessment for the two regions during the mission, 70% are known to have IP communities. The remaining 30% is combined non-IPs or unknown at the time of assessment. This implies that all impacts listed in Table 5 impinge on IP communities.

2. Procedures for Screening and Assessing Impacts and Risks to IPs Within Project Sites

90. **Pre-planning: EARCC/Community engagement**. At the entry stage, both Component 1 (NRM) and Component 2 shall ensure that EARCCs have been cleared by DAR in terms of overlaps with protected areas, forestlands, cultural heritage sites, and AD/AL or those with contentious unresolved issues (ie conflict in resource management and boundary disputes). Social mobilization will be conducted applying the SEP, and in areas where there are IPs, within or outside AD/L, the FPIC-IP shall be operationalized. Once the SEP and FPIC-IP are initiated, the planning cycle commences with stakeholder participation ensured across all stage of the project cycle.

91. **Working with NCIP and the IP Mandatory Representative**. A rapid assessment and screening will be applied prior to entry of the Project team into the EARCC communities. IP screening under this IPPF is conducted with the NCIP prior to the ESMF screening (See ESMF screening). The Project Team will closely work with the NCIP and the IPMR who is designated through the LGU structure and not NCIP and provide NCIP with the potential list of EARCCs for inclusion to VISTA. The list identifies the location (municipality and barangay) of the EARCC and will be screened by DAR, DA, NCIP and the IPMR. The initial screening will result to identification of EARCCs that are either within ADs, or outside of ADs.

a. EARCCs Within ADs

92. The IPRA-FPIC process will prevail for EARCCs within ADs. The ICC/IP collectively has jurisdiction and control over the AD. Per IPRA, projects or interventions within ADs shall be subject to FPIC under the aegis of NCIP, except when the project itself is a government project benefiting the ICC/IP or if the intervention is part of the ICC's/IP's

ADSDPP. The NCIP then will provide a CP through a CNO or FPIC for interventions that comply with the procedures. An IPP will be prepared for the particular investment whether this be NRM or infrastructure related under Component 1 or under VCD in Component 2. The resulting Memorandum of Agreement as espoused under the IPRA-FPIC will constitute part of the IPP.

b. EARCCs With IPs Outside of ADs

93. These areas are not covered under the IPRA-FPIC Guidelines, SECAP Standard 4 on Indigenous Peoples will apply, as embodied in this IPPF. Participation of the IP Mandatory Representative is advised. The Standard 4 requirement to apply the FPIC-IP (as provided in the SRN Appendix 9) will prevail. Similarly, an IPP will be prepared for the particular investment, whether this be NRM or infrastructure related under Component 1 or under VCD in Component 2. The resulting Memorandum of Agreement as espoused under the IPRA-FPIC will constitute part of the IPP.

c. EARCCs Without IPs Outside of ADs

94. Similar to above condition b, these areas are not covered under the IPRA-FPIC Guidelines and therefore, SECAP Standard 4 on Indigenous Peoples will NOT apply. The VISTA Stakeholder Engagement Plan will be harnessed (as provided in the SRN Appendix 8).

95. **Abbreviated Environment, Social, and Climate Management Framework (Abbr. ESCMF) Screening**. Once all the above a-c conditions have been addressed, then the initial planning activities that include for the VISTA Safeguards Screening Checklist can be applied (See Abbr. ESCMF). Application for the IPRA-FPIC can run parallel to the planning activities under the VISTA Component 1.

3. Preparation of IP Plans

Planning Proper. Regardless if the plans are covered by conditions a (Para 92) 96. and b (Para 93) above, Standard 5 will prevail as harmonized with the country system requirements. The only difference is that for case a, the presence and participation of NCIP along with the traditional leadership of the ICC shall be mandatory while for case b, may be limited to participation of the IPMR and the ICC traditional leader/s. A template for an IPP is provided in Attachment 1 of this IPPF. In all cases, the RPMO SECAP Specialists, with assistance from the Consultant and EARCC Coordinating Committee, shall closely assist the proponent/ community in the conduct of the participatory planning and FPIC and ensure that appropriate process to reach consensus will be in observance of the customary ways of the ICC. The process will be based on the ICC decision-making processes and allows for an inclusive process where both women and men, different generations, and sub-groups (e.g. clans) within the community will be able to participate and voice their concerns and views. The process will inform the basis of the IPP and design support measures to enhance the benefits to the ICC/IPs and design any measures to avoid or mitigate potential risks and adverse impacts from the VISTA interventions.

97. Still for cases a and b, the following areas shall be excluded for direct investment activities as upheld by SECAP Standards 3 (Cultural Heritage), 4 (Indigenous Peoples), and IPRA:

- (i) Sites considered sacred or culturally important by an extant ICC/IP community located within, adjacent to, or reasonably close to the intervention, whether or not the site is located inside a parcel ICC/IP member, provided the claim is verifiable and has adequate basis;
- (ii) Burial sites of ICC/IPs;
- (iii) Identified international and local cultural heritage sites;

- (iv) Critical areas identified or reserved by the ICCs/IPs for special purposes; and
- (v) Other areas specifically identified by ICCs/IPs in their ADSDPP.

98. **Internal Review, Management Decision and Action.** The IPP should reflect that two documents may require higher level project management decision and consultation with NCIP: the intervention/investment in the form of a SP/BP (Refer to Abbreviated Environmental, Social, and Climate Management Framework (Abbr. ESCMF), and the specific EARCC IPP. The avenue for IP participation at this stage should be made clear as prepared by the Proponents/IP community, facilitated by the TP and DP with guidance by the RPMO SECAP Specialist as well as the LGU counterparts. It is advised that the documents to be submitted to RPMO management for review and approval include the following:

- (i) Screening Form (See Abbr. ESCMF);
- (ii) SP/BP; and
- (iii) IPP with FPIC documentation.

99. It is understood that based on the project organization, the RPMO SECAP Specialist shall review completeness of documents for review and approval by RPMO. CPMO, through the its SECAP Specialist shall be tasked for monitoring and consistency of compliance for the two regions.

100. **Implementation of the IP Plan and FPIC Memorandum of Agreement**. The IPP shall stipulate that no SP shall be undertaken before Standard 4 FPIC-IP has been obtained and the IPP prepared and approved by RPMO. Based on IFAD and other donor experience, it is widely known and documented with NEDA⁶³ that safeguards requirements like the IPRA-FPIC contributes to the bottleneck of efficient and effective project implementation. However, inasmuch as the ICC is the proponent, and the planning process upholds participation by its traditional leaders in the presence of NCIP and IPMR, the IPP along with the FPIC-IP shall be the basis for SP approval and implementation under VISTA while awaiting the NCIP-FPIC certification. The items in the IPP shall be adopted/upheld by DAR in the course of SP implementation, ie benefit sharing and modalities of consultation, GRM.

101. **Monitoring and Evaluation**. The IPP will include for a monitoring and evaluation system. Specifically, the implementation of the IPP as well as the status of the FPIC (both IPRA-based and IFAD) be monitored and reported in its periodic reports to the CPMO SECAP Specialist in accordance with the Abbr. ESCMF. The CPMO and RPMO may conduct random visits on the VISTA sites jointly with NCIP and/or IPMR. The CPMO will include an overview of IPP and FPIC monitoring in its monitoring reports to IFAD.

i. Participation, Consultation and FPIC Processes

- 102. FPIC principles under IFAD are:
 - **Free**: consent is given voluntarily and without coercion, intimidation, or manipulation.
 - **Prior:** approval is requested sufficiently before authorization or commencement of activities, at an early stage of development or investment planning, and not only when community approval is required.

⁶³ Nineteen projects reported issues on government approvals. Frequent coordination meetings and review missions with DPs, NGAs, and other stakeholders to comply with processing and approval requirements were instrumental in resolving some of the said issues. It may be prudent for agencies to consider existing policies and guidelines (e.g., environmental and social safeguards) of Development Partners to ensure smooth implementation of their ODA-funded projects and to consider packaging project activities that require compliance with the aforementioned policies/guidelines as part of the scope or technical assistance under the said projects. – NEDA ODA 2021 Report. https://neda.gov.ph/official-development-assistance-2021/

- **Informed:** refers primarily to the nature of the agreement and the type of information provided before seeking consent and as part of the ongoing consent process.
- **Consent:** is a collective decision made by the local communities and reached through a customary decision-making process by the community.

103. DAR and DA will engage with IPs in meaningful consultations in a culturally appropriate and gender and inter-generationally inclusive manner, whereby the process: (i) involves IP representative bodies and organizations, to include traditional leaders and other ICC members; (ii) provide sufficient time for IP decision-making processes; and (iii) allow for effective participation of ICCs in the design of project activities or mitigation measures that could potentially affect them either positively or negatively.

104. When investments in specific communities and territories are not identifiable during the project design stage, FPIC is sought during the implementation phase. A FPIC-IP has been prepared at design stage (See Abbr. ESCMF in SRN Appendix 9).

1. Consultations During Project Preparation

105. Initial consultations and technical meetings were conducted during project inception and design phases of VISTA from October 2022 to March 2023, with the main agenda of finalizing the VISTA scope and design. Key stakeholders from the national, regional, provincial, and municipal government agencies, CSOs, and other donor agencies participated during the design phase, including National Economic and Development Authority (NEDA), NCIP, DENR, DA, DTI, and Regional Development Councils. These agencies generally expressed support to VISTA, provided inputs to the design of the specific project components and agreed to the convergence initiatives of government in defining institutional arrangements.

106. Community consultations were likewise held by the Inception and Design Mission Teams who went on site visits in CAR, Regions 10, 12, and 13. Some participants of the consultations were IPs. During the Inception and Design Missions, the Team met with NCIP officials and in some cases, IPMRs at the Central, Regional, Provincial, and Municipal Offices. The Mission also met with ICCs of CAR, Regions 12, 10, and 13 (CARAGA). List of Persons Met for both the Inception and Design Missions is provided in SRN Appendix 8 (SEP) Attachment 1. Table 6 is a summary of issues and concerns raised during consultations.

Date	IP Entity and other Agencies	Key Issues Raised/Discussions
23-Oct-22	IPs of Libonan, Valencia City of Bukidnon Region 10	 Supportive of VISTA concept. IP lumad are the Higa- onon tribe with priority to protect their watershed and forest; AD is recognized. Major problems of the community: Coping with extreme weather events (too much rain) Deteriorating condition of farm to market road Lack of livelihood especially for women, finances, and schools
25-Oct-22	NCIP-Region 10	Per NCIP, all projects are subject to FPIC process. Obtaining a CP is a very long process; according to law, without the CP, projects cannot be implemented.
28-Oct-22	NCIP-Central Office	Supportive of VISTA concept but for the Mission Team to observe and likewise be supportive of the NCIP 11-building blocks: (i) Confirmation of Indigenous Political

Table 6. Consultation with IPs and NCIP

Date	IP Entity and other Agencies	Key Issues Raised/Discussions
		Structure (IPS); (ii) Registration and accreditation of IPO; (iii) CADT and Certificate of Ancestral Land Title (CALT) delineation process; (iv) Establishment of Ancestral Domain Management Office (ADMO); (v) ADSDPP formulation; (vi) IP Wealth Management-Community Resource Management Development Plan (CRMDP) Formulation; (vii) Institutionalization of CP, FPIC, and Exercise of Priority Rights (EPR); (viii) Effective IPMR in the local legislative bodies; (ix) Efficient & enhanced MOA/MOU/MOC formulation; (x) Socio-economic activities with IP cooperatives; and (xi) Ancestral Domain Defense System.
28-Feb-23	CAR Regional Agencies (incl NCIP)	Practically all govt officials are IPs of CAR; Commenting that VISTA is timely yet delayed. Include Apayao and if possible all other CAR provinces; Coffee & cacao most welcome since production is not enough; NCIP requests procurement of equipment to help process CP documents; all relevant agencies agreed to send data; Per DA, commodity approach may not work in upland/highland areas thus preference for farming systems approach due to NRM & CC constraints. Would like to cee continuing story of CHARMP in VISTA and consideration for SIKAME. Consider vulnerability of Benguet Province.
1-04 Mar- 23	IP communities of Benguet, Mt. Province & Abra	While ARCs are in 1 st to 3 rd class municipalities, pockets of poor households are found in Benguet and these are mostly in ARCs. IP leaders have unclear understanding of ADs within overlaps although Government and private sector are observant of the rights of IPs to their ADs. Issues on water source and climate vulnerability. Rituals and other IKSPs still being practiced.
		Issues on earthquakes, landslides, flooding and drought. Hale has been an occurrence in some parts of Benguet.
		Due to devolution of line agencies to LGUs as in the case of DA and DENR, these agencies have less visibility at the community level, unlike DAR.
		An age-long conflict in Sadanga, Mt. Province was renewed due to conflict in AD boundaries and water resources. Tribal killings have been reported, VISTA to take note.
8-10 Mar- 23	ARC communities of North & South Cotabato, Sultan Kudarat and Sarangani	Presence of NCIP, IPMR and IPs claim they do not want to be perceived as resistant to VISTA, as long as IPRA is upheld – everything through FPIC and respect of tribal leaders. NCIP and DAR cite the case of another donor-funded project in Maasim, Sarangani where tribal leaders were not consulted. Conflict being resolved by Provincial LGU. It is also reported that the Tampakan CCLOAs of DAR may be for cancellation due to overlap with Mt. Matutum Protected Area.

Date	IP Entity and other Agencies	Key Issues Raised/Discussions			
		Some ICCs (in South Cotabato) prefer DAR arrangements due to the available support services that NCIP does not have. Further, there have been cases where tribal chieftains have unilaterally decided on issues without due consultation with the rest of the ICCs. When this occurs, they raise their concerns with the LGU/IPMR to replace the IP leader.			
		Prospect for coffee and cacao under VISTA is great since the region ranks in the top 3 producing regions for both commodities.			
		Issues on extreme climatic events – landslides, flooding and drought. FGD participants in South Cotabato have reported occurrence of tornadoes which were experienced the past 5 years.			
11-Mar- 23	Region XII Multistakeholder Consultation				

2. Consultations During Project Implementation

107. At implementation, key consultation activities weave through the whole VISTA strategic prioritization process as the FPIC-IP is operationalized. Refer to Table 7 for the VSIP stages and key activities per component.

VSIP Stage	Comp 1: NRM		Comp 2: VCD		
VSIP Stage Activity		Output	Activity	Output	
Research & analysis	 Review of existing investment plans NRM thematic maps 	Ecosystem prioritization	VCD mapping & Inventory/ classification of potential/ existing coffee/ cacao areas	VCD strategic prioritization	
Identificati on of gaps	Reference: VCD map overlaid with NRM thematic maps as derived from research & analysis stage				
& priorities	Farm level NRM requirements for VCD		priorities for	VCD requirements in terms of enhanced resource base, seeds, extension system, HH financing, etc	
Synthesis/ harmonizati on of priorities	Technical prioritization	opportunities with packages of information	Institutional & specific VCD prioritization	Packages of Institutional strengthening: • Business support	

Table 7. VISTA Strategic Investment Prioritization (VSIP)

	Comp 1: NRM		Comp 2: VCD			
VSIP Stage	Activity	Output	Activity	Output		
		 Information Innovation Sustainable agri practices Etc 		 VCD linkages & expansion Financing Etc 		
	Review and e	endorsement of VISTA	Strategic Inv	estment Priorities by		
Preparation	Reference: A	RC VISTA Strategic Inv	vestment Prio	rities		
of investment proposals	NRM subproject proposals (SP): Enhanced natural resources for VCD resilience	 SP on: Infra/combined infravegetative measures Streambank stabilization Protecting forest ecosystem & conserving biodiversity Disaster risk reduction measures at the community level 	VCD business & farm proposals	BusinessPlans(BP)/SPs on• SustainableExtensionServicesandARBOCapacityBuilding• VCDcommercialization• Public infrastructureinvestments		
	Review and endorsement of VISTA Investment Proposals (BPs/SPs) by RCC Approval of VISTA Investment Proposals – Regional Project Management Office (RPMO)/ Central Project Management Office (CPMO) depending on					

108. Consultations will run parallel to VIP activities as shown in Table 8. For activities under A to B, the TP and DF with oversight from the RPMO SECAP Specialist, PPMO staff will ensure culturally appropriate, timely, and meaningful consultations in the presence of NCIP, IPMRs, and indigenous traditional leaders.

Table 8. Consultation at Implementation Stage

	Consultations / FPIC-IP			
	1. Information generation	2. Community engagement:	3. Continuing consultations	consent
A. Pre-VSIP Activities	generation	Start-up		agreement
1. Conduct initial site screening and engage with				
NCIP and/or IPMR prior to site entry				
2. Engage with IP/ICC				
3. Capacity building				
B. VISTA strategic investment prioritization				
1. Research & analysis				
2. Identification of gaps & priorities				
3. Synthesis/ harmonization of priorities				
4. Preparation of investment proposals (SP/BP				
and documentary/permitting requirements				
C. SP/BP Implementation & Operations		-		
1. Implementation of SP/BP				
2. Managing risks and impacts				
3. Monitoring & reporting				
Assessment of FPIC Implementation				

(i) **Pre-planning: EARCC/Community engagement**

109. At the entry stage – prior to site entry - the project shall ensure that EARCCs have been cleared by DAR in terms of overlaps with protected areas, forestlands, cultural heritage sites, and AD/AL or those with contentious unresolved issues (ie conflict in resource management and boundary disputes).

110. **Information generation and assessment.** As required under FPIC-IP is the conduct of assessment of (i) sociocultural and land tenure conditions, (ii) substantive rights and national legal framework related to FPIC, (iii) timing of and strategies for consultations in order to identify decision-making institutions, (iv) when and how consultations leading to FPIC will be carried out, and (v) Determine when the consent agreement will be formalized with the local communities.

Initial information generation is made prior to site entry to screen for potential 111. EARCCs using the VISTA exclusion list. Information generation is a continuing process onto implementation and the assessment of the FPIC-IP. Activity B. VISTA strategic investment prioritization across the three activities of (i) Research and analysis, (ii) identification of gaps and priorities by way of developing thematic maps, (iii) Synthesis/ harmonization of priorities with participatory data validation, and (iv) Preparation of investment proposals (SP/BP) and documentary/permitting requirements. It is during these activities when critical areas within target VCs have to be identified that require improvement to enhance the existing priority investments found within EARCCs and other participating entities. The findings from this review will provide benchmark information for the development of investment proposals. Imperatives of consultation will have to be observed especially in regard to indigenous knowledge systems and practices. Further, the application for country system permits/certificates prior to implementation will have to be satisfied and the information generated feeds into the overall information requirements of the regulatory agencies.

112. While consultations will not be necessary in the technical preparation of thematic maps, these will still need to be validated by participating IP communities and consultative measures of participation towards validation will have to be employed. Thematic maps will include land use mapping, crop-site suitability assessment, hydrological assessments, protected area mapping, vulnerability mapping, and other relevant assessments required for the inclusive SP/BP assessment of potential EARCC-related investments. The maps and other information generated will be overlaid with the VC map and referred to during the safeguards screening.

113. Social mobilization will be conducted applying the SEP, and in areas where there are IPs, within or outside AD/L, the FPIC-IP shall be operationalized. Once the area is cleared, the project team commences with IP engagement.

114. **Community engagement: Start-up and capacity building** are other prescriptions under the FPIC-IP in order to achieve common understanding with ICCs/IPs as regards VISTA objectives and goals, and assign clear roles and responsibilities among the entities involved in the process. The workshop provides the opportunity to share and discuss the (i) overall FPIC-IP, (ii) identify steps leading to consent, and (iii) determine capacity-building needs of local and IP community representatives. This start-up activity is conducted as the initial undertaking towards IP engagement and is made parallel to capacity building of VISTA staff/ partners and participating ICC/IP as potential SP/BP proponents.

(ii) VSIP activities

115. NRM and VC activities systematically diverge-converge-diverge in the whole VSIP. Key activities are (i) Research and analysis, (ii) Identification of gaps and priorities, (iii) Synthesis/harmonization of priorities, and (iv) Preparation of investment proposals (SP/BP) and documentary/permitting requirements. Once all plans are harmonized in support of VC, Preparation of investment proposals follow that are subject to review and approval.

116. <u>Research and analysis</u>. Pertinent to VC is VC mapping and inventory/ classification of potential/existing coffee/cacao areas. The output will be the development of VC strategic implementation prioritization. Central to VC mapping and inventory/classification is the generation of information/data on coffee, cacao , upland rice and other agricultural crops geographical areas, farmers/ households, type of tenure or type of land, cropping systems, density, crop and variety suitability - climate, soil, water, flora and faunal composition/distribution, farmer preference, market potential, socio-cultural composition and characteristics, state of the ecosystem and value chain components-functions, players, current/existing technology being applied, and the like. The activity will observe participatory processes by engaging IP stakeholders. This undertaking will require the deployment of a Development Facilitator (DF) who can sensitively initiate engagement of IP communities.

117. For NRM, key activities revolve around the comprehensive review of existing investment plans and information from these plans that will feed into thematic maps with information and assessment on land use, crop-site suitability, hydrology, biodiversity and protected areas, climate hazard, exposure and vulnerability, socioeconomic and cultural dimensions, land tenure/access arrangements and any other relevant considerations deemed imperative to generate benchmark data, and ecosystem priorities as linked to the VSIP process. The review and assessment will be carried out by a TP, hired for six months, to facilitate planning activities with DAR, LGU and community organizations ensuring the assessment aligns with the needs of the anchor and secondary cropping systems.

118. *Continuing consultations* will be observed immediately after the start-up on to SP/BP Implementation and Operations.

119. <u>Identification of gaps and priorities</u>. The VC map overlaying with the NRM thematic maps produced through research and analysis shall be key to the identification of gaps and priorities, conducted in a participatory manner with IP communities. Identification of gaps and priorities shall be guided by an integrated/expanded framework of analyzing key opportunities and constraints for value chain development that includes NRM and value chain factors creating a platform for VISTA stakeholders and beneficiaries to engage in the investment prioritization process taking into account the needs of women including indigenous women and young women. The continuing consultation will center on citizen science, which involves data sharing and validating technical and indigenous knowledge management practices, including IP women's knowledge.

120. <u>Synthesis/harmonization of priorities</u>. The value-chain investment plan defines the value-chain development model - the desired value chain map as it spells out key players/stakeholders especially IPs in the value-chain, their roles, the interrelationships between key players (power-influence dynamics) and the project investments. Output will be the VSIP as generated by the IPs themselves through continuing consultations and participation to the planning process. The investments plans will be reviewed and endorsed by the EARCC-CC with DAR, DA, LGUs, other relevant government agencies present on the ground, and VPO/IPO and select private sector representatives as members.

121. <u>Preparation of investment proposals</u>. The preparation of investment proposals shall strictly refer to the VSIP. The BPs/SPs shall take off from the key areas of (i) Sustainable

Extension Services and VPO Capacity Building, (ii) VC commercialization, and (iii) Public infrastructure investments. NRM SPs shall focus on enhanced natural resources for VC resilience along the lines of (i) Infrastructure/combined infrastructure-vegetative measures, (ii) Streambank stabilization, (iii) Protecting forest ecosystem and conserving biodiversity, and (iv) Disaster risk reduction measures at the community level.

122. Continuing consultations during these times shall validate SP/BP objectives, scope, and components that are shared/disclosed with IPs especially their traditional leaders or community representatives as identified by the ICCs/IPs communities themselves.

123. **Formalize consent agreement** before any investment is made or before the start of civil works. It is during investment planning that SP/BP elements form the essence of FPIC-IP requirements leading to IP formal consent. SP/BP financing and implementing arrangements (and defined roles), as well as investment benefits and risks are included in the consultation process to enhance transparency that strengthen meaningful participation towards implementation. Disclosure is imperative particularly as regards benefit-sharing, findings of M&E and assessment exercises like the sociocultural, land tenure and environmental, social and climate risk assessments. The FPIC-IP consent/agreement formalization shall be applied as basis for SP/BP approval while waiting for the certification to be issued by the NCIP with respect to the IPRA-FPIC.

124. The TP and DF will facilitate the preparation of inclusive investment proposals that combine technical plans and community knowledge, which will be disclosed to and validated by the participating communities, ensuring women including indigenous women and young women's engagement in this process before these SPs/BPs are submitted for review and eventual approval. Under VC, the key proponents for the BPs/SPs will be the VPOs and select private entities. Key proponents for NRM investments will be LGUs and community organizations – VPOs/CBFMAs/ PACBRMAs and others that may be identified later, assisted by DAR and partner institutions.

(iii) SP/BP Implementation and Operations

125. Salient activities under this stage are (i) Implementation of SP/BP, (ii) Managing risks and impacts, and (iii) Monitoring and reporting. With the IPs as the proponent/implementer, continuing consultations transpire to assist them in the technical merits of SP/BP implementation and monitoring to ensure their expressed targets are met. IPP monitoring and reporting shall be embedded in regular SP/BP monitoring activities.

126. **Assessment of FPIC-IP** will be necessary at the end of each SP/BP implementation where consultation initiatives as prescribed in the FPIC-IP are assessed. The recording of grievances will also come in handy during this assessment. This consultative activity shall specifically analyze: (i) the quality of project target group engagement and feedback; (ii) FPIC-IP; (iii) SECAP requirements for implementation; (iv) inform corrective/adaptive measures, and learn lessons for subsequent dissemination; and (v) meaningfully engage with NCIP and the ICC/IP. It is envisaged that the FPIC process through the Implementation Plan, will strengthen NCIP participation and enhance ICC/IP ownership of the investments resulting to sustainability.

ii. Appropriate Benefits

127. The process will define the basis upon which FPIC is provided and design support measures to enhance the benefits to the ICC/IPs and design any measures to avoid or mitigate potential risks and adverse impacts from VISTA investments. The FPIC-IP process shall ensure that IPs receive equitable social and economic benefits that are culturally appropriate. Consultations and the consent processes that will lead to the determined benefit-sharing arrangements will be documented, reported, and disclosed as lined out in the SECAP mitigating plans.

128. The process of consultation/negotiation for FPIC-IP has been carefully designed such that the ICC/IP and the project proponent are able to come up with agreed development and benefits plan that addresses ICC/IPs needs and compensate them for any adverse impacts through the execution of a Memorandum of Agreement containing benefits in the form of direct participation to VISTA programs that would address their issues and concerns on soil and water conservation, increased biodiversity, improved microclimate, and enhanced water quality and quantity as regards sourcing. By so doing, communal/cultural benefits can be realized to allow them to confidently continue with their IKSPs and rites of passage that are closely dependent on land and resources. Another benefit is directly addressing increased incomes since improved ecosystem services will allow for harvests of agri/cash and annual crops that also enhances their capacities for food security especially during extreme climate events.

iii. Capacity Support

129. There would be a capacity building related to SECAP and the implementation of this IP Framework: (i) DAR and DA staff, in particular, those designated with SECAP responsibilities on engaging with stakeholders, in particular with ICCs/IPs, GRM, monitoring, and reporting, and agency partner staff like from LGU, NCIP, DENR and private sector, (ii) Community level appreciation of SECAP principles and instruments (Table 9).

Table 9. VISTA-SECAP Capacity building Program		
No	Training/Workshop Topics	Intended
		Participants
1	Orientation on VISTA project cycle viz the IFAD SECAP	All PMOs-national,
	Standards	regional, provincial
2	SECAP screening and mitigation instruments and	
	documentation/plans Abbr. ESCMF, SEP with GRM, FPIC-	
	IP, IP Framework, & Abbr. RF	
3	Preparation and implementation of SP/BP: Abbr. ESCMP,	
	IPP, Abbr. RAP, & Project M&E	
4	Orientation on VISTA viz the IFAD SECAP Standards focus	LGUs, Community/
	on GRM and screening	Barangay Levels
5	VISTA and community engagement: conduct of meaningful	
	VISTA consultations and participation across SP/BP stages	

Table 9. VISTA-SECAP Capacity Building Program

130. All capacity building for staff level shall be conducted during project effectiveness. It is advised that an IFAD Staff from the Environment, Climate, Gender Division takes the lead in the capacity building with assistance from at least a National SECAP Consultant to provide the necessary context.

131. The capacity building exercises shall underscore the tenet that SECAP goes beyond compliance, avoiding risks and impacts to identify opportunities for maximizing development gains by mainstreaming environmental, social and climate issues throughout the project cycle.

iv. Grievance Redress

132. A GRM has been prepared under VISTA (See SEP in Abbr. ESCMF Appendix 8). It is a systematic process to receive, evaluate, and address the project-related grievances of stakeholders, in particular, the project-affected persons. Stakeholders shall be fully informed during consultations and through the social media, information, education, communication (IEC) materials about the GRM.

133. **IP Grievance Redress Protocols**. Members of the ICC/IPs shall be informed of the Grievance Redress Mechanism of the Project as described in the SEP. However,

complaints from ICC/IPs about the Project should first be referred to the Barangay and the tribal council for resolution before elevating them to the project's GRM. Conflicts within the affected IP community will be addressed within the community itself in the context of its customary law and customary dispute resolution process and mechanisms, in the presence of the relevant staff of the NCIP office with jurisdiction over the area, and if so invited, project-related staff and other stakeholders, e.g. formal local leadership in the barangay and/or the municipality.

134. All complaints shall be discussed and negotiations must be carried out in the specific communities where affected IPs live. The barangay and the tribal council concerned should facilitate this process and the project must ensure that affected IPs are properly represented. Where necessary, the project will bring in NCIP staff who must ensure that the rights of IPs are protected. If negotiations are stalled, or IPs disagree with all possible options presented during these deliberations, the affected tribes can bring their grievance or complaints to the municipal implementing units of the project management. Should this still fail the IP expectations, the IPs can elevate their complaints to the Provincial representative of the NCIP or the Office of the Provincial Agrarian Reform Officer, with copies of the complaint furnished the Office of the Provincial Governor.

135. Inter-community conflicts will be addressed between the communities themselves, according to their customary or agreed upon dispute resolution processes and mechanisms. If an outside facilitator, mediator, or arbiter is required or requested for, the RPMO with the ARC CC will seek the intervention of the NCIP to act as facilitator, mediator, or arbiter. This guideline applies to conflicts or disputes between the IP community and any of the project units and implementers.

136. The SECAP Specialists shall document the proceedings of the discussion or negotiations. This is in addition to the documentation done by the IP community themselves and by the NCIP. If no satisfactory result or impasse results, the IP communities shall be allowed to elevate their complaints and grievances to the RIC. The grievance procedure established herein in no way substitutes for or replaces the grievance procedure set forth in the FPIC Guidelines of 2012. At their choosing, the IPs may avail of the grievance procedure and mechanisms spelled out in FPIC Guidelines of 2012.

137. **IFAD's Complaints Procedure**. IFAD's SECAP ensures that the project should have an accessible and effective project-level grievance redress mechanism which has taken account the IPs' customary laws and dispute resolution processes. The GRM shall also be a result of a series of effective and meaningful consultations.

138. IFAD Complaints Procedure also place mechanism to allow individuals and communities to contact IFAD directly if stakeholders or non-stakeholders believe that they are or might be adversely affected by an IFAD-funded project or program not complying with IFAD's Social and Environmental Policies and mandatory aspects of SECAP. They may submit a request to SECAPcomplaints@ifad.org and request that an impartial review be carried out by IFAD's Office of the Vice-President.

v. Monitoring, Reporting and Evaluation

139. IPP monitoring reports will be prepared on a monthly basis by the Facilitating entity for submission to the RPMO. In turn, semi-annual IPP monitoring reports will be prepared by RPMO and submitted to the NPMO and made accessible to IFAD during ISMs. The NCIP will be an active partner in monitoring, especially in regard to ICCs/IPs within ADs.

140. Monitoring indicators should assist the project to assess progress of the IPP and establish whether mitigation measures are effective, resulting in desired outcomes, enabling the project to respond to any issues and manage changes appropriately and

accordingly. Some examples⁶⁴ of process and outcome indicators are shown below and should be selected as required.

Parameter	Suggested Indicator		
Process Indicators			
Demographic	• The number of affected IPs, gender, age, habitat (village etc.), income,		
baseline	status and position		
Consultation	Number of FPIC activities conducted - meetings, information		
and	dissemination, brochures; flyers, training		
participation	 Percentage of women members of IP communities as participants; number of meetings exclusively with women members of IP communities Percentage of vulnerable members of IP communities represented / attending meetings; number of meetings exclusively with vulnerable IP communities Languages used at meetings 		
	 Good faith negotiations—recording of process, participants, locations, correspondence 		
	 Broad community support—record of processes, participants, locations and agreement obtained (Memorandum of Agreement) Consultation and participation progress against plan and budget 		
	 Content of input provided by IP communities that is being taken into account in project implementation 		
Mitigation	• Progress of implementation of mitigation / beneficial measures against		
measures	plan		
	• Number of activities that occur/completed—such as construction,		
	livelihood restoration, disbursements, training		
	 Percentage progress against timelines and budget 		
Grievance	• Total number of members of IP communities using the grievance redress		
redress	procedure		
	Number of grievances resolved		
	Length of time taken to be resolved		
	Types of grievance categories and prevalence		
Implementation	• Identified delays due to personnel, capacity, insufficient funds, etc		
problems	Number of times implementation schedule revised		
Outcome Indicate			
Consultation	Awareness of IP issues among implementing stakeholders in each sector		
and	Awareness of IPP mitigation and beneficial measures amongst recipients		
participation	Awareness of project details amongst stakeholders		
program	• IP perception of effectiveness, cultural appropriateness and inclusiveness		
	of consultation measures		
	• Attendance at consultation and participation activities		
	• Level of involvement by IP and representatives in the design and implementation of Spa (RPs		
Enhanced	implementation of SPs/BPs		
Enhanced dignity of IP	 Changes in religious/cultural practices Changes in cultural governance 		
J ,	 Participation in cultural governance (by gender, status) 		
groups, integrity of			
traditional	local dialect		
kinship	Changes in condition of schools, community buildings, temples		
networks and	structures		
livelihood	Numbers of religious/cultural events and persons		
patterns	• Participation in cultural/religious events (by gender, time/resources		
	allocated)		

Table 10. Monitoring Parameters: Process and Outcome Indicators

⁶⁴ ADB. Indigenous Peoples Safeguards. A Planning and Implementation Good Practice Sourcebook. 2013.

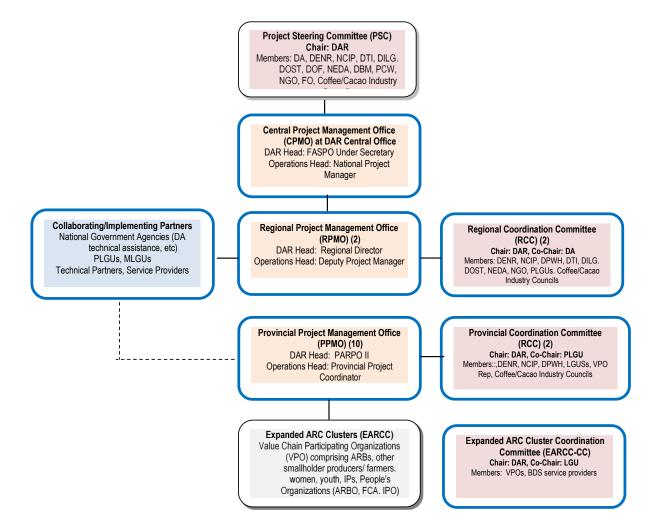
Parameter	Suggested Indicator
Livelihoods and living standards	 Major asset inventory—e.g., vehicle, phone, tools, kitchen equipment Changes in patterns of IP occupation, production, and resource use Changes in income and expenditure patterns among IP households Savings Change in food used by IP—amount, nutrition source Cost of living changes—market prices etc. Changes in key social parameters—gender roles of production Vulnerable groups—status, relative income, livelihood Education—literacy and numeracy level in national/ethnic language School attendance of IP children (by sex and age) Key health indicators of IP (by gender, age)

141. Results of monitoring shall be disclosed to stakeholders and their feedback recorded and acted upon.

vi. Institutional Arrangements

142. The DAR will have overall responsibility for implementing the project and will use its existing structures at national, regional, provincial, and ARC levels to implement project activities. Figure 3 is the Project's organogram that aligns with the levels of DAR organization.

Figure 3: VISTA Organizational Structure



143. The **Project Steering Committee (PSC)**, chaired by the DAR and consisting of members from the DA, DENR, DILG, NCIP, DPWH DTI, NEDA, DOF, DBM, PCW, PS, VPO Rep, and other relevant institutions/organizations, will serve as the governing body and provide policy direction and overall coordination mechanism for the project. The institutional commitments of PSC members will be formalized through special orders (SO) that specify their respective roles and responsibilities. The CPMO will be responsible for ensuring the coordination of national agencies involved in project implementation.

144. **Central Project Management Office (CPMO)** will be established at the national level to manage and coordinate overall implementation. This will be headed by the DAR's Undersecretary of Foreign Assisted and Special Projects Office (FASPO) as the National Director, together with a hired National Project Manager managing the day-to-day undertakings of the Project. The CPMO will be fully accountable for the performance of project; implementation and the use of funds. It will also be responsible in coordinating with IFAD; DA as collaborating agency; government oversight agencies, including, NEDA, DoF, and the DBM; and within the DAR central management that includes the Support Services Office (SSO), Finance Management and Administration Office (FMAO) and Office of the External Affairs and Communications Operations (DEACO). In addition, the CPMO will be directly responsible in effecting convergence of national agencies like DA, DENR, DILG, NCIP in project implementation.

145. **Regional Project Management Offices (RPMO**) will be created in the Cordillera Administrative Region (CAR) and Region XII. The RPMO will be headed by DAR Regional Director with a hired Deputy Project Manager, managing the day-to-day undertakings of the Project. The RPMO will oversee project implementation at the regional and provincial levels. It will be coordinating with the different agencies for the review and endorsement of proposed subprojects as well as other implementing partners at the regional level. It will organize the Regional Coordination Committees.

146. **Provincial Project Management Office (PPMO**). In every target province, a PPMO will be established at the Provincial Support Services Division (SSD), under the authority of DAR Provincial Agrarian Reform Program Officer (PARPO). The day-to-day operation is managed by a hired Provincial Project Coordinator. The PPMO will oversee project operations in the selected ARCs (ARC) and will link with other implementing partners (e.g., BDS providers, PLGUs, MLGUs etc.) at the provincial level. It will organize ARC Coordination Committees (EARCC-CC) and provide implementation support to the functioning of the EARCC-CC in the identified ARC Clusters.

147. **Coordination Committees** will be organized at the Regional and Expanded ARC Cluster levels.

- **Regional Coordination Committee (RCC)** will be chaired by DAR and co-chaired by DA and will have similar composition with the PSC at the regional level. It will review and endorse proposed subprojects and other activities, and will ensure complementation of other agencies and organizations' programs, projects and resources for the implementation of VISTA subprojects. It will also facilitate resolution of operational issues (e.g., duplication of investments, safeguards compliance).
- **Provincial Coordination Committee (PCC)** will be chaired by DAR and cochaired by PLGU with membership from partner/implementing agencies present at the provincial level and municipal LGUs. This body will conduct initial review and to endorse VISTA investment plans and sub-projects. It will also facilitate resolution of operational issues (e.g. counterparting, provision of technical support) within their scope.

• **Expanded ARC Cluster Coordination Committee (EARCC-CC)** will be established in an expanded ARC cluster (EARCC). It will be chaired by DAR and co-chaired by LGU, and membership is dynamic to include NGAs which have on the ground presence, VPOs (ARBOs, FCAs, IPOs), and representatives of any other critical project implementers (e.g., financial institutions) within or adjacent to the A. It will mobilize concerned LGU departments and units, coordinate with and monitor all the stakeholders and implementing partners in the implementation of sub-projects, ensure the participation of VPOs and other people's organizations in the planning and monitoring of sub-projects in the EARCCs.

vii. SECAP Support

148. A SECAP Specialist shall be attached to the CPMO to ensure SECAP implementation is consistent across. For the region, a SECAP Specialist will be hired for each, both with specialization in any of the social sciences. During the Field Mission, it was noted that the DAR has inadequate staff with background in the social sciences, hence the need that the Specialists have the social lens for projects, with experience in community development work. Specifically, the RPMO SECAP Specialists will be assisted by RPMO Senior Foresters and Senior Engineers to cover the biophysical requirements of SECAP. Table 11 provides the roles/functions of the SECAP Specialists:

Project Investment Stages	CPMO SECAP Specialist	RPMO SECAP Specialist
VISTA strategic investment prioritization (includes pre-planning) SP/BP Preparation	 Oversees consistency in regional implementation of SECAP requirements and compliance to country system Liaises with regulatory bodies at the national level 	 ensure operationalization of the SEP and FPIC-IP at onset and across the project cycle and take lead in setting up of the VISTA GRM ensuring this is made accessible to stakeholders Facilitates: use of the SECAP Screening Checklist, conduct of the ESIA, preparation of the Abbr. ESCMP, Abbr. RAP and IPP, and initiate application for the country system permitting requirements at the regional level
SP/BP Review Approval	Oversees compliance and completeness to SECAP and country system by reviewing SECAP documents	Ensures completeness of SECAP requirements and documents to be subject for review
Procurement	Signs off/clears SPs/BPs before issuance of the Notice to Proceed with implementation/ construction	
Implementation/Const ruction Operation Phase	Compliance Monitoring and GRM monitoring: conduct random site inspections to validate these reports and/or help the proponent resolve outstanding environmental and social safeguards issues.	

Table 11. Roles/Function	ons of the SECAP Specialists
--------------------------	------------------------------

149. Technical guidance necessary under SECAP at the province and EARCC level are assumed by the TP and the EARCC-CC. The SECAP Specialists at the RPMO shall oversee overall technical guidance.

viii. Budget and Financing

150. At this stage of the project, actual costs cannot be determined since the SPs/BPs are largely community initiated and will thus be made known during the planning stage under Component 1. However, costs for consultations and social assessment have been incorporated in the overall project cost.

151. All costs for operationalizing this IPPF largely revolves around consultations and social assessment that also overlap with SEP consultations, FPIC-IP, and RAP preparation. Costs to cover application for the NCIP-FPIC will be shouldered by DAR as the executing agency. Per Costab (and using Costab language), allocations have been made across sites for:

Table 12. IPPF Budget	
Activity	Cost (USD)
Supporting studies for integrated planning, feasibility assessment and	759,000.00
prioritisation – social assessment is embedded in this category	
Thematic technical workshops - refers to consultative, participatory, and	179,000.00
citizen science: sharing and validating technical and local knowledge	
management practices	
Community training and awareness – pertains to community engagement at	79,000.00
VISTA onset	
Total	1,017,000.00

F.Attachment 1: Indicative IPP Outline

- Executive summary of the indigenous peoples plan Concisely describes the critical facts, significant findings and recommended actions
- B. Description of the project General description of the project, the project area and components/activities that may lead to impacts on indigenous peoples
- C. Description of indigenous peoples
 - A description of affected indigenous people(s) and their locations, including:
 - (i) Description of the community or communities constituting the affected peoples (e.g. names, ethnicities, dialects, estimated numbers, etc.);
 - Description of the resources, lands and territories to be affected and the affected peoples' connections/relationship with those resources, lands and territories; and
 - (iii) An identification of any vulnerable groups within the affected peoples (e.g. uncontacted and voluntarily isolated peoples, women and girls, the disabled and elderly, others).
- D. Summary of substantive rights and legal framework

A description of the substantive rights of indigenous peoples and the applicable legal framework, including:

- An analysis of applicable domestic and international laws affirming and protecting the rights of indigenous peoples (include general assessment of government implementation of the same); and
- (ii) Analysis as to whether the project involves activities that are contingent on establishing legally recognized rights to lands, resources or territories that indigenous peoples have traditionally owned, occupied or otherwise used or acquired. Where such contingency exists (see sections of standard 4, paragraph 8), include:
 - a) Identification of the steps and associated timetable for supporting legal recognition of such ownership, occupation or usage, with the support of the relevant authority. This should include the manner in which delimitation, demarcation and titling shall respect the customs, traditions, norms, values, land tenure systems and effective and meaningful participation of the affected peoples, with legal recognition granted to titles with the full, free prior and informed consent of the affected peoples; and
 - b) List of the activities that are prohibited until the delimitation, demarcation and titling is completed.
- E. Summary of social and environmental assessment and mitigation measures
 - (i) A summary of the findings and recommendations of the required prior social and environmental impact studies, specifically those related to indigenous peoples, their rights, lands, territories, resources, traditional livelihoods and cultural heritage. This should include the manner in which the affected indigenous peoples participated in such studies and their views on the participation mechanisms, the findings and recommendations.

- (ii) Where potential risks and adverse impacts to indigenous peoples, their lands, resources and territories are identified, the plan should provide details and associated timelines for the planned measures to avoid, minimize, mitigate or compensate for these adverse effects. It should also identify special measures to promote and protect the rights and interests of the indigenous peoples including compliance with the affected peoples' internal norms and customs.
- F. Participation, consultation and FPIC processes
 - (i) A summary of results of the culturally appropriate consultation and FPIC processes undertaken with the affected peoples which led to the indigenous peoples' support for the project.
 - (ii) A description of the mechanisms to conduct iterative consultation and consent processes throughout implementation of the project. Identify particular project activities and circumstances that require consultation and FPIC.
- G. Appropriate benefits

An identification of the measures to be taken to ensure that indigenous peoples receive equitable social and economic benefits that are culturally appropriate, including a description of the consultation and consent processes that led to the determined benefit-sharing arrangements.

H. Capacity support

Description of measures to support social, legal and technical capabilities of indigenous peoples' organizations in the project area to enable them to better represent the affected indigenous peoples more effectively.

I. Grievance redress

A description of the procedures available to address grievances brought by the affected indigenous peoples arising from project implementation, including the remedies available, how the grievance mechanisms take into account indigenous peoples' customary laws and dispute resolution processes, as well as the effective capacity of indigenous peoples under national laws to denounce violations and secure remedies for the same in domestic courts and administrative processes.

- J. Monitoring, reporting and evaluation
 - (i) Mechanisms and benchmarks appropriate to the project for transparent, participatory joint monitoring (including independent experts), evaluating and reporting, including a description of how the affected indigenous peoples are involved.
 - (ii) Define the mechanisms put in place to allow for periodic review and revision of the IPP in the event that new project circumstances warrant modifications developed through consultation and consent processes with the affected indigenous peoples.
- K. Institutional arrangements

Describes institutional arrangement responsibilities and mechanisms for carrying out the measures contained in the IPP, including mechanisms for participation of affected indigenous peoples. Describes role of independent, impartial entities to audit and conduct social and environmental assessments, as required, and/or to conduct oversight of the project.

L. Budget and financing

An appropriately costed plan, with itemized budget sufficient to satisfactorily undertake the activities described.

Note: The IPP will be implemented as part of project implementation. However, in no case shall project activities that may adversely affect indigenous peoples take place before the corresponding activities in the IPP are implemented. Where other project documents already develop and address issues listed in the above sections, citation to the relevant document(s) shall suffice.

For an IPPF, the above outline would be modified to include the procedures for screening, assessment and development of specific IPP(s) once the project components, subprojects and/or activities have been fully defined. The procedures would generally replace section E above; however, the IPPF would still seek to identify types of anticipated potential adverse social and environmental impacts.



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex: Annex 5f. Abbreviated Resettlement Framework

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Annex 5f. Abbreviated Resettlement Framework

• Table of Contents

TABLE OF CONTENTS	1
LIST OF TABLES	2
LIST OF ABBREVIATIONS	
A. INTRODUCTION	5
B. PROJECT DESCRIPTION	
C. PROJECT IMPACTS	
D. LEGAL FRAMEWORK	8
1. NATIONAL LAWS AND REGULATIONS	8
2. IFAD REQUIREMENTS	
3. GAP ANALYSIS AND GAP-FILLING MEASURES	.16
E. AFFECTED PEOPLE AND ASSETS	
F. KEY COMPENSATION AND ASSISTANCE PRINCIPLES	17
1. PRINCIPLES AND OBJECTIVES	
2. RESETTLEMENT PLANNING WITH IPS	.17
3. ABBR. RAP PREPARATION AND IMPLEMENTATION	
G. ELIGIBILITY	24
H. ENTITLEMENTS MATRIX	25
I. COMPENSATION AND ASSISTANCE	26
1. METHODS OF VALUING AFFECTED ASSETS	.26
2. OTHER CONSIDERATIONS	.27
J. ORGANIZATIONAL ARRANGEMENTS	
K. TIME FRAME	30
L. DISCLOSURE OF INFORMATION AND CONSULTATIONS	30
1. ENGAGEMENT ACTIVITIES IN DEVELOPING THE FRAMEWORK	.31
2. MECHANISMS FOR STAKEHOLDER ENGAGEMENT ACROSS THE PROJECT CYCLE	
M. GRIEVANCE MECHANISM	33
N. MONITORING AND REPORTING	34
O. IMPLEMENTATION COSTS	
ATTACHMENT 1: INDICATIVE OUTLINE OF THE ABBR. RF/RAP	

• List of Tables

Table 1. Typology of Component Investments	6
Table 2. Resettlement Planning and Implementation Process	19
Table 3. Entitlement Matrix	25
Table 4. VISTA-SECAP Capacity Building Program	29
Table 5. Timing and Duration of Abbr. RAP Preparation	
Table 6. Consultation with Stakeholders	
Table 7. Suggested Monitoring Indicators	
Table 8. Abbr. RAP Budgetary Line Items	

• List of Abbreviations

Abbr	Abbreviated
AD	Ancestral Domain
AL	Ancestral Land
ANR	Assisted Natural Regeneration
ARBO	Agrarian Reform Beneficiaries Organization
ARC	Agrarian Reform Communities
ARC-CC	ARC Coordination Committees
BP	Business Plan
CA	Commonwealth Act
CADT	Certificate of Ancestral Domain Title
CALT	Certificate of Ancestral Land Title
CAR	Cordillera Administrative Region
CBFM	Community Based Forest Management
CLOA	Certificates of Land Ownership Award
CPMO	Central Project Management Office
CSO	Civil Society Organization
DA	Department of Agriculture
DAR	Department of Agrarian Reform
DBM	Department of Budget Management
DED	Detailed Engineering Design
DENR	Department of Environment and Natural Resources
DHSUD	Department of Human Settlements and Urban Development
DILG	Department of Interior and Local Government
DOF	Department of Finance
DOH	Department of Health
DPWH	Department of Public Works and Highways
DSWD	Department of Social Welfare and Development
DTI	Department of Trade and Industries
EACOO	External Affairs and Communications Operations Office
EARCC	Extended Agrarian Reform Communities Cluster
EIA	Environmental Impact Assessment
EO	Executive Order
EOP	End-of-Project
ESCMF	Environmental, Social and Climate Management Framework
ESCMP	Environmental, Social and Climate Management Plan
FASPO	Foreign Assisted and Special Projects Office
FBS	Farmer Business Schools
FCA	DA's Farmers' Cooperatives and Associations
FGD	Focus Group Discussion
FI	Financial Institution
FMAO	Finance Management and Administration Office
FMR	Farm-to-Market Road
FO	Financial Organizations
FPIC	Free, Prior and Informed Consent
FPIC-IP	FPIC Implementation Plan
GFI	Government Financial Institution
GRM	Grievance Redress Mechanism
HUDCC	Housing and Urban Development Coordinating Council
IA	Implementing Agency
IFAD	International Fund for Agricultural Development
IKSP	Indigenous Knowledge Systems and Practices

IO IOL IPs/ICCs IPA IPMR IPO IPPF IPRA IR IRR ISFs JAO LGU M&E MARO MOA LGU M&E MARO MOA NCIP NEDA NGO NHA NCIP NEDA NGO NHA NRM NTP NUDHF P/APS PARPO PBDD PHF PMO PO PPMO PSC PWDs RA RA RAP	Implementing Office Inventory of Losses Indigenous Peoples/ Indigenous Cultural Communities Independent Property Appraisers Indigenous Peoples Mandatory Representative Indigenous Peoples Organizations Indigenous Peoples Plan Framework Indigenous Peoples' Rights Act Involuntary Resettlement Implementing Rules and Regulations Informal Settler Families Joint Administrative Order Local Government Unit Monitoring and Evaluation Municipal Agrarian Reform Officer Memorandum of Agreement National Commission on Indigenous Peoples National Economic Development Authority Non-governmental Organizations National Housing Authority Non-governmental Organizations National Housing Authority Natural Resource Management Notice to Proceed National Urban Development and Housing Framework Project-Affected Persons Provincial Agrarian Reform Program Office Provincial Beneficiary Development Division Post-Harvest Facilities Project Management Office Provincial Project Management Office Provincial Project Management Office Provincial Project Management Office Project Steering Committee Persons with Disability Republic Act Resettlement Action Plan
RCC RF	Regional Coordination Committee Resettlement Framework
RO ROW	Regional Office Right-of-Way
RPMO SALT	Regional Project Management Office Sloping Agricultural Land Technology
SECAP SEP	Social, Environment, and Climate Assessment Procedure Stakeholder Engagement Plan
SO	Special Order
SP SRN	Sub-project SECAP Review Note
SSO	Support Services Office
VC VCD	Value Chain Value Chain Development
VISTA	Value Chain Innovation for Sustainable Transformation in Agrarian
VPO	Reform Communities VISTA Participating Organizations (ARBOs, IPOs, FCAs, POs)
VSIP	VISTA Participating Organizations (ARBOS, IPOS, FCAS, POS) VISTA Strategic Investment Prioritization

A. Introduction

1. This Abbreviated Resettlement Framework (Abbr. RF) sets out the legal framework, procedures, internal processes, and other requirements to address the involuntary resettlement (IR) impacts and risks of the Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities (VISTA) Project of the Department of Agrarian Reform (DAR). The project is being considered for International Fund for Agricultural Development (IFAD) funding and is required to comply with the Bank's Standards. This Abbr. RF is part of the more general Abbreviated Environmental, Social and Climate Management Framework (Abbr. ESCMF), which was prepared based on the results of the ESA conducted for the project. The Abbr. ESCMF points to the preparation of a separate Abbr. RF to lay out the policies, processes, and procedures for addressing the project's IR issues.

2. At Project Design Stage, investment packages are still not finalized and confirmed, hence this Abbr. RF is prepared. The main objective of this framework is to provide guidance to project management and staff in assessing and handling the project's IR impacts in compliance with the requirements of the *IFAD's Social, Environment, and Climate Assessment Procedure (SECAP) Standard 7: Physical and Economic Resettlement.*

3. This Abbr. RF provides an analysis of the initially identified resettlement impacts and risks in project areas of the Cordillera Administrative Region (Abra, Apayao, Benguet, Ifugao, Kalinga, and Mountain Province) and Region 12 (North Cotabato, South Cotabato, Sarangani, Sultan Kudarat) and provide appropriate and corresponding mitigating measures distinct to the conditions of the project affected peoples or stakeholders. This RF is prepared to ensure that the IFAD SECAP for resettlement and Philippine national requirements for resettlement are addressed. Final investments per component shall be designed during the feasibility study stage and will be selected on the basis of a developed set of criteria that effectively address value chain development, natural resource protection, and support for community resilience. Approval of options for funding under the project will be subject to satisfactory compliance with these criteria. It is premature to craft an Abbreviated Resettlement Action Plan (Abbr. RAP) at this stage.

B. Project Description

4. VISTA is a sustainable and innovative approach to Value Chain Development (VCD) in the Philippines, with a focus on natural resource management (NRM) and resilience to diverse climate shocks. The project is anchored to an ecosystems-based approach to optimize the selected value chains (VCs) and adapt to environmental factors. It aims to move away from the business-as-usual approach and ensure ecosystem health for agricultural production in the long term. The impetus behind the VISTA project is driven by two main factors: 1) lessons learned from the IFAD portfolio between 2017-2022, which show that investments in ecosystems can produce multiple benefits, including economic value, securing local livelihoods, and protecting natural resources, and 2) national commitments to prevent further negative conversion of degraded lands, protect natural resources, and increase resilience to climate and natural hazards.

5. The VISTA project will focus on two target "anchor crops," coffee and cacao, within the broader integrated cropping systems of upland rice and other agricultural crops to catalyze transformation in the food systems in a nature-positive and resilient manner. The project will reduce environmental degradation and negative externalities in food production systems on the demand side and across supply chains. The VISTA project development objective therefore is "Increase income and employment of target groups in fragile upland areas, including women, youth and IPs, through the strengthening of inclusive value chains with conservation and sustainable use of the natural resources and climate resilient practices." The Project has three components: Component 1 - Sustainable Protection and Enhancement of Natural Resources at Sub-Watershed Level, Component 2 - Value Chain Development and Rural Finance, and Component 3 – Project Management.

C. Project Impacts

6. The scope and extent of land acquisition and resettlement impacts are yet to be determined for the priority SPs/BPs per region, which may include temporary, permanent, partial, or full loss of (i) land and other assets (i.e., residential, commercial, agricultural, and other productive assets), (ii) crops and trees, (iii) access to assets, leading to loss of income or livelihood source or physical relocation. **Depending on the scale of the project, land acquisition impacts may range from low to moderate.** The construction of small to large physical infrastructure, such as production, postharvest, processing, and market facilities, including support infrastructure such as farm-to- market roads, may require land acquisition and result in physical displacement. Depending on the site location, the proposed investments also known as subproject plans/proposals (SP) and business plans (BP), may entail land acquisition and potentially result in resettlement impacts.

1. Typologies of interventions and Potential Risks and Impacts

7. VISTA Components 1 and 2 have an array of interventions. The menu of options for beneficiaries address NRM, production, access, and storage issues that support the Value Chain Investment Priority (VSIP) anchor crops – coffee and cacao, upland rice and other crops within the farm agroecosystem (Table 1).

Component/Sub- Component	Activity/Investment (SP/BP)
COMPONENT 1. Ecosy	stem Planning, Protection and Enhancement
1.2 Enhance natural	Infra/combined infra-vegetative measures to address water
resources for value	source protection, soil and water conservation, and streambank
chains and	stabilization:
resilience	 Fencing or other protective barriers around springs
	Small-Scale Irrigation Schemes
	Rainwater Capture Tank
	Streambank Stabilization through grouted riprap including
	application of bio-engineering solutions like coconets planted with
	Vetiver grass
	Streambank stabilization – includes Sloping Agricultural Land
	Technology (SALT), agroforestry interventions such as terracing,
	contouring, and alley cropping; may be combined with enrichment planting
	Protecting forest ecosystem and conserving biodiversity will
	be implemented through three specific strategies:
	Reforestation;
	Assisted natural regeneration (ANR); and
	• Enrichment planting.
	Disaster risk reduction measures at the community level:
	Support disaster response packages for the most vulnerable
	households through an emergency fund.
COMPONENT 2: Value	e Chain Development (and Rural Finance)
2.1 Sustainable	Design sustainable extension services for smallholders
Extension Services	• Enhancing and replicating of DAR's FAO Farmer Business Schools
and VISTA	(FBS) program and DA-ATI's Farmer Field School (FFS) - to
Participating	upgrade their capacities, supported with demonstration of new
	tools, processes and ways of organizing and managing their cacao

Table 1. Typology of Component Investments

Component/Sub-	Activity/Investment (SP/BP)
Component	
Organizations(VPO) Capacity Building	 and coffee farms, upland rice and other crops and manage their agriculture business more economically, socially and environmentally efficient. Enhance and adapt DAR's Agro-enterprise and Microfinance Complementation Project - Linking Smallholder Farmers to Markets with Microfinance (LINKsFARMM Project)
	 Investment in new technologies and assets at farm Level Purchase of equipment for rejuvenation and improved quality and density of tree plantations; Improve soil and water conservation and management: Purchase of soil testing, Rainwater gauge; beneficiary crop fixed investments, shade tree seedlings, Provision of on farm post-harvest facilities: Storage, solar drying
	 pavements, solar tunnel dryers, dehulling, moisture meters Improve pest and nutrition management: Disease resistant
2.2 VC	seedlings, sprayer, organic manure production,
2.2 VC Commercialization	 Provide post-harvest facilities, including warehouse, solar dryers, and processing centres as well as investments to deliver for promising niche coffee and cacao VCs, such as deforestation free VC models (Cacao for Export) and upland rice and other crops. Provide matching grants to VPOs for additional farm-level investments beyond initial trees and first-year inputs, which are granted with performance triggers Matching grants extended to VPOs who will then onlend to farmer members under credit conditions, creating or augmenting a revolving fund. Postproduction investments that should identify and justify needed productive assets, with particular attention paid to long term viability of such investments. Finance investments to enhance inclusion and recruitment of poorest community members, by providing eligible households with additional access to high-quality and climate-resilient agricultural inputs (e.g., climate-resilient seeds, breeds, and organic materials) and post-harvest facilities such as solar drying pavements and solar tunnel dryers that add value through aggregation and consolidation Support innovations such as potential for blockchain
	 technology for carbon credit management to further promote sustainable agricultural practices Support and facilitate targeted access to rural finance to support appropriate value chain financing and associated skills of the ARBOs for credit management Piloting Innovative Financial Instruments for more effective use of matching grants mechanism
2.3 Public Infrastructure Investment	 Access Infrastructure: standard Farm-to-Market Road (FMR) in lowlands and tire tracks, motorcycle/tricycle roads, and well- defined foot trails, animal trails, and animal or small tractor-drawn sledge for the upland areas where appropriate Post-Harvest Facilities (PHF): warehouse, solar drying pavement, solar tunnel dryer, and processing buildings to house VC equipment

2. Anticipated Resettlement Impacts

8. During the Field Mission and based on the above typologies of possible investments, the anticipated resettlement impacts of the Project will be:

- (i) Permanent or temporary and partial loss of land (agricultural, residential, public/private);
- (ii) Total or partial loss of structures (fences and other secondary structures, houses, shops, others);
- (iii) Total or partial loss of crops and trees;
- (iv) Restriction of access to common property resources;
- (v) Loss or decrease in income;
- (vi) Loss of community/public infrastructure;
- (vii) Disproportionate project impacts to vulnerable sectors, and
- (viii) Resettlement impacts on Indigenous Peoples (IP).

9. Such impacts and their scope will be assessed at the SP/BP preparation stage, including potential economic impacts on local communities, especially IPs who are dependent on land and resources. *It is noted however, that Indigenous Peoples* (*IPs*) are also eligible to be SP/BP proponents through their respective IP Organizations (*IPO*) or Peoples Organization (*PO*), or as constituents of their Local Government Units (LGUs).

D. Legal Framework

10. This Abbr. RF contains the policy guidelines for economic and involuntary resettlement within project areas and prescribes a screening guidance as well as the type of SECAP planning document to be prepared for project investments encompassing both national laws and regulations and the IFAD policies and strategies. Future involuntary resettlement planning documents will be prepared and implemented following the principles established by this framework.

1. National Laws and Regulations

a. Philippine Constitution

- 11. The Philippine Constitution specifically provides for the following:
 - (i) Article III, Section 9: "Private property shall not be taken for public use without just compensation."
 - (ii) Article XII, Section 5: "The State...shall protect the rights of indigenous cultural communities to their ancestral lands to ensure their economic, social, and cultural well-being. By an act of Congress, customary laws governing property rights or relations can be applied in determining the ownership and extent of ancestral domains."
 - (iii) Article XIII, Sections 9 and 10: "a) The State shall by law, and for the common good, undertake a continuing program for urban land reform and housing, which will make available at affordable cost decent housing and basic services to the underprivileged and homeless citizens, and, b) The urban and rural poor dwellers shall not be evicted nor their dwellings demolished except in accordance with law, and in a just and humane manner. Hence, no resettlement of urban or rural dwellers shall be undertaken without adequate consultation with them and the communities where they are to be relocated."

b. Republic Act (RA) 10752: An Act to Facilitate the Acquisition of Right-Of-Way (ROW), Site or Location for National Government Infrastructure Projects

12. The law took effect on April 03, 2016 and its Implementing Rules and Regulations (IRR) became effective on 07 August 2017 repealing and RA 8974. The IRR of this law aims to expedite the implementation of infrastructure projects. With its implementation, it is expected to reverse the pattern of expropriation as a preferred mode of acquisition, which is usually a long-drawn process. The new law provides clear and simple ROW acquisition guideline which benefits both the property owners/project-affected persons (APs) and Implementing Agencies (IAs). Section 4 of the Act explicitly states that the modes of acquiring real property are: (i) donation, (ii) negotiated sale, and (iii) expropriation.

13. Property valuation is market-based and undertaken using Government Financial Institutions (GFIs) or Independent Property Appraisers which help promotes objective property valuation. The assumption by the IA of the capital gains tax also provides an additional incentive to the lot owners to negotiate with government.

14. **Modes of Acquisition.** The IRR of the ROW Act is clear on expediting the implementation of infrastructure projects as the new law provides clear and simple ROW acquisition guidelines that benefit both the property owners/project-affected persons (APs) and IAs. Section 4 of the Act explicitly states that the modes of acquiring real property are: (i) donation, (ii) negotiated sale, and (iii) expropriation. Property valuation is market-based and undertaken using Government Financial Institutions (GFIs) or Independent Property Appraisers (IPA) which help promotes objective property valuation. The assumption by the IA of the capital gains tax also provides an additional incentive to the lot owners to negotiate with government.

15. **Donation.** In accordance with Section 5 of RA 10752-IRR, the Implementing Office (IO) may explore the mode of donation of the needed portion or whole of the affected property, of which the owner may be a private individual/corporation or a government agency/corporation. Should the property owner agree to donate the property to be acquired by the IO as ROW, a Deed of Donation is immediately be containing clauses to the effect that the donation is made not to defraud the donor's creditors, and that the donor has, if necessary, reserved enough property for his/her family's subsistence, sustenance and support in case the donor is a private individual. At this point, several project disclosures to the property owners have been made, and the need to acquire their properties have been well explained during the conduct of the Environmental Impact Assessment (EIA) and parcellary survey.

16. **Negotiation.** Negotiated sale is the preferred mode of ROW acquisition (after donation) and should be explored before resorting to expropriation. RA 10752 aims to make negotiated sale more attractive (than expropriation) to property Owners, by reducing negotiation time and providing realistic prices.

17. Under RA 10752, the IO shall immediately offer (first and final) to the Owner, as compensation price, the sum of (a) the current fair market value of the land, (b) the replacement cost of structures and improvements, and (c) the current fair market value of crops and trees. The IO may use the GFI/IPA appraisal reports, as duly validated, as one of bases of IO's price offer for negotiated sale. The IO is encouraged to develop its inhouse personnel capable of validating appraisal reports.

18. **Expropriation.** Eminent domain is the power of the nation or a sovereign state to take, or to authorize the taking of, private property for a public use without the Owner's consent, conditioned upon payment of just compensation." The Right of Eminent Domain

shall be exercised by filing an expropriation complaint. The Complaint shall contain: (i) Right and Purpose of Expropriation; (ii) Description of the Property; (iii) Name of persons owning, claiming or occupying the said property; and (iv) If the title to any property appears to be with the Republic or otherwise obscure or doubtful, averment to that effect shall be made in the complaint.

19. The power of eminent domain can only be exercised for public use and with just compensation. Taking an individual's private property is a deprivation which can only be justified by a higher good—which is public use - and can only be counterbalanced by just compensation. Without these safeguards, the taking of property would not only be unlawful, immoral, and null and void, but would also constitute a gross and condemnable transgression of an individual's basic right to property as well. Other principles in expropriation are: (i) whatever is beneficially employed for the community; (ii) the full and fair equivalent of the property taken from its Owner by the expropriator, and (iii) (that) the gauge for computation is not the taker's gain but the Owner's loss."

20. Expropriation should be the last resort in acquiring infrastructure ROW. In accordance with RA 10752-IRR Section 7, the IO may resort to the mode of expropriation to acquire real property for the ROW for a national government infrastructure in any of the following cases:

- (i) If negotiated sale fails, i.e., if, within thirty (30) days after receiving the price offer from the IO, the property Owner:
 - (a) refuses or fails to accept the price offer for negotiated sale; or
 - (b) fails and/or refuses to submit the documents necessary for payment under the negotiated sale; or,
- (ii) When negotiation is not feasible, including cases where, after due diligence:
 - (a) the Owner of the property cannot be found or
 - (b) the Owner is unknown or
 - (c) the Owner is deceased and the estate has not been settled or
 - (d) there are conflicting claims over the Ownership of the property and improvements and/or structures thereon.

21. **Row Acquisition for Other Cases.** In addition to donation, negotiated sale, and expropriation as discussed above, other modes of acquisition prescribed under other laws may be implemented such as:

- (i) Lands under Commonwealth Act 141.3
- (ii) Acquisition through Exchange or Barter
- (iii) Easement
- (iv) Acquisition of Subsurface ROW
- (v) Acquisition of Non-tidal Lands Requiring Reclamation, Dredging and Development Support Infrastructure
- (vi) Landowner is a Corporation

22. **Appropriations.** Under Section 15 of IRR of RA 10752, the government shall provide adequate appropriations that shall cover the funds needed to pay for the following expenses for activities directly related to right of-way acquisition for the national government infrastructure projects in advance of the project implementation. This includes the cost for parcellary surveys and appraisal of project-affected properties, compensation for project-affected land, structures and improvements, including relocation or replacement of compensable utilities, crops and trees.

23. The law also legitimizes the allocation of government budget for the cost of development and implementation of resettlement projects such as social preparation in accordance with the Department of Human Settlements and Urban Development (DHSUD;

formerly Housing and Urban Development Coordinating Council or HUDCC) design standards and costings, livelihood restoration and improvement, and other activities under the Abbr. RAP in coordination with concerned government agencies.

24. **Abbr. RAP.** The Abbr. RAP would be a document with an associated database that provides a structure for identifying every informal settler interest in the required land which must be addressed to allow complete operational integrity of the required national infrastructure into the name of the Republic. The Abbr. RAP mentions considerations of compensation for loss of assets of project-affected-persons (APs) that were determined to be residing in, carrying on business, cultivating land, or having rights over resources within the ROW acquisition area at the proclaimed cut-off date.

25. **Parcellary Survey.** This involves the determination of the land requirements by formal survey by a qualified, professional geodetic engineer and production of a Parcellary Survey Report containing plans, maps, real property technical descriptors (including identification of ownership and affected parties) with all of the information required for registration of the ROW property into the ownership of the Republic and with any balance (unrequired) land retained in the ownership of the dispossessed owner. This section also states that not all of the processes included in this process of Parcellary Survey require the professional input from the retained geodetic engineer. Instead, other activities such as title searches, collation of survey plans aerial imagery and cadastral mapping, census and tagging requirements arising from the proclamation of the cut-off- date, and negotiation with managing holders of existing public land were cited as such.

c. The National Resettlement Policy Framework

26. The framework was adopted in December 2018 by the HUDCC, now DHSUD, the Framework was developed in response to the need for more sustainable solutions to burgeoning informal settlements in the cities and the plight of informal settler families (ISFs). It is an overarching framework that outlines common procedures and guidelines for the use of all agencies of the Philippine Government, and other stakeholders involved in the implementation of resettlement and socialized housing plans and projects for ISFs and other displaced persons in need of resettlement due to natural or human-induced calamities, emergencies or crises. The framework has five objectives:

- (i) Build quality and affordable housing for ISFs, and sustainable resettlement sites.
- (ii) Minimize adverse impacts of relocation and resettlement to ISFs.
- (iii) Promote and facilitate inclusive relocation and resettlement processes.
- (iv) Stronger local government role in relocation and resettlement programs.
- (v) Build institutional arrangements and synergies, and forge multi-stakeholder partnerships.

27. **The National Urban Development and Housing Framework (NUDHF)** (2017-2022). Officially took precedence over the National Resettlement Framework and was issued in 2017, the NUDHF provides an overarching framework for urban development and housing, consisting of a vision, policy statements, and strategies, encompassing core development sectors and spatial elements. It is intended to guide the efforts of the Philippine government, private sector, and other stakeholders in improving the performance and efficiency of the country's urban systems. Under the framework, seven strategies have been found relevant:

- (i) Support vulnerable sectors and minimize displacement.
- (ii) Climate change resilience as a base for spatial structuring and sectoral development.

- (iii) Support policy on prioritizing onsite and in-city resettlement with off-site resettlement as a last option as a spatial planning tool and a risk reduction
- (iv) Develop inclusive, integrated housing.
- (v) Improve affordability of housing programs and projects.
- (vi) Promote resilient housing.
- (vii) Update appropriate housing unit size requirements based on local context.
- (viii) Make land available and accessible for housing.

28. **RA 11201- An Act Creating The Department of Human Settlements and Urban Development, Defining its Mandate, Powers and Functions, and Appropriating Funds Therefor.** The law took effect on February 14, 2019. Its IRR was signed on July 19,2019. The new law consolidated the Housing and Urban Development Coordinating Council and the Housing and Land Use Regulatory Board. The Department shall act as the primary national government entity responsible for the management of housing, human settlement and urban development. It shall be the sole and main planning and policy-making, regulatory, program coordination, and performance monitoring entity for all housing, human settlement and urban development concerns, primarily focusing on the access to and the affordability of basic human needs.

d. Other Laws

29. Other major laws that impinge on involuntary resettlement are provided in the succeeding paragraphs.

30. **The Indigenous Peoples' Rights Act (IPRA) of 1997**. IPRA sets conditions, requirements, and safeguards for plans, programs, and projects affecting IPs. The National Commission on Indigenous Peoples (NCIP) issued a number of Administrative Orders (AO) that puts into operation the provisions of IPRA. The most important AO for purposes of this Abbr. RF is NCIP Administrative Order No. 3 or the Revised Guidelines on Free and Prior Informed Consent Guidelines and Related Processes of 2012.

31. **RA 9729- Climate Change Act.** The law prescribes the mainstreaming of climate change, in synergy with disaster risk reduction, into the national, sectoral and local development plans and programs. Local government units (LGU) have been assigned as to lead the formulation, planning and implementation of climate change action plans in their respective areas, and assigned to consider climate change adaptation and disaster risk reduction and response as included in their regular functions.

32. **RA 10121- Disaster Risk Reduction and Management Act.** The Act recognizes and strengthens the capacities of LGUs and communities in mitigating and preparing for, responding to, and recovering from the impact of disasters. These policies also apply in the formulation of housing and resettlement plans by the LGUs, and require that the resettlement areas are designed to be adapting to climate change and community systems allow for disaster risk reduction and response.

33. **RA 7279** is an act to provide for a comprehensive and continuing urban development and housing program, establish the mechanism for its implementation, and for other purposes. The law also provides that local government units in coordination with the National Housing Authority, shall implement the relocation and resettlement of persons living in danger areas such as esteros, railroad tracks, garbage dumps, riverbanks, shorelines, waterways, and in other public places as sidewalks, roads, parks, and playgrounds. The local government unit, in coordination with the National Housing Authority, shall provide relocation or resettlement sites with basic services and facilities and access to employment and livelihood opportunities sufficient to meet the basic needs of the affected families.

34. **Presidential Decree No. 1067 or the Water Code of the Philippines.** Article 51 of the Water Code of the Philippines states that "The banks of rivers and streams and the shores of the seas and lakes throughout their entire length and within a zone of three (3) meters in urban area, twenty meters in agricultural areas and forty (40) meters in forest areas, along their margins, are subject to the easement of public use in the interest of recreation, navigation, flotage, fishing and salvage. No person shall be allowed to stay in this zone longer than what is necessary for recreation, navigation, flotage, fishing or salvage or to build structures of any kind.

35. **RA 6389 of 1971** provides for disturbance compensation to agricultural lessees equivalent to 5 times the average gross harvest in the last 5 years.

36. **Article 1137, Civil Code Art. 1137.** Ownership and other real rights over immovable assets also prescribe through uninterrupted adverse possession thereof for thirty years, without need of title or of good faith. The provision (1959a) is without prejudice to what is established for the acquisition of ownership and other real rights by prescription (1963).

37. **RA 11231 - The Agricultural Free Patent Reform Act (2019).** An Act Removing the Restrictions Imposed on the Registration, Acquisition, Encumbrance, Alienation, Transfer and Conveyance of Land Covered by Free Patents Under Sections 118, 119, and 121 of Commonwealth Act No. 141, Otherwise Known as "The Public Land Act", as Amended. Previously, Section 118 of the CA No. 141 prohibits the encumbrance or alienation of lands acquired under free patent, except to the government or any of its branches, within five (5) years from the issuance of the patent or grant. Likewise, Section 119 provides that the applicant, his widow, or legal heirs can repurchase a land acquired under the free patent provisions within five (5) years from the date of transfer or sale. With the enactment of RA No. 11231, an agricultural free patent is now a title in fee simple free of any restriction on its encumbrance or alienation. It applies retroactively such that any restrictions on the acquisition, encumbrances, or dispositions on agricultural free patents issued prior to the enactment of RA No. 11231 shall be removed and immediately lifted.

38. Commonwealth Act (CA) 141 Section 112 or Public Land Act - prescribes a twenty (20) meter strip of land reserved by the government for public use, with damages being paid for improvements only. Presidential Decree 635 amended Section 112 of CA 141 increasing the width of the reserved strip of twenty (20) meters to sixty (60) meters. Under section ii, guit claim is provided where the Government has the right to acquire a 20 to 60 m width of the land acquired through CA 141. Only improvements will be compensated. It further stipulates that holders of free or homesteads patents and Certificates of Land Ownership Award (CLOA) under CA 141 follow the other modes of acquisition enumerated in the IRR of RA10752, if the landowner is not the original patent holder and any previous acquisition of said land is not through a gratuitous title; Cash compensation for loss of land at 100% current market value and improvements at replacement cost or follow the provisions under CA No. 141 regarding acquisition of ROW on patent lands, if the landowner is the original patent holder or the acquisition of the land from the original patent holder is through a gratuitous title except for improvements at replacement cost.

39. **The Comprehensive Agrarian Reform Law RA 6657 (1988)** Section 28 provides that landowner shall retain his share of any standing crop un harvested at the time the DAR shall take possession of the land under Section 16 of this Act, and shall be given a reasonable time to harvest.

40. **RA 8972 or the Solo Parent's Welfare Act** provides for benefits and privileges to solo parents and their children. It aims to develop a comprehensive package of social

development and welfare services for solo parents and their children to be carried out by the Department of Social Welfare and Development (DSWD), as the lead agency, various government agencies including civil society organizations (CSO) and other related Nongovernmental Organizations (NGOs).

41. **RA No. 7277** is an act providing for the rehabilitation, self- development and self-reliance of disabled persons and their integration into the mainstream of society and for other purposes.

42. **RA No. 9442** is an act providing for the Rehabilitation and Self-Reliance of Disabled Persons and Their Integration to the Mainstream of Society and Other Purposes granting Additional Privileges and Incentives and Prohibitions on Verbal, Non-Verbal Ridicule and Vilification Against Persons with Disability(PWD)," which required the Department of Health (DOH) to institute a national health program for PWDs, establish medical rehabilitation centers in provincial hospitals and adopt an integrated and comprehensive approach to the health development of PWDs which shall make essential services available to them at affordable cost.

43. **RA No. 9710.** The Magna Carta of Women is a comprehensive women's human rights law that seeks to eliminate discrimination against women by recognizing, protecting, fulfilling and promoting the rights of Filipino women, especially those in marginalized sector.

44. **RA 10821: Children's Emergency Relief and Protection Act.** Requires the National Housing Authority (NHA), in coordination with the DSWD, Department of Environment and Natural Resources (DENR), Department of Public Works and Highways (DPWH), Department of Interior and Local Government (DILG) and LGUs of the areas declared under a state of calamity, immediately establish an option for transitional shelters, prioritizing vulnerable an marginalized groups including orphaned, separated, and unaccompanied children, and pregnant and lactating mother.

45. **RA 6685 (1988)** requires private contractors who are awarded national or local projects to hire at least fifty percent (50%) of the unskilled and at least thirty percent (30%) of the unskilled labor requirements from the available bona fide residents of the province, city or municipality where the projects are to be undertaken.

46. **Batas Pambansa Blg. 344** is an act requiring certain buildings, institutions, establishment and public utilities to install facilities and other devices to enhance the mobility of disabled persons.

47. **RA 7432 (1992)** is an Act to maximize the contribution of Senior Citizens to nation building, grant benefits and special privileges and for other purposes provides the privileges for senior citizens such as grant of 20% discount from all establishments relative to the utilization of transportation services, hotels and similar lodging establishments, restaurants and recreation centers and purchase of medicine anywhere in the country.

2. IFAD Requirements

48. SECAP¹ provides that projects supported by IFAD are required to meet Standards 1-9, including Standard 7, which deals with Physical and Economic Resettlement. The Standard aims to (i) Avoid involuntary resettlement or, when unavoidable, minimize involuntary resettlement by exploring alternative project designs and sites; (ii) Avoid forced eviction;² (iii) Ensure that resettlement activities are planned and implemented

¹ IFAD-SECAP Volume 1. 2021

² Forced eviction refers to the acts or omissions involving the coerced, permanent or temporary involuntary displacement of individuals, groups and communities from homes, lands and/or common property resources which they occupy or depend on, thus eliminating or

collaboratively with the meaningful participation of affected people; (iv) Enhance and restore the livelihoods³ of all displaced people; and (v) Provide explicit guidance to borrowers/recipients/partners on the conditions that need to be met regarding involuntary resettlement.

49. The Standard further aims to avoid IR or, when unavoidable, minimize IR impacts by exploring project design alternatives to: (i) avoid forced eviction; (ii) mitigate unavoidable adverse social and economic impacts from land acquisition or restrictions on land use by: (a) providing timely compensation for loss of assets at replacement cost and (b) assisting displaced persons in their efforts to improve, or at least restore, their livelihoods and living standards, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher; (iii) improve living conditions of poor or vulnerable persons, who are physically displaced, through provision of adequate housing, access to services and facilities, and security of tenure; (iv) to conceive and execute resettlement activities as sustainable development programs, providing sufficient investment resources to enable displaced persons to benefit directly from the project, as the nature of the project may warrant; and (v) to ensure that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected.

50. **Requirements**. There are eight requirements under Standard 9 that the DAR is advised to observe:⁴

- (i) Forced evictions are prohibited in all IFAD-supported activities unless fully justified and carried out lawfully, and must only be carried out in exceptional circumstances for the purpose of promoting general public welfare;
- (ii) Where displacement has already occurred in anticipation of the project, an audit will be conducted to identify any deviations from this Standard created by past activities and corrective actions required to ensure compliance;
- (iii) Avoid involuntary resettlement or when unavoidable minimize involuntary resettlement by exploring feasible alternative project designs and sites;
- (iv) The DAR must identify, assess and address adverse impacts on disadvantaged and vulnerable groups in the screening and assessment phase of the project cycle (See Abbr. ESCMF);
- (v) When land acquisition or land-use restrictions (whether permanent or temporary) cannot be avoided, the DAR is required to develop an action plan designed to enhance and restore the living standards and livelihoods of all affected persons to the pre-displacement level;
- (vi) When programming activities involve physical displacement, an action plan must: (a) Specify the resettlement options chosen by displaced persons, respecting their preferences to relocate in pre-existing communities wherever possible, and documenting all transactions; (b) Provide a choice of replacement property with secure tenure of higher value and better characteristics wherever possible for those with formal land rights or recognizable; (c) Ensure that resettlement sites provide adequate housing with improved living conditions; and (d) For affected people without formal land rights or recognizable claims, compensate for loss of assets other than land at full replacement cost, provide resettlement assistance in lieu of compensation for land sufficient to restore and improve living standards at an adequate alternative site, and provide arrangements for them to obtain adequate housing with security of tenure so they can resettle without risking forced eviction;

limiting the ability of an individual, group or community to reside or work in a particular dwelling, residence or location, or access appropriate forms of legal or other protections provided under this Standard.

³ For the purpose of this Standard, livelihood restoration entails restoring to at least pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

⁴ Ibid.

- (vii) When activities involve economic displacement with significant social and economic impacts, the Abbr. RAP will: (a) Ensure that compensation covers all commercial losses (including the costs of transfer and re-establishing commercial activity, lost net income during transition, lost employee wages and assets such as crops, irrigation infrastructure or other improvements to affected areas); (b) Provide replacement property of improved value when legitimate tenure rights (both formal and informal) are restricted; (c) Provide replacement agricultural sites of superior productive potential whenever possible, including through investments in increasing productivity (if replacement land and resources are unavailable, offer cash compensation at full replacement cost and support for alternative income with evidence of mutual agreement); (d) Compensate economically displaced people who are without legally recognizable claims to land for lost assets other than land (e.g. crops, irrigation infrastructure, other improvements made to the land) at full replacement cost; (e) Where displaced livelihoods are natural resourcebased, offer replacement land and access to alternative resources with a combination of productive potential, locational advantage and other factors, contributing to improved income potential and accessibility, whenever feasible; (f) Provide alternative income-earning opportunities and support if it is not possible to provide replacement land and resources; and (g) If project activities restrict access to resources in legally designated parks, protected areas or other commonly held resources, establish a collaborative process with affected people to determine appropriate measures for improving affected livelihoods while maintaining the land's sustainability; and
- (viii) The DAR must ensure that an effective, accessible and culturally appropriate grievance redress mechanism is established to facilitate the resolution of concerns and complaints by affected individuals.

3. Gap Analysis and Gap-Filling Measures

51. A stocktaking exercise was completed by WB in May 2021 with the National Economic Development Authority (NEDA) providing comments and inputs in July 2021. The assessment reflects several aspects of the Philippine policy framework on land acquisition and involuntary resettlement that could be made more effective through enabling guidelines. A detailed analysis of policy and regulatory provisions would be desirable to ascertain the addressal of the key concerns listed below. Such an analysis would provide insights for enhancing/updating the relevant implementing rules and regulations, and/or the need for interventions to pass new laws:

- (i) criteria for determining eligibility of informal settlers.
- (ii) time of entry and use of acquired land by the project prior to full compensation is made.
- (iii) just compensation for expropriated land and/or improvements.
- (iv) adequacy of transition support, alternative income-earning opportunities, and livelihoods restoration, particularly for vulnerable people.
- (v) restrictions of access to natural resources in declared critical habitats; and
- (vi) the standards/protocols (in terms of content and process) for development of ROW Manual by different implementing agencies as required under RA 10572

52. Another gap noted under this IFAD assessment is that considerations are necessary when a proposed project would potentially affect the customs and livelihoods of the IPs in ancestral domains (ADs) which are community property that cannot be sold, disposed or destroyed. Due to some uncertainties described in the above paragraphs, VISTA will fully adopt the IFAD requirements and provide project-affected persons (PAPs) and their households with compensation measures and assistance, as described in Standard 7 and this Abbr. RF.

E. Affected People and Assets

53. An estimate of the population that will experience physical and/or economic displacement cannot be made at this time. However, based on the typology of investments, the various types of PAPs are expected to be as follows:

- (i) Landowners and Land Users
- (ii) PAPs with Structures
- (iii) PAPs with Crops, Fruit Trees, and other Perennials
- (iv) PAPs Affected by the Loss of Livelihood and Sources of Income
- (v) PAPs restricted to access land and non-land assets and sources of livelihood
- (vi) PAPs with increased vulnerability

F. Key Compensation and Assistance Principles

54. Following the principle of just compensation under national regulations, as well as the IFAD principles under Standard 7, the project will, therefore, adopt this Abbr. RF for providing timely compensation measures and/or resettlement assistance to the people who may have to relocate and/or who may incur losses as a result of the project.

1. Principles and Objectives

55. The objectives of this Abbr. RF are to ensure that all involuntary losses (i.e., lands, structures, crops, or other properties) of PAPs are properly and justly compensated and all those who are displaced (whether physically or economically) are resettled and/or provided with assistance to improve, or at least maintain, their pre-project living standards and income-earning capacity. This Abbr. RF adopts the principles stipulated in Chapter D above in particular subsection 2 on IFAD Requirements land acquisition, restrictions on land use, and involuntary resettlement.

56. Further, that based on the project design, site conditions and consultations with stakeholders, there will be minimal physical displacement. VISTA will be limited to land donation and negotiation as modalities for land acquisition. **There will be no expropriation**. Usufruct arrangements may also be pursued inasmuch as the proponents in themselves are the ARC beneficiaries along with the surrounding communities (i.e. EARCCs).

2. Resettlement Planning with IPs

57. There are two potential scenarios when working with IPs with and without relocation: (i) Land acquisition inside ADs that are either declared or being processed, and ADs not declared/being processed but acknowledged by the both the indigenous cultural communities (ICC) themselves and the immediate community surrounding them, and (ii) Land Acquisition affecting IPs outside ADs that include resettled IPs occupying lands of the public domain. All these are determined after the NCIP-led FBI screening.

58. **Land Acquisition inside ADs.** Since the recognition of IPRA in 1997, several ADs and lands have been titled or are still undergoing processing, examples of such formal rights are: (i) Certificate of Ancestral Domain Title (CADT) that refers to a title formally recognizing the rights of possession and ownership of ICCs/IPs over their ADs identified and delineated in accordance with IPRA, and (ii) Certificate of Ancestral Land Title (CALT), which refers to a title formally recognizing the rights of ICCs/IPs over their ancestral lands (AL).

59. There are however some ICCs that do not possess formal rights to date. All areas within ADs, whether delineated or not, are presumed to be communally owned and,

pursuant to the indigenous concept of ownership, could not be sold, disposed nor destroyed. Communal claims are claims on land, resources and rights belonging to the whole community within a defined territory. These lands are governed by customary laws - a body of written or unwritten rules, usages, customs and practices traditionally observed, accepted and recognized by respective ICCs/ IPs and acknowledged by the immediate non-IP communities.

60. In the event land (including structures, improvements, crops, trees, and perennials) is to be acquired inside an AD, the DAR, DA and its agents shall observe the NCIP Administrative Order (AO) No. 3, series of 2012. In addition, DAR shall present and explain to NCIP and the ICCs salient contents of this Abbr. RF, in particular the different modes of land acquisition, loss of assets, policy on eligibility, compensation and other entitlements and assistance, grievance mechanisms, and institutional arrangements for monitoring and evaluation.

61. An investment package may involve the acquisition of land and/or the structures, improvement, crops, trees, and perennials on it. The acquisition must ensure that non-replicable cultural property will not be damaged in the process in accordance with Chapter VI, Section 33 of the IPRA. All reasonable efforts should be done to ensure that the investment package and linked activities, will not pass through religious and cultural properties of IPs, e.g., burial sites and the like that these be preserved, respected, and protected in situ.

62. If passage through, and hence damage to and/or partial or total relocation of religious and cultural properties is unavoidable, this should be presented to the IPs and obtain the free and prior informed consent (FPIC) of the affected ICC/IPs. If consent is obtained, modes of compensation will be guided by the Memorandum of Agreement (MOA) that will be executed between and among the IPs, the DAR, and other related parties in accordance with the FPIC Guidelines of 2012.

63. Investment packages may involve significant restrictions of access to religious and cultural sites and to traditional hunting, gathering grounds or natural resources that the IPs use. These restrictions plus the measures to minimize them will be disclosed by DAR to the affected IPs to be included as part of the Abbr. RAP. Temporary restrictions on IPs' access to natural resources and religious and cultural sites during implementation plus the measures to minimize them shall be disclosed by DAR.

64. Compensation for lands acquired, for affected structures, other improvements, for crops, trees, and perennials inside AD where no removal and resettlement of IPs are involved shall be governed by this Abbr. RF. The ICC/IPs may opt to receive the compensation in a culturally appropriate form consistent with their customary laws. Benefits to be enjoyed by the host IPs will be spelled out in the MOA.

65. Consultations are continuous at throughout the planning stage in the preparation of SB/BP proposals, Abbr. RAP, and FPIC processing. Arrangements are made with NCIP for the continuance of the Detailed Engineering Design (DED) activities should the FPIC not be concluded at this stage. After the SP/BP is finalized, it will be disclosed to the affected ICCs/IPs, who in most cases are the proponents themselves. Their initial support is finalized and the FPIC process should result in a MOA which doubles as an Abbr. RAP. The MOA and/or the Abbr. RAP shall be integrated in the project design. Project implementation cannot proceed without the approved Abbr. RAP and/or MOA. Observance of the Abbr. RAP and/or MOA is monitored internally by the DAR. The NCIP also monitors the MOA and/or Abbr. RAP.

66. **Land Acquisition affecting IPs outside ADs.** DAR will conduct a separate meeting with IPs to obtain their support for the project using methods appropriate to the

social and cultural values of the affected IP communities, recognizing the primacy of customs, traditions, practices, and sociopolitical structures of the concerned IP group. The process must be free from any external manipulation, interference, coercion, and must give special attention to the concerns of IP women, youth and children. There must be full disclosure of the intent, scope, benefits, potential adverse impacts of the project, and measures to avoid, reduce, minimize, and mitigate these effects in a language and manner that is culturally appropriate and understandable to the affected IP Communities. DAR shall also disclose this Abbr. RF to the affected IPs. If necessary, separate consultations will be held with IP women and children with IP leaders. At the very least, the IP Mandatory Representative and/or the tribal leadership will be invited and be present in the meeting. Refer to Stakeholder Engagement Plan (SEP) in SECAP Review Note (SRN) Appendix 8.

67. **Resettled IPs occupying lands of the public domain.** This group refers to IPs who have been removed from their AD and have been resettled in lands of the public domain because of a government project or displacement due to conflict, natural calamities, and forcible disposition of land. These IPs enjoy the right of security of tenure over lands to which they have resettled (Section 7d, IPRA) and shall not be treated as migrants. The Free and Prior Informed Consent Guidelines of 2012 apply to these types of IPs if they are affected by the project.

3. Abbr. RAP Preparation and Implementation

68. Abbr. RAP preparation will be undertaken in parallel with the detailed planning of SPs under VISTA. Prior to initiating any activities on resettlement planning, however, the project will consider alternative options at the project identification stage to avoid impacts on affected households. The process for preparing Abbr. RAPs will commence once Regional Project Management Office (RPMO) confirms potential IR within the SP area based on the VISTA Screening Checklist (Abbr. ESCMF Appendix 6). The DAR, DA SECAP Specialists, in close coordination with the Consultants and the proponents (Community/POs/IPOs) will oversee screening of the SPs for potential impacts and risks and be responsible for preparing an Abbr. RAP in case the impacts cannot be avoided.

69. Table 2 outlines the resettlement planning activities to be conducted at the SP planning stage, the documentary requirements, and the responsible leads in the process.

#	VISTA Project Cycle	Resettlement Planning Activity	SECAP Document	Responsibility
1	VSIP stage	 Consultations with owners/claimant s and occupants of lands and non- land assets; and Completion of SECAP screening checklist 	 Minutes of the consultations with potential PAPs, LGUs, and IP tribal leaders; and VISTA Screening Checklist 	 SP/BP Proponent; Consultant; and RPMO and Provincial Project Management Office (PPMO) SECAP focals. LGUs (barangay/ municipal LGUs), IP tribal leaders (if on
2	Preparation of investment proposals including preparation of Abbr. RAP	 Preparation of abbreviated; Preparation of detailed socioeconomic profiling through household surveys and inventory of 	 Inventory of affected assets, PAPs' profile, and entitlements; Detailed socioeconomic household profile of PAPs; and 	ALs)

 Table 2. Resettlement Planning and Implementation Process

#	VISTA Project Cycle	Resettlement Planning Activity	SECAP Document	Responsibility
		 Iosses (IOL), and identification of vulnerable PAPS; and The conduct of the census/ survey of PAPs will be the cutoff date for eligibility under the Abbr RF. 	 Inventory and estimated cost of affected assets per PAP. 	
		Initial consultations with eligible and disqualified PAPs and special meetings with vulnerable households to discuss entitlements and compensation options	 Minutes of consultations with PAPs, LGUs, and IP tribal leaders; and Initial compensation package/plan per PAP. 	 SP/BP Proponent; Consultant; and RPMO and PPMO SECAP focals. LGUs (barangay/ municipal LGUs), IP tribal leaders (if on AL)
		Consultation for finalizing the entitlements with PAPs.	 Minutes of the consultations with PAPs, LGUs, and IP tribal leaders; and Final compensation package/plan per PAP. 	
3	SP/BP design review and approval	Presentation of the final SP design, including Abbr. RAP, to key stakeholders (i.e., IPs, barangay LGU and residents, PAPs, etc.); and Review and approval of Abbr. RAP by DAR RPMO.	 Minutes of the consultations with PAPs, LGUs, and IP tribal leaders; and Final compensation package/plan per PAP in the Abbr. RAP. 	 RPMO EARCC CC and LGU; and NCIP Provincial and Regional Offices (if with IP PAPs)
		 Endorsement of Abbr. RAP by DAR Central Project Management Office (CPMO) to IFAD; and IFAD's review and approval of the Abbr. RAP. 	Approved Abbr. RAP	 CPMO; and IFAD
4	Procurement/ bidding	Incorporation of Standard 7 mitigation	 IFAD No Objection; and 	RPMO SECAP Specialist & Procurement Officer

#	VISTA Project Cycle	Resettlement Planning Activity	SECAP Document	Responsibility
		measures from Abbr. RAP onto the bidding documents.	 Final bidding documents with relevant Abbr. RAP measures. 	
5	Implementation /Construction stage	Abbr. RAP implementation and grievance redress mechanism (GRM) system as per SEP.	 Issuance of Notice to Proceed (NTP); and Quarterly progress reporting on Abbr. RAP status and Reported and resolved grievances/ issues 	 SP proponent; Contractor/ supplier; LGU; RPMO & CPMO SECAP; and NCIP Provincial and Regional Offices (if with IP PAPs)
6	Operations/ Post- construction	Semi-annual monitoring of status of relocated/ compensated PAPs.	 Semi-annual monitoring reports submitted by DAR RPMO to CPMO; and Annual SECAP Monitoring Report of the project. 	

70. **SECAP Screening**. All SPs will undergo SECAP screening. The SECAP Specialists and other focals (Sr Foresters and Sr Engineers) from DAR, DA RPMO, PPMO, and Municipal Agrarian Reform Officer (MARO) / Municipal Agriculture Officer (MAO) will conduct an inspection to determine the location and boundaries of the proposed SP/BP site, including identification of possible properties (i.e., residential, agricultural, and commercial land and structures), protected areas, ADs, and estimated number of households that may be affected. Initial stakeholder consultations will be conducted to identify the potential resettlement impacts of the SP, to include the barangay officials, immediate residents, POs including women's associations, IP communities (if any), and government stakeholders (i.e., DENR ROs, NCIP Regional/Provincial Offices, etc.). The VISTA screening checklist will be completed by the SP proponent (community/PO/IPO/LGU), with technical assistance from the Consultants and SECAP Specialists and other focals. Results of the screening will be submitted to the DAR RPMO for review and confirmation if a detailed RAP will be required.

71. *Cutoff date*. The initial screening will be used to establish a cutoff date for eligibility under this Abbr. RF. The cutoff date will be the last date of the census or survey among the PAPs, after which, people who are not included in the list of PAPs, as defined by the census, will not be eligible for compensation and/or assistance.

72. Land acquisition within an AD. If screening indicates that portions or the whole of the SP will be situated within an ICC/IP AD, the entire planning and implementation process will be undertaken in conjunction with the requirements of the IP Framework.

73. *IP as PAPs.* If screening indicates that members of an ICC/IP group will be affected or that portions or the whole SP will be situated within ICC/IP AD, the entire planning and implementation process will similarly be undertaken in conjunction with the requirements of the IP Framework.

74. **Abbr. RAP Preparation.** The preparation of the Abbr. RAP shall commence with a listing or profiling of PAPs. The SP proponent, shall take the lead in Abbr. RAP preparation, with technical support from the Consultants, SECAP Specialists and focals and

partner government agencies, such as DA DENR ROs and NCIP Provincial and Regional Offices (if with IP PAPs or affected AD).

- 75. The Abbr. RAP will include the following, among others:
 - Completed inventory of affected assets and income;
 - Detailed socioeconomic survey of displaced persons describing their age, sex, ethnicity, education, main occupation, sources of income, and total household income per year;
 - Detailed compensation and computation of entitlements for each affected household, where applicable;
 - Location, area, and category of the replacement residential and agricultural land to be provided, where applicable;
 - Timebound action plan for implementation;
 - Detailed budget and source of funding for the various compensation measures; and
 - Arrangements for monitoring and evaluation (M&E).

76. *Inventory of PAPs and entitlements*. An inventory of the affected lands and improvements or fixed assets, as part of Abbr. RAP preparation, will be prepared by the SP proponent with assistance from the Municipal/Provincial LGUs (i.e., Municipal/Provincial Planning and Development Office or Engineering Office) and other government agencies concerned with resettlement, and assisted by the respective RPMO SECAP Specialists. The inventory of PAPs and entitlements will be approved by the DAR RPMO and endorsed by the DAR CPMO. The inventory shall include the following information for each PAP household:

- Area of the affected land parcel and name of landowner/s;
- List of current occupant/s of the affected land;
- Land use classification or type of land affected;
- Number, types, and sizes of structures present on the land and list of owners;
- Types, number/area of trees, crops present on the land and names of owners;
- Persons other than owners or occupants whose livelihood will be adversely affected by land acquisition;
- Productive assets lost as a percentage of total productive assets; and
- Temporary damage to productive assets.
- 77. The entitlements of PAPs will be calculated based on the above information.

78. *Evaluation of affected lands and other assets.* After the PAPs have been identified, the concerned LGU, with the assistance and/or guidance of the DAR RPMO SECAP Team, shall determine the value of the affected lands, structures, and crops for each PAP using the replacement cost standard as follows:

- (i) **For land**, the prevailing market value of the property;
- (ii) For structures, the estimated value of the materials based on current prices of the same and the amount of labor required to build the structure, without depreciation; and
- (iii) **For crops, trees, and other plants,** their current value is based on the schedule of prices maintained and updated by the Provincial/City/Municipal Agriculture Office and/or Assessor's Office, whichever is applicable. If there is no available schedule in the municipal or city level, the concerned LGU may adopt the schedule of the province through a *Sanggunian* resolution.

79. The estimated value shall be presented to the PAPs in reasonable level of detail or itemization. The DAR RPMO SECAP Team shall develop, adopt, and continuously refine

valuation sheets for affected lands, structures, and crops to be used by the proponent LGUs, using as a basis the provisions stated under *RA 10752* on how to determine the appropriate price offer for the acquisition.

80. The valuation of affected land and other assets will follow these guidelines:

- (i) The valuation amount to be offered shall be the price at the time of taking the property.
- (ii) The standard market determination should be determined through conducting at least two of the following valuation processes: (i) provincial committee appraiser; (ii) latest transaction in the area; (iii) private appraiser (Bank); and (iv) independent property appraiser.
- (iii) The PAP shall be allowed to review the estimated values of the affected assets and shall be allowed to negotiate for any reasonable adjustments in the final amounts or the nature of compensation. The PAP shall sign a Compensation and Assistance Sheet to indicate concurrence with the valuation amount and the equivalent non-monetary compensation measures that will be provided.
- (iv) The DAR RPMO SECAP Specialist shall validate that the compensation amount/ package agreed with the PAP meets the replacement cost standard.
- (v) The proponent LGU shall shoulder the cost of taxes and other associated fees, such as documentary stamp tax, transfer tax, and registration fee, title annotation costs, and others, which are applicable to the manner the land/ROW was acquired (i.e., deed of donation or deed of sale).

81. **Consultations during Abbr. RAP preparation**. Abbr. RAP preparation will involve stakeholder consultations with the PAPs and immediate community, as well as with government officials from the barangay, municipal LGUs and/or local CSOs. For SPs with IR impacts on IPs or AD lands, consultations and Abbr. RAP preparation will follow *NCIP AO No. 1 and 3 Series 2012* for SPs requiring FPIC and the measures set under the project IP Framework. Consultation agenda will include the general principles under the Abbr. ESCMF, particularly measures to address involuntary resettlement and the required instruments, with the PAPs. The conduct of detailed surveys for Abbr. RAP preparation, as well as the stakeholder consultation activities, will follow the measures under the SEP.

82. Another round of consultations shall be undertaken to discuss the final details of the Abbr. RAP and agree with the PAPs on the compensation measures and assistance to be provided to each type of PAP. Separate consultations may be undertaken for vulnerable households. Attachment 1 of this Abbr. RF provides an annotated outline of the Abbr RAP.

83. **Review and approval of the Abbr. RAP.** The SP proponent will submit the final Abbr. RAP to the DAR RPMO for review and approval, after which the DAR CPMO shall endorse it to IFAD for to secure a "no objection" in order to proceed with procurement for awarding of the civil works contract.

84. **Abbr. RAP implementation.** A detailed implementation schedule of the various activities to be undertaken will be included in the Abbr. RAP. The SP proponent shall deliver the assistance and compensation measures to the PAP, as specified in the Abbr. RAP implementation schedule. The PAP shall sign a receipt of the compensation or assistance provided in the Abbr. RAP agreement. Payment of compensation and provision of other entitlements (in cash or in kind) shall be satisfactorily completed for each SP prior to IFAD's "no objection" to the award of contract for civil works. The same requirement would apply if the PAPs voluntarily contribute any part of their land and/or assets to the SP. All deeds of donation and other relevant legal documents for each SP shall be satisfactorily completed prior to IFAD's "no objection" to the award of contract for civil works contract.

85. **Abbr. RAP Monitoring.** The implementation of the Abbr. RAP will be regularly supervised and monitored by the respective DAR MO SECAP Specialists in coordination with the DAR MO/PPMO focals. An internal monitoring system will be developed by DAR CPMO SECAP Specialist in coordination with the DAR ROs. Quarterly Project Reports will be prepared, including the reported and resolved grievances/issues from PAPs, and submitted to the DAR CPMO. The DAR CPMO SECAP Specialist, together with the DAR MO SECAP Specialists, will conduct site visits at selected SPs to conduct audits and provide technical support.

86. **Grievance redress mechanism.** PAPs and other APs in the community shall have access to the project's GRM, described in the SEP to provide an opportunity for the PAPs and other affected stakeholders to express concerns and grievances. A GRM Sub-Committee will be assigned at ARC CC (i.e., Barangay Captain, IP Tribal Chieftains in case of ICCs/IPs). Through mediation, the conflicts, complaints, and grievances will be addressed following the local customs and traditions in resolving land disputes in their locality. See GRM in SEP and IP Framework.

87. **Midterm and end-of-project (EOP) evaluation.** The midterm and EOP evaluation of the project will include an assessment of the implementation of this Abbr. RF to determine if the objectives of this Abbr. RF have been achieved.

G. Eligibility

88. Affected persons (AP) or peoples are those who stand to lose, as a consequence of the project, all or part of their physical and non-physical assets, including homes, communities, productive lands, and resources such as forests, range lands, or important cultural sites, commercial properties, tenancy, income-earning opportunities, social and cultural networks and activities. Such impacts may be permanent or temporary.

- 89. Specific to the SPs/BPs, the various types of APs are qualified:
 - (i) Landowners and Land Users
 - Legal owners (e.g., agricultural, residential, commercial and institutional) who have full title, tax declaration, or who are covered by customary law (e.g., possessory rights, usufruct, etc.) or other acceptable proof of ownership over the affected land.
 - Users or occupants that have no land title or tax declaration over the affected land.
 - Renters of the affected land.
 - (ii) APs with Structures
 - Owners of structures who have full title, tax declaration, or other acceptable proof of ownership (e.g., possessory rights, usufruct, etc.)
 - Owners of structures, including shanty dwellers, who have no land title or tax declaration or other acceptable proof of ownership
 - Renters
 - (iii) APs with Crops, Fruit Trees, and other Perennials
 - Owners of affected crops, fruit trees and perennials who have full title, tax declaration, or other acceptable proof of ownership (e.g., possessory rights, usufruct, etc.)
 - Owners of affected crops, fruit trees and perennials who have no land title or tax declaration or other acceptable proof of ownership.
 - (iv) APs Affected by the Loss of Livelihood and Sources of Income
 - Owners of registered or unregistered shops, regardless of land tenure status, whose business operation will be disrupted temporarily or permanently due to the SPs/BPs.

- Hired labor (e.g., farm worker, house help, and store helper) who will lose their job temporarily or permanently due to the project.

(v) APs restricted to access land and non-land assets and sources of livelihood(vi) Increased vulnerability

H. Entitlements Matrix

90. The PAPs will be entitled to the following types of compensation and rehabilitation measures based on the type of land acquisition and IR impacts:

	Loss / Impact	
# 1	Loss / Impact Loss of residential land and/or structures and improvements	 Entitlement Replacement residential land of equivalent size, acceptable to the PAPs, and cash compensation reflecting full replacement cost of the structures, without depreciation; If the portion of the land to be lost represents 20%⁵ or less of the total area of the residential land area, and the remaining land is still a viable residential lot, cash compensation for the land and structure lost, at full replacement cost (market value), may be provided to the PAP in lieu of a replacement house and lot in a new site; and If the PAP is a tenant, he/she will be provided with cash assistance equivalent to three months rental at the prevailing market rate in the area and will be assisted in
2	Loss of agriculture land and/or crops and trees	 Provision of "land for land" arrangements of equal productive capacity acceptable to the PAPs. If the portion of the land to be lost represents 20% or less of the total area of the landholding, and the remaining land is still a viable economic holding, cash compensation, at full replacement cost (market value), may be provided to the person. If the portion of the landholding, and the remaining land is still viable, the PAPs shall be justly compensated for the lost asset and shall be provided with livelihood assistance. If more than 20% of a PAP's agricultural land is acquired and the remaining holding is not viable, the entire landholding is not viable, the entire landholding and provide compensation for the acquired land as direct land replacement. PAPs will be compensated for the loss of standing crops and fruit or industrial trees at market price. PAPs whose lands are temporarily taken over by SP works will be compensated for their loss of income, standing crops, and for the cost of soil restoration and damaged
3	Loss of commercial land and/or business structures	 infrastructure. Affected business owners will be compensated at replacement cost for identifying a viable alternative location or provision of alternative viable business site of equal size and accessibility to customers; Cash compensation at replacement cost for lost business structures without deduction of depreciation; Cash compensation at replacement cost for lost net income during the period of transition;

 Table 3. Entitlement Matrix

⁵ WB ESS 5 and DPWH Right-of-Way Acquisition Manual, 2017.

#	Loss / Impact	Entitlement
		 Cash compensation at replacement cost for transfer and reinstallation of the plant, machinery, or other equipment and for re-establishing commercial activities; and Affected employees will receive assistance for temporary loss of wages and, if necessary, assistance in identifying alternative employment opportunities.
4	Loss of livelihood or access to livelihood or income sources	 PAPs will be provided compensation at full replacement cost, without depreciation for any fixed assets affected in part or in full, by the project. PAPs shall be provided with livelihood assistance and support within the community. For PAPs whose livelihoods are natural resources-based and where project-related restrictions on access apply, measures will be implemented to either allow continued access to affected resources or to provide access to alternative resources with equivalent livelihood earning potential and accessibility. Where common property resources are affected, benefits and compensation associated with restrictions on natural resource usage may be collective in nature. In cases where community infrastructure (such as schools, factories, water sources, roads, sewage systems, or electrical supply) are damaged, the project will ensure that these would be restored or repaired, as the case may be, at no cost to the community.

I. Compensation and Assistance

1. Methods of Valuing Affected Assets

91. **Compensation for Land**. The compensation offer will be at current market value at the time of taking. DAR will pay, for the account of the AP, the capital gains tax, documentary stamp tax, transfer tax, and registration fee. The owner will pay any unpaid real property tax. Other modes of compensation will be explored when feasible, such as land swap for a new parcel of land of equivalent market value, at a location acceptable to the AP and compliant with zoning laws, or a plot of equivalent value, whichever is larger, in a nearby relocation site with adequate physical and social infrastructure. When the affected landholding has higher value than the relocation plot, cash compensation will cover the difference in value.

92. Holders of Certificates of Land Ownership Award (CLOA) granted under Comprehensive Agrarian Reform Act will be compensated at current market value at the time of land acquisition. In case of lands granted through Commonwealth Act No 141, otherwise known as "The Public Land Act", the DAR shall:

- (i) Follow modes of acquisition enumerated in RA 10752, if the landowner is not the original patent holder and any previous acquisition of said land is not through a gratuitous title; or
- (ii) Follow the provisions under CA No. 141, as amended, regarding the acquisition of ROW on patent lands is the original patent holder or the acquisition of the land from the original patent holder is through a gratuitous title.

93. **Compensation for Structures and Other Improvements.** Compensation for structure at replacement cost, defined as cost necessary to replace the affected structure or improvement with a similar asset based on current market. The following applies in

compensation for other improvements on the affected land: (i) Cash compensation at replacement cost for the affected structures belonging to the government or non-government agencies or the community; and (ii) Cash compensation to cover the cost of reconnecting damaged facilities, such as water, power and telephone lines.

94. <u>Informal settlers.</u> APs who own the structures but do not own the land are entitled to cash compensation for the entire or, affected portion of the structure or improvement without depreciation, upon presentation of proof of ownership (e.g., certification from the concerned barangay in accordance with the IRR for R.A. 10752). If homeless and underivileged as defined in Section 3 of R.A. 7279, APs will have the option to avail of tenured land, or socialized housing package either through the LGUs or CMP through the SHFC, and the option to keep salvaged materials from demolished structures without deduction from compensation due him/her.

2. Other Considerations

95. With the nature of SPs/BPs covered by VISTA, physical displacement is anticipated to be minimal. Occurrence of economic displacement and restriction to access has greater likelihood. Potential impacts on account of access to natural resources and related livelihoods stemming from resource management under Component 1 will be managed in conformity with provisions of the Abbr. ESCMF and this Abbr. RF.

96. If the PAP is a member of an ICC or IP group, the project will ensure the simultaneous application of Standard 4 (Indigenous Peoples), the IP Framework and the FPIC Implementation Plan shall be undertaken with additional culturally appropriate assistance to be determined and extended to mitigate negative impacts, if any. NCIP support and/or other independent experts will be engaged to help ensure that the rights and welfare of the ICCs/IP are upheld and respected in conformance with both Standards 4 and 7.

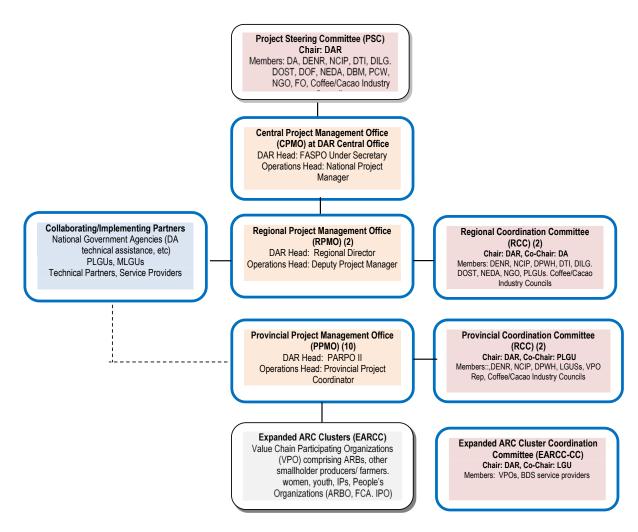
97. Vulnerable PAP households such as women, elderly, persons with disability (PWD) and health conditions, poor households (i.e., below the poverty line and manifestly malnourished), and households with infants and small children, etc., shall be provided additional assistance based on their needs. Vulnerable PAPs will be identified during the detailed profiling of PAP households as part of Abbr. RAP preparation.

J. Organizational Arrangements

1. Structure and Functions

98. The DAR will have overall responsibility for implementing the project and will use its existing structures at national, regional, provincial, and ARC levels to implement project activities. Figure 1 is the Project's organogram that aligns with the levels of DAR organization.

Figure 1: VISTA Organizational Structure



99. The **Project Steering Committee (PSC)**, chaired by the DAR and consisting of members from the DA, DENR, DILG, NCIP, DPWH, DTI, NEDA, DOF, DBM, PCW, PS, VPO Rep, and other relevant institutions/organizations, will serve as the governing body and provide policy direction and overall coordination mechanism for the project. The institutional commitments of PSC members will be formalized through special orders (SO) that specify their respective roles and responsibilities. The CPMO will be responsible for ensuring the coordination of national agencies involved in project implementation.

100. **Central Project Management Office (CPMO)** will be established at the national level to manage and coordinate overall implementation. This will be headed by the DAR's Undersecretary of Foreign Assisted and Special Projects Office (FASPO) as the National Director, together with a hired National Project Manager managing the day-to-day undertakings of the Project. The CPMO will be fully accountable for the performance of project; implementation and the use of funds. It will also be responsible in coordinating with IFAD; DA as collaborating agency; government oversight agencies, including, NEDA, DoF, and the DBM; and within the DAR central management that includes the Support Services Office (SSO), Finance Management and Administration Office (FMAO) and Office of the External Affairs and Communications Operations (DEACO). In addition, the CPMO will be directly responsible in effecting convergence of national agencies like DA, DENR, DILG, NCIP in project implementation.

101. **Regional Project Management Offices (RPMO**) will be created in the Cordillera Administrative Region (CAR) and Region XII. The RPMO will be headed by DAR Regional

Director with a hired Deputy Project Manager, managing the day-to-day undertakings of the Project. The RPMO will oversee project implementation at the regional and provincial levels. It will be coordinating with the different agencies for the review and endorsement of proposed subprojects as well as other implementing partners at the regional level. It will organize the Regional Coordination Committees.

102. **Provincial Project Management Office (PPMO)**. In every target province, a PPMO will be established at the Provincial Support Services Division (SSD), under the authority of DAR Provincial Agrarian Reform Program Officer (PARPO). The day-to-day operation is managed by a hired Provincial Project Coordinator. The PPMO will oversee project operations in the selected ARCs (ARC) and will link with other implementing partners (e.g., BDS providers, PLGUs, MLGUs etc.) at the provincial level. It will organize ARC Coordination Committees (EARCC-CC) and provide implementation support to the functioning of the EARCC-CC in the identified ARC Clusters.

103. **Coordination Committees** will be organized at the Regional and Expanded ARC Cluster levels.

- **Regional Coordination Committee (RCC)** will be chaired by DAR and co-chaired by DA and will have similar composition with the PSC at the regional level. It will review and endorse proposed subprojects and other activities, and will ensure complementation of other agencies and organizations' programs, projects and resources for the implementation of VISTA subprojects. It will also facilitate resolution of operational issues (e.g., duplication of investments, safeguards compliance).
- **Provincial Coordination Committee (PCC)** will be chaired by DAR and cochaired by PLGU with membership from partner/implementing agencies present at the provincial level and municipal LGUs. This body will conduct initial review and to endorse VISTA investment plans and sub-projects. It will also facilitate resolution of operational issues (e.g. counterparting, provision of technical support) within their scope.
- **Expanded ARC Cluster Coordination Committee (EARCC-CC)** will be established in an expanded ARC cluster (EARCC). It will be chaired by DAR and cochaired by LGU, and membership is dynamic to include NGAs which have on the ground presence, VPOs (ARBOs, FCAs, IPOs), and representatives of any other critical project implementers (e.g., financial institutions) within or adjacent to the A. It will mobilize concerned LGU departments and units, coordinate with and monitor all the stakeholders and implementing partners in the implementation of sub-projects, ensure the participation of VPOs and other people's organizations in the planning and monitoring of sub-projects in the EARCCs.

2. Capacity Building

104. There shall be capacity building related to SECAP, Abbr. RF and Abbre. RAP implementation: (i) DAR staff, in particular, those designated with SECAP responsibilities or Abbr. RF/RAP implementation, monitoring, and reporting, and agency partner staff like from LGU, NCIP, DENR and private sector, (ii) Community level appreciation of SECAP principles and instruments (Table 4).

Table 4. VISTA-SECAP Capacity Building Program	
------------------------------------------------	--

No	Training/Workshop Topics	Intended Participants
1	Orientation on VISTA project cycle viz the IFAD SECAP	All PMOs-national,
	Standards	regional, provincial

2	SECAP screening and mitigation instruments and documentation/plans Abbr. ESCMF, SEP with GRM, FPIC Implementation Plan (FPIC-IP), IP Planning Framework (IPPF), & Abbr RF	
3	Preparation and implementation of investment specific plans: Abbr. ESCMP, IP Plan (IPP), Abbr RAP, & Project M&E	
4	Orientation on VISTA viz the IFAD SECAP Standards focus on GRM and screening	LGUs, Community/Barangay
5	VISTA and community engagement: conduct of meaningful VISTA consultations and participation across SP/BP stages	Levels

105. All capacity building for staff level shall be conducted during project effectiveness. It is advised that an IFAD Staff from the Environment, Climate, Gender Division takes the lead in the capacity building with assistance from at least a National SECAP Consultant to provide the necessary context.

106. The capacity building exercises shall underscore the tenet that SECAP goes beyond compliance, avoiding risks and impacts to identify opportunities for maximizing development gains by mainstreaming environmental, social and climate issues throughout the project cycle.

K. Time Frame

107. VISTA is envisaged for implementation over a 6-year period, covering 100 ARCs in CAR and Region XII. An estimated minimum of 500 SPs/BPs will be implemented. Table 5 provides the timeframe across project stages relative to Abbr. RAP preparation and implementation. Based on the table, it Abbr. RAP preparation will take at most **five months**, depending on the scope and scale of resettlement impacts.

Investment Development Stage	SECAP Process	Duration	Responsible
SP/BP identification &	 Proponent 	1 st 6 months	Proponent (with assistance
validation with	Screening	during SP/BP	from Consultant, PPMO, LGU
community-	 Set-up Project 	planning on	and RPMO SECAP focals)
proponent	Level GRM	to approvals	
Validation	RPMO Screening		RPMO/CPMO
SP/BP and Abbr. RAP	Conduct		Proponent (with assistance
Preparation	consultations,		from Consultant, PPMO, LGU
	surveys, inventories		and RPMO SECAP focals)
	of loss, valuation		
	studies		
Review of Proposal	Abbr. RAP disclosure		RPMO/CPMO
Package (SP/BP and			
Abbr. RAP)			
Approval	Issuance of		RPMO/CPMO
	Clearance		
Implementation/	Abbr. RAP	Rest of	RPMO/CPMO
Construction	monitoring	investment	
Operation Phase		duration	

Table 5. Timing	j and Duratio	n of Abbr. RA	P Preparation

L. Disclosure of Information and Consultations

1. Engagement Activities in Developing the Framework

108. Initial consultations and technical meetings were conducted during project inception and design phases of VISTA from October 2022 to March 2023, with the main agenda of finalizing the VISTA scope and design. Key stakeholders from the national, regional, provincial, and municipal government agencies, CSOs, and other donor agencies participated during the design phase, including National Economic and Development Authority (NEDA), NCIP, DENR, DA, DTI, and Regional Development Councils. These agencies generally expressed support to VISTA, provided inputs to the design of the specific project components and agreed to the convergence initiatives of government in defining institutional arrangements.

109. Community consultations were likewise held by the Inception and Design Mission Teams who went on site visits in CAR, Regions 10, 12, and 13. Some participants of the consultations were IPs. During the Inception and Design Missions, the Team met with NCIP officials and in some cases, IP Mandatory Representatives (IPMR) at the Central, Regional, Provincial, and Municipal Offices. The Mission also met with ICCs of CAR, Regions 12, 10, and 13 (CARAGA). Table 6 is a summary of issues and concerns raised during consultations, details of which are found in SRN Appendix 8 (SEP).

Date	Stakeholder Groups	Key Issues Raised/Discussions
23-Oct-22	IP Community of Libonan, Valencia City of Bukidnon Region 10	 Major problems of the community: Coping with extreme weather events (too much rain) Deteriorating condition of farm to market road Lack of livelihood especially for women, finances, and schools
25-Oct-22	Region 10 line agencies	Per NCIP, all projects are subject to FPIC process. Obtaining Certificate of Precondition is a very long process; according to law, without the CPC, projects cannot be implemented.
28-Oct-22	NCIP-Central Office	Advised Mission Team to observe and likewise be supportive of the NCIP 11-building blocks: (i) Confirmation of Indigenous Political Structure; (ii) Registration and accreditation of IPOs; (iii) CADT and CALT delineation process; (iv) Establishment of AD Management Office; (v) AD Sustainable Development and Protection Plan formulation; (vi) IP Wealth Management-Community Resource Management Development Plan Formulation; (vii) Institutionalization of Certificate of Precondition, FPIC, and Exercise of Priority Rights; (viii) Effective IP Mandatory Representative in the local legislative bodies; (ix) Efficient & enhanced MOA/MOU/MOC formulation; (x) Socio-economic activities with IP cooperatives; and (xi) AD Defense System.
28-Feb-23	CAR Regional Agencies	Commented that VISTA is timely yet delayed. Include Apayao and if possible all other CAR provinces; Would like to see continuing story of CHARMP in VISTA and consideration for SIKAME. Consider vulnerability of Benguet Province.

Table 6. Consultation with Stakeholders

Date	Stakeholder Groups	Key Issues Raised/Discussions
1-04 Mar- 23	IP-ARCs of Benguet, Mt. Province & Abra	While ARCs are in 1st to 3rd class municipalities, pockets of poor households are found in Benguet and these are mostly in ARCs.
		Tenants (30%) are present in the area with 70% landowners for Bauko, Mt Province. The whole Mt Province accordingly is AD
		Landslides due to heavy rain becoming more frequent and resulting in more damage to properties and assets
		ADs applied the Indigenous Forest Management System through the Joint Administrative Order (JAO) between DENR and NCIP that allows forest use if documented as part of customary law/indigenous knowledge systems and practices (IKSP)
		An age-long conflict in Sadanga, Mt. Province was renewed due to conflict in AD boundaries and water resources. Tribal killings have been reported, VISTA to take note.
8-10 Mar- 23	ARC communities of North & South Cotabato, Sultan Kudarat and	IPs/NCIP supportive as long as IPRA is upheld: all activities shall be through FPIC observing due respect of tribal leaders.
	Sarangani	Security of tenure in place through various government modalities specifically through Emancipation Patent (1970).
		Prices of land increased with more FMRs thus IPs and other ARC beneficiaries selling land rights
		Legacy issues from past and ongoing land tenure projects of government
		Issues on extreme climatic events – landslides, flooding and drought. Focus Group Discussion (FGD) participants in South Cotabato have reported occurrence of tornadoes which were experienced the past 5 years, resulting to damage to properties and assets
11-Mar- 23	Region XII Multistakeholder Consultation	Supportive of VISTA and willing to share data with the Mission Team. However, other government agencies lament proliferation of IPs selling their rights to land; NEDA raised issue of land conversions largely to subdivisions. DENR suggests that instead of ARCs, Community Based Forest Management (CBFM) communities (also with tenure instrument but limited to usufruct) of the DENR be supported instead.

2. Mechanisms for Stakeholder Engagement Across the Project Cycle

110. **Consultations**. IFAD is committed to engaging stakeholders and mobilizing their feedback in its supported projects. Consultations with target groups, communities and other stakeholders are pursued throughout the project life cycle. Meaningful consultations and participation ensure: (i) that communities are able to contribute to the development of management plans and provide on other important documents; (ii) broad community support of projects; and (iii) affected people endorse the proposed risk reduction, mitigation and management measures.

111. Consultation is a mandatory and inclusive process, ensuring non-discrimination and aims to provide opportunities for disadvantaged and vulnerable groups or individuals to participate. Consultation through a combination of appropriate tools and approaches, leading to consent, will be initiated as early as possible during design. Results will be documented and reflected in SECAP documents and instruments. FPIC will also be sought as project activities affect the land access and use rights of communities⁶ DAR shall ensure stakeholder consultations are proportionate to the nature and scale of the project, potential risks and impacts, and concerns raised by communities and stakeholders⁷.

112. DAR will conduct meaningful consultation with APs, communities, and civil society for every SP/BP identified as having IR impacts. Meaningful consultation is a process that (i) begins early in the project preparation stage and is carried out on an ongoing basis throughout the project cycle; (ii) provides timely disclosure of relevant and adequate information that is understandable and readily accessible to affected people; (iii) is undertaken in an atmosphere free of intimidation or coercion; (iv) is gender inclusive and responsive, and tailored to the needs of disadvantaged and vulnerable groups; and (v) enables the incorporation of all relevant views of AP and other stakeholders into decision making, such as SP/BP design, mitigation measures, the sharing of development benefits and opportunities, and implementation issues. Consultation will be carried out in a manner commensurate with the impacts of affected communities. DAR will pay attention to the need of disadvantaged or vulnerable groups, especially those below the poverty line, the landless, the elderly, female headed households, women and children, IPs, and those without legal title to land.

113. **Disclosure.** The SECAP documents will be disclosed to project affected peoples and the disclosure will be carried out by DAR representatives and the Consultants through consultation meetings. Significant project information will be translated into the local language and shall be placed in public offices where stakeholders can readily access these. A project information brochure (PIB) will be distributed to all APs indicating general contents which shall include the following items: (i) project profile (ii) project impacts (iii) cut-off dates, (iv) compensation and entitlements (v) grievance redress mechanism, and (vi) resettlement procedures, timing of payments and schedule.

114. DAR will be guided by IFAD's Policy on the Disclosure of Documents will the principle of "presumption of full disclosure".

M. Grievance Mechanism

115. **VISTA GRM.** GRM is a systematic process to receive, evaluate, and address the project-related grievances of APs. A project level grievance mechanism is made available to allow appeals against any disagreeable decision, practice or activity arising from land or other assets acquisition. APs will be fully informed during consultations and through the information materials of their rights and of the procedure for addressing grievances. Complaints and grievances relating to any aspect of entitlements and/or activities,

⁶ DAR will be guided by IFAD's Policy on Engagement with Indigenous Peoples 2022.

⁷ Guidance on appropriate consultation mechanisms is included IFAD's policies and guidelines on targeting, gender equality and women's empowerment, improving access to land and tenure security, and engagement with indigenous peoples, complemented by how-to-do notes.

including the determined area and price of the lost assets, will be addressed. Please refer to SEP in SRN Appendix 8.

116. Implementation of grievance redress shall be anchored on several principles to guide process, decisions, resolutions, and way forward: (i) confidentiality; (ii) clarity in disseminating the GRM procedure and cases. Where necessary, the local language will be used as well as layman's terms to further understanding; (iii) transparency during the grievance procedure upholding gender responsiveness and cultural appropriateness; (iv) accessibility of GRM to APs at no costs and without retribution.

117. **IP Grievance Redress Protocols.** Members of the ICC/IPs shall be informed of the Grievance Redress Mechanism of the Project as described in the SEP. However, complaints from ICC/IPs about the Project should first be referred to the Barangay and the tribal council for resolution before elevating them to the project's GRM. Conflicts within the affected IP community will be addressed within the community itself in the context of its customary law and customary dispute resolution process and mechanisms, in the presence of the relevant staff of the NCIP office with jurisdiction over the area, and if so invited, project-related staff and other stakeholders, e.g., formal local leadership in the barangay and/or the municipality. Refer to IPF in Abbr. ESCMF (Appendix 10).

118. **IFAD's Complaints Procedure.** IFAD's SECAP ensures that the project should have an accessible and effective project-level grievance redress mechanism which has taken account the IP's customary laws and dispute resolution processes. The GRM shall also be a result of a series of effective and meaningful consultations.

119. IFAD Complaints Procedure also place mechanism to allow individuals and communities to contact IFAD directly if stakeholders or non-stakeholders believe that they are or might be adversely affected by an IFAD-funded project or program not complying with IFAD's Social and Environmental Policies and mandatory aspects of SECAP. They may submit a request to SECAPcomplaints@ifad.org and request that an impartial review be carried out by IFAD's Office of the Vice-President.

N. Monitoring and Reporting

120. **Objectives of Resettlement Monitoring and Reporting.** This section involves the monitoring of payment of compensation for lost assets and resettlement of persons severely affected by the various investment packages. The main objectives of the monitoring are: i) to verify whether resettlement and entitlements are effectively implemented in timely manner, ii) to evaluate whether resettlement and entitlements are implemented as planned in this Abbr. RF and iii) to see if livelihoods and standards of living are improved or at least restored.

121. Displaced persons need to be fully informed of their rights under national law, the terms of any action plans and the requirements of this standard so that, inter alia, they can actively monitor whether the project is being implemented as agreed. The project's monitoring programme needs to include active reporting to and meetings with affected persons. Where appropriate, stakeholders and third parties, such as independent experts, local communities or NGOs, should complement or verify monitoring activities.⁸

122. **Indicative Internal Indicators.** Internal monitoring indicators shall be disaggregated by gender, ethnicity, and vulnerability, as applicable.

Table 7. Suggested Monitoring Indicators⁹

⁸ Ibid

⁹ ADB (2012) Involuntary Resettlement Safeguards: A Planning and Implementation Good Practice Sourcebook (Draft Working Document).

Monitoring Parameters	Suggested Indicators
Consultation and Grievances	 Consultations organized Knowledge and awareness of entitlements by the APs/IPs. Utilization of the grievance redress mechanism by the APs/IPs. Information on the resolution/s of the grievance/s Information on the implementation of the social and environmental investments Implementation of measures appropriate for customary communities
Communications and Participation	 Number of general meetings for APs/IPs. Number of meetings exclusively with IPs. Percentage of women out of total participants. Number of meetings exclusively with women/IP women. Number of meetings between hosts and the APs/IPs. Level of participation in meetings APs/IPs. Level and adequacy of information communicated. Information disclosure. Translation of information disclosed in the local languages.
Delivery of Entitlements	 Entitlements disbursed Disbursements against timelines Identification of APs/IPs losing land temporarily Timely disbursements of the agreed transport costs, income substitution support, and any resettlement allowances, according to schedule. Rehabilitation of social infrastructure Progress on income and livelihood enhancement activities being implemented Affected businesses receiving entitlements
Budget and Time Frame	 SECAP staff appointed and mobilized on schedule for field and office work. Capacity building and training activities completed on schedule. Achieving resettlement and customary community implementation activities against the agreed implementation plan. Funds disbursement according to the SECAP documents/plans. Social and environmental preparation phase as per schedule.
Livelihood Restoration	 Number of APs/IPs to be resettled Number of APs/IPs who received training in relation to livelihood Types of training and number of participants in each program. Number of APs/IPs who have enhanced their income and livelihood patterns. Number of new employment activities. Percentage of successful enterprises breaking even. Percentage of APs/IPs who improved their income. Percentage of APs/IPs who improved their standard of living. Number of households with agricultural equipment Number of households accessing RIs
Benefit Monitoring	 Noticeable changes in patterns of access, production, and resource use compared to the pre-project situation. Noticeable changes in income and expenditure patterns compared to the pre-project situation. Changes in cost of living compared to the pre-project situation. Changes in key social and cultural parameters relating to living standards.

Monitoring Parameters	Suggested Indicators
	 Changes occurred on customary communities and other vulnerable groups benefiting from the investment packages.

123. **Reporting.** DAR through its SECAP Specialists at CPMO and RPMO shall monitor all resettlement risks, and the impacts of the investments, reporting on social performance data as needed. Annual reports on resettlement implementation shall be prepared and submitted by DAR. DAR should also promptly notify IFAD of any significant accidents or incidents associated with their SPs/BPs.

124. For projects with adverse displacement impacts, it is considered best practice to ensure that a resettlement completion audit is conducted particularly SPs with vulnerable constituents like IPs with their strong attachment to land and natural resources. The key objective of a completion audit is to evaluate whether the efforts to restore the livelihoods and living standards of the affected population have been successful. The audit measures whether the livelihoods and living standards of the affected population meet or exceed those enjoyed prior to displacement and, if that is not the case, determines what additional measures, if any, are needed to help improve, or at least restore, livelihoods and living standards.

O. Implementation Costs

125. At this stage of the project, actual costs cannot be determined since the investments are largely community initiated and will thus be made known during the planning stage under Component 1. However, costs for consultations and resettlement-associated management items have been incorporated in the overall project cost.

126. The DAR, with the host LGU, shall provide adequate budget for appropriation that will allow acquisition of the required right-of-way, site or location for VISTA SP/BP implementation. These appropriations shall include the funds needed to cover the following expenses for activities directly related to land acquisition for the investment packages (Table 8).

127. Fund sources for Abbr. RAP preparation and implementation shall be lodged with DAR and the host LGUs. Entitlements and assistance shall be downloaded to the ARC CC for distribution to PAPs.

128. An itemized budget in the Abbr. RAP is required for all resettlement-related activities, including compensation for land acquisition. An annual resettlement budget is prepared, showing the budget-scheduled expenditure for key items. Land acquisition and resettlement costs are reflected in the investment package costs. Income restoration and resettlement costs may be through the project entity. LGU contributions to development of income restoration schemes and resettlement sites and services may similarly be valuated and reflected as part of the cost. Allowable resettlement document/plan costs by category are presented in the below table.

Category	Cost Item
preparation and	 Social assessment IPs and AHs planning and consultations (includes FPIC) Census and survey of affected people and inventory of assets Parcellary survey and Replacement Cost Study by an independent property appraiser

Table 8. Abbr. RAP Budgetary Line Items

Category	Cost Item	
	 Information, Education, and Communication (IEC) and consultation Compensation for lost assets (land, structures, trees, crops, etc.) and other entitlements preparation of replacement land 	
Relocation and Transfer (if applicable)	 Moving and transporting movable items Replacement housing Subsistence allowances during transition Replacement businesses and downtime 	
Livelihood restoration plans	 Livelihood restoration plans (e.g., training, livelihood/small business, community enterprise) Incremental services (extension, health, education) Environmental enhancement packages (agricultural or fisheries, etc.) 	
Administrative costs	 Physical facilities (office space, staff housing, etc.) Transport/vehicles, materials Operation staff (managerial, technical), and support staff Staff training for capacity development and monitoring Information disclosure, consultations, and grievance redress mechanism Provision of SECAP specialist at CPMO and RPMO levels 	
Contingency	15 percent of the estimated resettlement investment package costs	

• Attachment 1: Indicative Outline of the Abbr. RF/RAP

The following table presents the organizational sections and expected content of a (abbreviated) resettlement action plan (RAP) and resettlement action framework (RAF).²⁰⁷ The (abbreviated) RAP/RAF is prepared by the borrower/recipient/partner and reviewed by IFAD.

Section	(Abbreviated) Resettlement action framework	(Abbreviated) Resettlement action plan
Introduction	 Purpose of the framework The process for preparing and approving resettlement plans Explanation of why a resettlement plan cannot be prepared at this stage 	 Purpose, scope and content of the plan How the plan was prepared and approved and by whom
Project description	 Brief description of the project and its components which will/may require land acquisition 	 General description of the project and description of the project components and activities that will require land acquisition and cause physical/economic displacement
Project impacts	 Potential project impacts/ losses associated with all project components/ phases 	 Expected project impacts/losses associated with the project components/ phases covered by the plan Explanation of all activities and alternatives considered to avoid or minimize displacement
Legal framework	 National legal framework (expropriation, land tenure) and provision of resettlement/livelihood-restoration assistance IFAD requirements Gap analysis between national legislation and IFAD requirements and measures to bridge any gaps between them 	 If necessary, a more detailed gap analysis addressing the specific legal requirements that pertain to the displacement caused by project components in question



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex: Annex 5g. VISTA Targeted Adaptation Assessment

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Annex 5g: Targeted Adaptation Assessment

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities (VISTA) Project

2023

Contents:

1. Overview

- 1.1 Title of the project/programme
- 1.2 Countries/regions/territories where project activities will occur
- 1.3 Name of the executing entity (with the name, position title, and contact information of the main project personnel responsible for the vulnerability and adaptation assessment)
- 1.4 Summary of the project/programme
- 1.5 Date of preparation of the vulnerability and adaptation assessment.

2. Climate Baseline and Hazard Assessment

- 2.1 Philippines Climate Baseline
- 2.2 Observed climate trends
 - 2.2.1 Temperature
 - 2.2.2 Precipitation
 - 2.2.3 Tropical Cyclones
 - 2.2.4 Drought
- 2.3 Projected climate trends (future)
 - 2.3.1 Temperature
 - 2.3.2 Precipitation
 - 2.3.3 Drought and Heat wave
 - 2.3.4 Tropical Cyclones

3. Exposure

- 3.1 Extreme events
- 3.2 Agriculture
- 4. Sensitivity
- 5. Adaptive Capacity

6. Adaptation Assessment

- 6.1 Identifying adaptation options
- 6.2 Prioritizing adaptation options
- 6.3 Monitoring Adaptation
- 6.4 Cost and Budgetary Considerations
- 7. References

1. Overview/Background on intended Project/programme

This Targeted Adaptation Assessment (TAA) was prepared for the *Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities (VISTA) Project* with support from IFAD. VISTA was screened as substantial risk in the climate screening procedure and therefore, a Targeted Adaptation Assessment is required. In order to ensure the sustainability of the project and that the impacts of climate change are comprehensively considered, the hazards, exposure, sensitivity and adaptive capacity were reviewed in detail and adaptation options discussed within this context. The details to follow provide information at the national level, and when available, also at the regional or provincial level. Assessment of future climate and impacts to this level of spatial detail are limited in the Philippines, but any gaps will be further studied during the implementation of Component 1.1 of VISTA.

The results of the TAA and other SECAP assessments provide the basis for the VISTA project, which is anchored to an ecosystems-based approach to optimize the selected value chains. It aims to move away from the business-as-usual approach of value chain development and ensure ecosystem health for a productive, inclusive and sustainable food system in the long term. Component 1 of the VISTA project is directly addressing the impacts of climate and natural resource degradation that may negatively impact agricultural potential and livelihoods of target communities. The adaptation options explored in this assessment will be further assessed and selected at a community/ARBO level during the implementation of VISTA.

The executing entity, sub-projects and other stakeholders should be able to determine relevant adaptation options throughout the project. The TAA was prepared to provide guidance for sub-projects which will be required to develop specific assessments during implementation. The Ministry through the environmental and social Safeguards specialists at national, provincial and district level will be responsible for the revision or updates of this document during the course of the project.

1.1Title of the project/programme

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities (VISTA) Project

1.2Countries/regions/territories where project activities will occur

Philippines (CAR and Region 12)

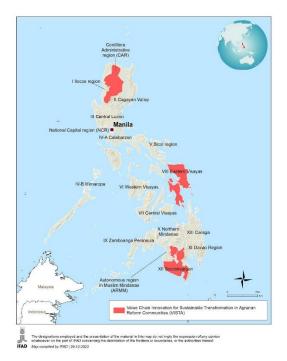
1.3Name of the executing entity (with the name, position title, and contact information of the main project personnel responsible for the vulnerability and adaptation assessment)

Department of Agrarian Reform (DAR) and the Department of Agriculture (DA)

1.4Summary of the project/programme

The Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities (VISTA) Project aims to improve livelihoods and enhance community resilience of vulnerable rural populations through a Value Chain Development (VCD) approach anchored to natural ecosystems adaptation in the Philippines. The project aims to increase employment, improve food security and nutrition, and reduce poverty. The expected outcomes are (1) enhanced ecosystems, regenerative and efficient use of natural resources for VC production, and increased diversification, and (2) increased competitiveness of the targeted value chains with capable producers organizations benefiting the target group (particularly women, youth and indigenous peoples) in a sustainable way. The Department of Agrarian Reform (DAR) will be the executing entity and will be co-led with the Department of Agriculture (DA).

Two sites are identified for VISTA: (i) the Cordillera Administrative Region (CAR) in Northern Luzon covering the six provinces of Abra, Apayao, Benguet, Ifugao, Kalinga, and Mt. Province; and (ii) Region 12 (SOCCSKSARGEN) covering the four provinces of North Cotabato, Sarangani, South Cotabato, and Sultan Kudarat.



The VISTA project will focus on two target "anchor crops," coffee and cacao, within the broader integrated cropping systems to catalyze transformation in the food systems in a nature-positive and resilient manner. The project will reduce environmental degradation and negative externalities in food production systems on the demand side and across supply chains. The VISTA project development objective therefore is "Increase income and employment of target groups in fragile upland areas, including women, youth and IPs, through the strengthening of inclusive value chains with conservation and sustainable use of the natural resources and climate resilient practices." The Project has three components: Component 1 - Sustainable Protection and Enhancement of Natural Resources at Sub-Watershed Level, Component 2 - Value Chain Development and Rural Finance, and Component 3 – Project Management.

1.5Date of preparation of the vulnerability and adaptation assessment.

8 April 2023

2. Indication of Hazard, exposure, sensitivity and adaptive capacity

2.1 Philippines Climate Baseline

Philippine climate is tropical and maritime, characterized by high temperatures and highly variable precipitation. The country is categorized into four climate typologies determined by the annual cycle of precipitation (Figure 1). The Philippines has an average annual rainfall of 2,348 millimeters (mm) but varies geographically from 960 mm in southeast Mindanao to over 4,050 mm in central Luzon. Temperatures are

generally high especially in the valleys and plains averaging 27°C year-round. Humidity levels are high averaging 82% due to the warm moist trade winds as well as sea surface temperatures. Rainfall is governed by the southwest monsoons in the summer months and by the northeast monsoon and tropical cyclones in the cold season months. The Philippines also experiences strong periodic droughts that are linked to the El Niño Southern Oscillation (ENSO).¹ Climatic variables in the Philippines are strongly controlled by large-scale phenomena such as monsoons, tropical cyclones, and ENSO. As a result, the climatic regime in the Philippines varies greatly both geographically and temporally (Figure 1).

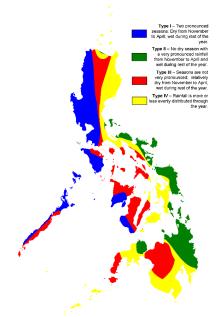


Figure 1: Climatological map of the Philippines demonstrating the 4 main climate typologies determined by the annual cycle of precipitation.

Most regions of the Philippines experience highest temperatures between April and May. The coldest months are in December, January and February, across the latest climatology, 1991–2020. The mean annual temperature is 27.1°C with low seasonal temperature variation of approximately 3°C (WB ADB 2021). Annual rainfall in the Philippines varies spatially between 935 mm to 4,064 mm (PAGASA). The rainy season in the country on average starts mid-May until September, however this timing is sensitive to southwesterly wind associated with the Asian summer monsoon (Akasaka, 2010). There is geographical variation in the distribution of precipitation: during June to September heavy rainfall is concentrated to the west of the country. Between October and March, heavy rainfall is found in the eastern regions (WB ADB 2021). For the Cordilleras, the rainfall as of December 2022 ranges from "below normal" to "way below normal", especially in the provinces of Benguet, Mt Province and Abra. In Region XII, all provinces experience "below normal" rainfall (PAGASA, 2022; Figure 2).

¹ Climate Risk Country Profile: Philippines (2021): The World Bank Group and the Asian Development Bank.

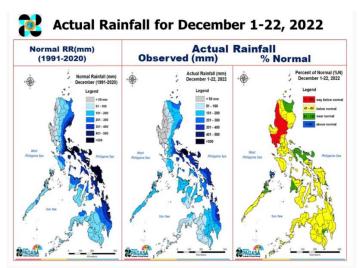


Figure 2: Actual Rainfall for December 1-22, 2022 calculated a difference between Normal rainfall over the period 1991-2020 (left) vs. actual rainfall in 2022 (middle) calculated as a percentage of Normal (%N) over the country (right). Source: PAGASA

The El Niño-Southern Oscillation (ENSO) drives these cycles in extreme weather that impact the Philippines. Studies find that the Philippines experiences prolonged dry periods during El Niño events (Jaranilla-Sanchez et al., 2011) while heavy rainfall and flooding are often observed during La Niña (Pullen et al., 2015). Two types of monsoons impact the Philippines annually: the southwest monsoon (SWM) from May to October bringing heavy rainfall to the western coast and the northeast monsoon (NEM) from October to March bringing rainfall to the eastern side of the country (Francisco et al., 2006; Narisma et al., 2013; Yumul et al., 2011). Interannual variability on these monsoons is strongly linked to the ENSO phenomenon (Salinger et al., 2014; Figure 3).

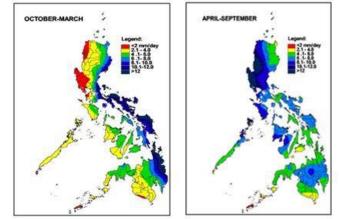


Figure 3: Seasonal rainfall distribution during (a.) SWM and (b.) NEM. Data from APHRODITE (Asian Precipitation-Highly Resolved Observational Data Integration Toward Evaluation of Water Resources gridded station dataset.

An average of 20 tropical cyclones (TCs) enter the Philippines Area of Responsibility each year with about 7 to 9 making landfall (Cinco et al., 2016). TCs, occurring mainly between July to September and October to November, bring increased rainfall along their path. While historically cyclones heavily impacted the north of the country, recently the southern regions, including Region 12 target area of VISTA, have also experienced severe TCs. Spatial analysis of tropical cycles (TCs) in the Philippines shows the highest number of TCs in the northeastern regions (shown shaded Figure 4) and the lowest TCs occurrence in the southwestern part of the country (shown horizontally hatched Figure 4) (Cinco et al., 2016).

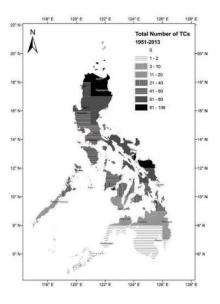


Figure 4: Total number of tropical cyclones (TCs) per 1° x 1° grid over the period 1951-2013 (Cinco et al., 2016).

2.2 Observed climate trends

2.2.1 Temperature

Over the period 1951-2015 (60 years) annual mean temperature in the Philippines has increased by 0.68°C, an average rate of about 0.1°C/decade (PAGASA, 2018). Importantly in the context of agriculture, the annual temperature minimum has increased at a faster rate (0.15°C/decade) than temperature maximum (0.05°C/decade). Temperature trends for the two target regions of VISTA, CAR and Region XII, are presented here showing the increasing trends (Figures 5 and 6). Although localized temperature may vary, the general trend is an increase through the years.

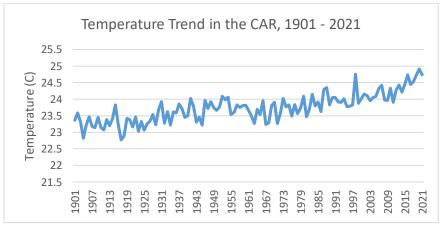


Figure 5: Annual mean temperature trend in CAR region over the period 1901-2021. WB ADB CC info Portal, accessed Nov 2022

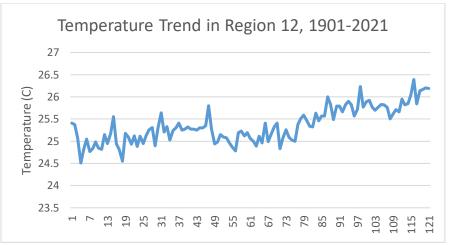


Figure 6: Annual mean temperature trend in Region 12 over the period 1901-2021. World Bank Climate Change Knowledge Portal (CCKP), accessed Oct 2022

2.2.2 Precipitation

Rainfall variability is driven by large-scale weather systems (monsoons and cyclones) as well as the convergence of the northeasterly winds from the Northern Hemisphere and the southeasterly winds in the Southern Hemisphere at the Equator (Francisco et al., 2006). Tropical cyclones contribute up to 50% of total annual rainfall in the north of the country (but as low as 4% in the southernmost areas). Due to the multifactorial controls on rainfall in the country, analysis of historical trends in rainfall show conflicting results depending on the time period, season and geographic location analyzed (Ortiz et al., 2016).

Analysis of extreme precipitation indicators show tendencies toward a drier dry season (January-March) and wetter rainy seasons (July-September) in northwest and central Philippines (Villafuerte et al., 2014). These trends suggest an increase of both wet and dry extremes annually, which contribute to the flood and drought potentials in the country. Extreme rainfall events (350 mm or higher) increased in the latter part of the 20th century, however there was no clear trend in total annual rainfall (Thomas et al., 2013).

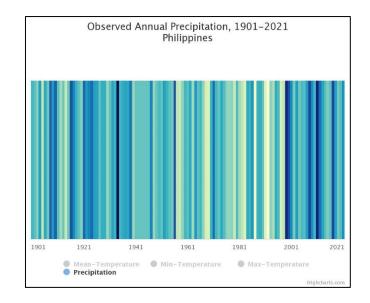


Figure 7: Trend in rainfall intensity. Source: World Bank Climate Change Knowledge Portal (CCKP), accessed Oct 2022

Changes in rainfall over the Philippines vary spatially and highly seasonal. From 1951 to 2010, the annual total rainfall over northern sections of Luzon, Palawan, western sections of Visayas, and central and western sections of Mindanao have declined. Increasing trends associated with extreme rainfall events have been observed notably in the central parts of Luzon, eastern section of Visayas, and the northeastern and southwestern sections of Mindanao at a rate ranging from 10mm/decade to as much as a rate exceeding 40mm/decade. Trends in seasonal total rainfall is increasing and is observed pronouncedly over the northeastern section of Mindanao and eastern portions of Visayas in December-January-February coinciding to the northeast monsoon season increasing the risk of flooding. Increasing trends in rainfall are also observed over central portions of Luzon and northeastern sections of Mindanao in March-April-May season. In the following seasons of June-July-August and September-October-November, similar patterns of increasing rainfall trends are observed over the southern parts of llocos Region, and northeastern parts of llocos Region, and northeastern and southern parts of Mindanao; while decreasing trend is apparent in most parts of the country. A noticeable drying trend can be observed over the northeastern portion of Luzon, and in central and northwestern sections of Mindanao in almost all seasons.

2.2.3 Tropical cyclones

Trends in tropical cyclones over the period 1851-2015 show no distinct increase in frequency. The number of tropical cyclones (TCs) entering the Philippine area of responsibility (PAR), and the number of TCs that made landfall, reveal a minimal decreasing trend from 1951 to 2015 (Figure 9).

However, an increase in the number of extreme typhoons (increase in intensity) between 1987-2004 and 2005?-2013 compared to the rest of the dataset (Figure 8). A slight increasing trend is observed during the period from 1980 to 2015 on the number of very strong TCs with maximum sustained wind speeds exceeding 170 kph (Figure 9).

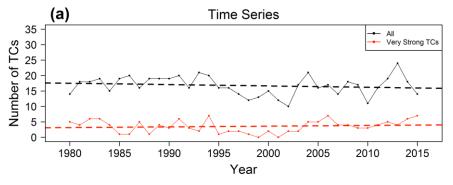


Figure 8: Number of total tropical cyclones (black) and very strong (maximum sustained winds >170 kph) tropical cyclones (red) over the period 1981-2015. (Cinco et al., 2016)?.

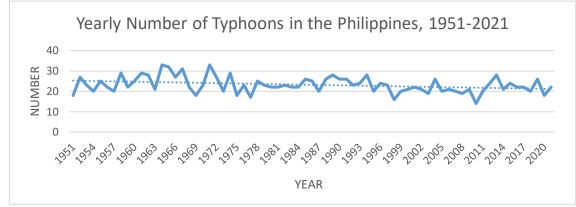


Figure 9: Number of typhoons in the Philippines over the period 1951-2021 (PAGASA, accessed X 2022).

2.2.4 Drought

The Philippines is experiencing recurring drought events accentuated by the increasing incidence of the El Niño phenomenon, particularly due to its position in the equatorial region (Perez and Blanco, 2017). Figure 10 highlights spatial distribution of dry versus wet phenomenon during two seasons during the El Nino. It is evident that all regions are dryer during the October-December period, however the southern regions suffers more from drought over the period July-September. This has implications for agriculture in the VISTA project area of region 12, and was confirmed by consultations with communities during the design mission.

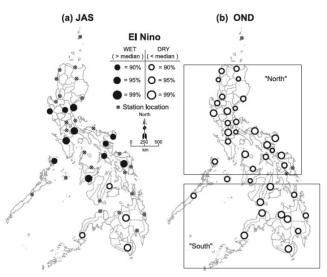


Figure 10: Station locations with a statistically significant occurrence of above- and below-median seasonal rainfall during El Nino events are represented by filled and open circles, respectively for: a) July-September (JAS), and; b) October-December (OND). Source: (Lyon et al. 2006)

The agriculture sector and particularly rice is vulnerable to drought due to its high water requirement and the timing of sowing. The sowing and growth of the second rice and corn crops traditionally occurs in the months when El Nino rainfall shortages are the largest (October-March). Every past drought has impacted agriculture but at varying levels of intensity and different locations. An estimated USD 370 million in agricultural

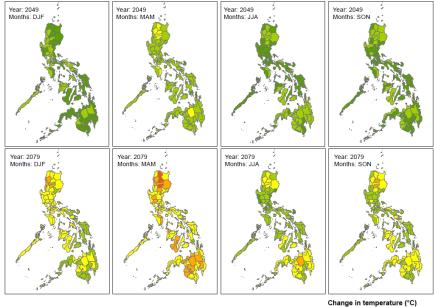
damages have been estimated for all the ENSO events between 1990 and 2003 (Department of Agriculture 2010). The worst two droughts were those of 1997-1998 and 2015-2016 so these can be used as benchmarks for extreme severity of impact from past droughts.

2.3 Climate projections (Future)

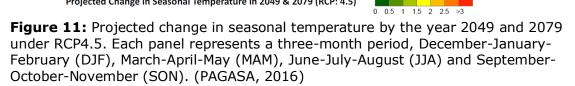
Climate projections for the Philippines were based on two IPCC scenarios: RCP4.5 (moderate level of GHG emissions) and RCPB.5 (high level of GHG emissions). It provides projected changes in climate variables in both the mid-21st century (2036- 2065) and the late-21st century (2070-2099) based on the 1971-2000 baseline period (PAGASA 2018).

2.3.1 Temperature

The annual mean surface air temperature in the Philippines is expected to increase from 0.9°C to 1.9°C for the moderate emission scenario (RCP4.5) and from 1.2°C to 2.3°C for the high emission scenario (RCP 8.5) in the mid-21st century (2036-2065), and from 1.3°C to 2.5°C (RCP4.5) to as warm as 2.5°C to 4.1°C (RCP8.5) by the end of 21st century (2070-2099). Most areas in the country have experienced air temperatures exceeding 26°C, while slightly cooler areas are found in mountainous regions. These temperatures are projected to increase uniformly and minimally across the country in both the mid 21st century and the late 21st century (PAGASA 2018). Projections of mean annual temperature in the Philippines show increases in the future by 1.1-2°C in 2049 and by 2.2-3.0°C in 2079 under RCP4.5 (PAGASA, 2016).



Projected Change in Seasonal Temperature in 2049 & 2079 (RCP: 4.5)



Highest mean temperature increases are projected in highly urbanized regions (Reg 3 and 4A), while lowest increases are observed in mountainous provinces with lower populations (FAO, 2014). Projections of extreme temperature show an increase in the number of days with mean temperature greater than 36°C in the northern regions until

2040 (Cagayan, South Cotabato and NCR). The number of dry days (5-consecutive days with less than 1 mm of daily rainfall), are projected to increase in almost all regions within the country to the year 2040 (FAO, 2014).

2.3.2 Precipitation

Future projections of rainfall show that annual precipitation could reduce by up to 40% in many areas, particularly over Mindanao by the mid-21st century. The wettest possible change could exceed a 40% increase in rainfall, particularly over Luzon, western sections of Visayas, and some parts of Mindanao. The multi-model central estimate future rainfall conditions will be well within its natural variability except for the drier future over central sections of Mindanao, particularly in September-October-November and the December- January-February seasons (PAGASA 2018). Under both high and low emission scenarios, rainfall is projected to increase in the northwestern regions particularly between December-May, however decreases in the southern areas of the country are projected by the year 2049 and becoming more extreme by 2079 (Figure 12).

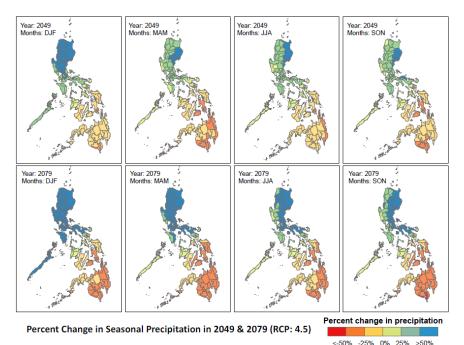


Figure 12: Percent change in seasonal precipitation by the year 2049 and 2079 under RCP4.5. Each panel represents a three month period, December-January-February (DJF), March-April-May (MAM), June-July-August (JJA) and September-October-November (SON). (PAGASA, 2018)?

The number of extreme rain days (days with rainfall greater than 100 mm) are expected to increase especially in the northern regions of the country to the year 2040 (FAO, 2014, Figure 13).

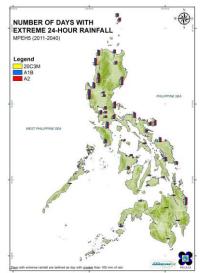


Figure 13: Number of days with extreme daily rainfall exceeding 100 mm of daily rainfall under MPEH6 GCM (2011-2040). (FAO, 2014)

2.2.3 Drought and Heat Wave

The indirect impacts from climate change and climate variability are expected to include a shift in the hydrologic processes in watersheds that would affect the spatial and temporal distribution of water resources (Comiso et al. 2014, Pulhin and Tapia 2016). Climate scenarios that project a drier dry season (see for instance the study of Tapia et al. 2014) would have large effects on streamflow, dam operation and water allocation, domestic water supply, irrigation, hydropower generation, depth and recharge of aquifers and water quality. These would have detrimental consequences on environmental integrity, food and human security, and the economy (Villarin et al. 2016).

Future projections of precipitation show a decline in annual average precipitation between 15-30% in the southern regions of the country. The most severe declines are in south western Mindanao and southern most regions in the Visayas (Figure 14, PAGASA, 2017).

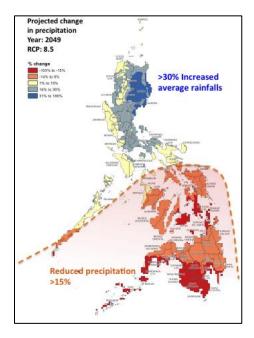


Figure 14: Reduction of average annual precipitation by the year 2049 under RCP 8.5 (PAGASA, 2017).

2.3.4 Tropical Cyclones

Considering five regional climate model simulations, three of the models suggest that decrease in tropical cyclone frequency is significant, while the two others suggest that no change is expected. However, all four of the models agree in a projected increase in intensity of TCs.² Projections of late-twenty-first-century tropical cyclones exhibit a substantial reduction in global tropical cyclone frequency (-16%), but an increase in the frequency of the most intense storms (+24% for cat 4-5 and +59% for tropical cyclones with maximum winds exceeding 65 m s^{-1}) (Mallard et al., 2013; Zhao et al., 2013). Simulated tropical cyclone tracks and storm intensities from the GFDL hurricane model show an increase in the occurrence of tropical cyclones in the northwest Pacific and Indian Ocean in the late twenty-first century (PAGASA).

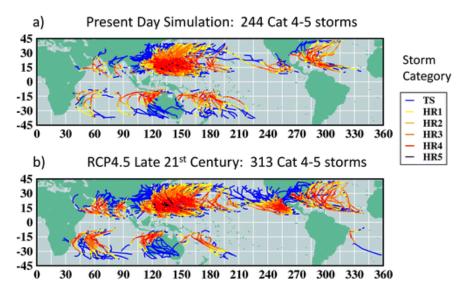


Figure 15: Tracks of simulated cat 4–5 tropical cyclones for (a) present-day or (b) latetwenty-first-century (RCP4.5; CMIP5 multimodel ensemble) conditions. Simulated tropical cyclone tracks were obtained using the GFDL hurricane model to resimulate (at higher resolution) the tropical cyclone cases originally obtained from the HiRAM C180 global mode. Storm categories or intensities are shown over the lifetime of each storm, according to the Saffir–Simpson scale. The categories are depicted by the track colors, varying from tropical storm (blue) to category 5 (black; see legend).

3. Exposure

The Philippines, located at the western edge of the Pacific Ocean, is exposed to extreme weather events such as typhoons and monsoon rains. Aside from these, the also experiences the effects of the El Niño Southern Oscillation (ENSO) phenomenon which brings in drought and extreme rain (La Niña event). Due to the extreme diversity of landuse in the country, and extreme vulnerability to climatic events, the intensification of extreme events and slow onset climatic changes will be detrimental to livelihoods in the Philippines. Land cover area in the Philippines is comprised of agriculture with 12.9 million ha (42.9%) in 2015, forest lands with 7.01 million ha (23.7%), brush/shrublands

 $^{^{2}}$ A caveat in the projections is that not all possible contributing factors in the development and behaviour of TCs were considered. The model simulations further indicate that the year-to-year variability will remain high in the futures.

is 6.03 million hectares (20.4%), and wetlands inclusive of fishponds and inland waters with 746.96 thousand hectares (2.5%).³ Figure 16 below highlights major landuse regions and the key climate impacts expected in those regions. The following sections will discuss these impacts in more detail at sub-national scale.

3.1 Extreme events

High temperatures, heavy rainfall and strong winds impact infrastructure and services in urban and periurban areas in the Philippines, where over 60 percent of the population resides. Tropical Storm Ketsana caused \$33 million in repairs to roads and bridges in 2009 (USAID, 2017). Areas prone to storm surge currently account for more than 50% of the Gross Domestic Product (GDP) (Dasgupta et al., 2009). Sea level rise in the Philippines will increase the area in the country prone to erosion, frequent flooding, salt intrusion, inundation and submergence which will have significant economic impacts. The highest impacts will include loss of land, loss of structures, social services and loss of livelihoods (Cruz et al., 2017). Climate-related damages can account for as much as 46% of annual average household income in coastal communities (Predo, 2010). From 2006–2013, the Philippines was struck by 75 disasters, mostly cyclones, tropical storms and floods, that caused \$3.8 billion in accumulated damage and losses to the agriculture sector (USAID, 2017).

3.2 Agriculture

Rainfall is the key climatic driver of impacts in the Philippines because agriculture, accounting for one third of the country's labour force, is influenced by annual and seasonal variation of rainfall and only 9.3% of land in the Philippines is irrigated (Akasaka et al., 2007). The uncertainty of climatic conditions and more frequent extreme events, highlighted above, will result in increasing stress for agriculture. Dry spells and extreme rain can be detrimental to crops and livestock. Due to the dependence on agriculture, the population of the Philippines is uniquely vulnerable to the climatic changes both certain and likely within the country.

Records from the National Irrigation Administration (NIA) indicate that rice yield fell by more than two cavans (1 cavan = 50 kg) per ha below average in both the wet and dry season cropping periods of 1990 as a result of drought and typhoons. Figure 17 shows the impacts of typhoons and floods on rice, corn and other crops, respectively, over the period 2003 to 2016. The impacts vary greatly by region and depend also on the overall production. Luzon province experienced significant losses across all crops, with significant losses in CAR for rice production, relevant to the VISTA project.

³ PSA 2022. Compendium on Phil. Environment Statistics 2010-2019

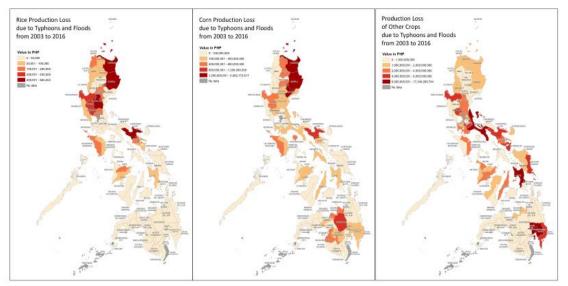


Figure 17: Typhoons and flood losses for main crops 2003-2016 (all in adjusted real prices Philippine Pesos) Source data: DA Operations

Figure 18 shows the impacts of drought on rice, corn and other crops, respectively, over the period 2003 to 2016. The impacts vary greatly by region and depend also on the overall production.

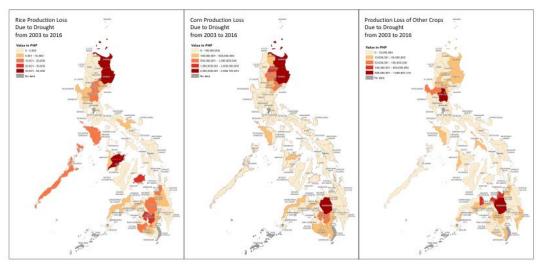


Figure 18: Drought losses for main crops 2003-2016 (all in adjusted real prices Philippine Pesos) Source data: DA Operations

From 1990 to 2006, damages to agricultural production were caused by typhoons (70%), droughts (18%), and floods (5%). On average, annual typhoon-related damages to the sector are estimated at US\$ 136 million⁴. The provinces of Cagayan Valley, Pangasinan, Isabela, Nueva Ecija, Iloilo, and Camarines Sur-the country's top rice producers—are highly exposed to floods and typhoons. Meanwhile, North Cotabato and Maguindanao-the food baskets in Mindanao-are more prone to droughts and El Niño events. The 2016 the El Niño introduced pest infestation (e.g., armyworm and rodents) in Central Luzon, SOCCSKSARGEN, and ARMM regions which were unprecedented challenges for smallholder farmers. Over 181,687 farmers were affected by the 2016 drought. Of this group, 54% were rice farmers, 38% maize farmers, and 8% high-value crop farmers (IFRC, 2016).

Model results suggest that by 2050 the Philippines may become dependent on imports of cocoa, coffee, maize, pork, rice, and vegetables, irrespective of the scenario (i.e., CC or NoCC)⁵. However, with climate change, these trends are likely to be more pronounced for most of these commodities, but notably less for cocoa and maize (a reduction of 1.41 percentage points (pp) and 1.68 pp, respectively, relative to a NoCC scenario). Finally, the results also suggest that area cultivated for cocoa, coconut oil, coffee, fruits, and rice would expand significantly under the CC scenario (by a range of 0.29 pp to 1.69 pp), but also under NoCC. Area under maize and vegetable cultivation is expected to increase mostly under NoCC. Overall, the results find

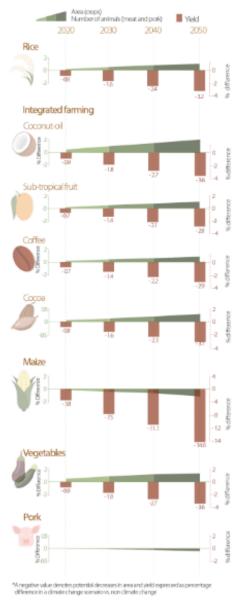


Figure 19: Modelled area and yield of key crops in the Philippines using the IMPACT model (IFPRI)

under climate change, all production systems in the Philippines are expected to undergo changes in productivity.

4. Sensitivity

Research has established the Philippines as one of the most vulnerable countries in the world to the impact of storm surges with increased wave heights due to climate change. Indeed, Metro Manila is ranked as the most vulnerable city in the world, with one study suggesting a potential increase in the population exposed to storm surge as a result of a 10% increase in surge height of 3.4 million. The cities of Taguig, Caloocan, Davao,

⁴ Climate Change Commission (CCC). 2011. National Climate Change Action Plan. Manila: CCC. Available at: http://extwprlegs1.fao.org/docs/pdf/phi152934.pdf

⁵ <u>CRA_Profile_Philippines.pdf</u>

Malabon, Butuan, and Iloilo would also face increases in the exposed population in the range of 80,000–230,000 people. This risk demands urgent adaptation attention.

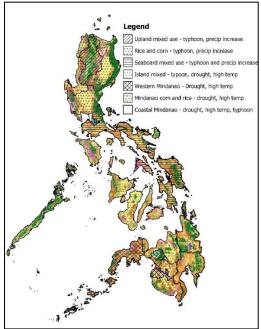


Figure 16: Landuse change (Landcover, 2010) and regions in the Philippines with major climate impacts highlighted.

The Philippines faces some of the highest disaster risk levels in the world, ranking joint 38th out of 191 countries in the INFORM 2019 Risk Index. The country is especially exposed to tropical cyclones, ranking 2nd highest in terms of risk. Flooding is also a considerable risk (ranked 29th) and exposure to earthquake (ranked 10th) is a major contributor to the Philippines' position on the INFORM index. Tightly linked to these risks is the threat of landslides, which is significant, particularly in the country's northern regions. Climate projections from PAGASA find increasing trends in rainfall observed over central portions of Luzon and southern sections of Mindanao (within the project areas of VISTA) in the period March-May. During other seasons, most regions in the Philippines are projected to experience a decreasing trend in rainfall, except southern Mindanao (including Region 12) during July-Aug, with a lower degree of statistical significance.

Overall, natural ecosystems in the Philippines have been radically altered, especially in the last century. The main drivers of ecosystems change are anthropogenic activities and as a consequence, its ability to provide ecosystem services has been highly degraded. The impacts of degraded natural capital have been manifested in numerous ways, for example flooding has become more common as a consequence of impaired hydrology and mismanaged watersheds. In addition, there are also governance issues that constrain the country's ability to conserve its biodiversity resources. There are overlapping mandates amongst DENR, local government units (LGUs), National Commission on Indigenous People (NCIP) and other government agencies in the management of forestlands creating confusion on the ground.

One major challenge is that there are limited studies on how Philippine forests and other ecosystems have changed as a result of shifts in past and current climate (Figure 20). Strong winds and tropical cyclones are major drivers of change in the country's forest

cover. Frequent tropical cyclones and strong winds have shaped the architecture of Philippine forests and to a large extent influenced the rich biodiversity in forests. Based on PAGASA data between 1900 and 2013, forests in Luzon have been battered by more than 500 tropical cyclones that likely altered the ecosystems structure, composition, and functions. In contrast, forests in river basins of Mindanao and the Visayas have been visited by fewer tropical cyclones in the same period. Future projection between 2011 and 2040, show that around 1.8 million ha of forests in all river basins would likely experience at least 2 m/s maximum wind velocity (PAGASA). However, no study has been conducted yet to investigate how the forests are affected by tropical cyclones.

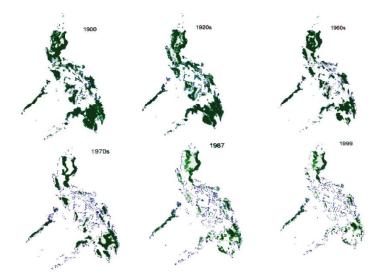


Figure 20: Decline of forest cover in the Philippines since 1900s (Dolom & Dolom, 2006)

Seasonal change in temperature (e.g., number of days above a certain degree Celsius), photoperiod (amount of daylight), seasonal weather and extreme events (tropical cyclones, floods) could alter the timing of flowering, fruiting, shoot growth, and leaf fall of forest trees and other plants, and its interactions with other organisms (e.g., pollinators, predators, seed dispersers) (Harrington, Woiwod & Sparks, 1999; Visser & Both, 2005). Although some individual plant species will be adversely affected with changes in phenological events due to changes in climatic seasonality, there are those who believe that species diversity as well the phenological patterns in the tropics moderate the impacts of climate change (Corlett & LaFrankie, 1998).

Change in species composition and interactions could trigger outbreaks of pests and diseases. Extreme events including excessive rains, floods, landslides, and droughts could adversely affect forest ecosystems and species. Excessive rains could enhance surface soil erosion and hasten soil fertility loss that will affect growth of plants and cause degradation of surface waters, river, lakes and coastal and marine ecosystems. Heavy rains could also induce landslides in steep areas with thick soils and fractured rock layers. Increase in the frequency and intensity of droughts could trigger forest fires, defoliation, and growth loss. Some of the key climate related sensitivities specifically to coffee and cocoa production are outlined below, also in line with consultations as part of the VISTA design process.

Crops	Climate	Production	Post-harvest
	hazard		
Coffee	Temperature rise	 Accelerated fruit development and ripening, reducing quality (Arabica coffee's optimal temperature range is 64°– 70°F (18°C–21°C)) Continuous exposure to temperatures over 86°F (30°C) can severely damage coffee plants, stunting growth, yellowing leaves. Exacerbate pests including coffee berry borer, <i>Hypothenemus hampei</i>, which thrives under warming conditions. 	 Damage to fruits if not stores or processes properly in extreme heat Higher temperatures may facilitate faster drying (<i>but if</i> <i>humidity is also</i> <i>expected to increase</i>)
	Heavy rainfall	 Disruption of flowering process Changing PH and texture of soil impact quality of the fruit Higher risk of pest outbreak during El Nino years 	Increased unseasonal rainfall could disrupt beans drying (potential transition mechanical dryers like solar dryers – consultations found some small private sector or cooperatives had mechanical dryers in Region 12)
	Extreme events events events events existing soil erosion, dama coffee crops		 Damage roads and storage facilities which may result post-harvest loss Increase in cyclones affecting seasonal labour supply due to higher seasonal out- migration of farmers after disasters. Higher labour costs
Сосоа	Temperature rise	 Changing of timing of flowering and damage to flowers in the case of lack of rain 	 Damage to fruits if not stores or processes properly in extreme heat

Drought	•	High cocoa tree mortality (15%) and severely decreased cocoa yield (89%) ⁶ increased infection rate of the chronic fungal disease witches' broom (Moniliophthora perniciosa).		
Extreme events	•	Landslides, combined with existing soil erosion, damages cocoa crops	•	Damage roads and storage facilities which may result post-harvest loss Increase in cyclones affecting seasonal labour supply due to higher seasonal out- migration of farmers after disasters. Higher labour costs

5. Adaptive Capacity

Low incomes and wealth inequality have been persistent problems in the Philippines. Many of the climate changes projected are likely to disproportionately affect the poorest groups in society and may exacerbate this trend. For instance, heavy manual labor jobs are commonly among the lowest paid whilst also being most at risk of productivity losses due to heat stress. Poorer farmers and communities are least able to afford local water storage, irrigation infrastructure, and technologies for adaptation. In the Philippines, it is often the poor who are most exposed to its numerous natural hazards, with an increase in heavy rainfall, floods and mudflow exacerbated from climate change more likely to destroy the homes of the country's poor. Baker (2012) reports numerous examples of how informal settlements have been destroyed from landslides, mudflows, fires and floods.

Women in agriculture often face additional barriers leading to agricultural disparities in the Philippine's agricultural and rural sector. These disparities are mainly brought about by societal and cultural norms, which are still very much prevalent in the country, regarding the roles of women and men. Customary practices and traditional patriarchal relations in families and communities discriminate against women, causing gender inequalities in areas such as land rights, agricultural labor markets, access to agricultural extension services, climate change and disaster management. Other challenges include inadequate irrigation, low farm mechanization, inadequate postharvest facilities, limited support for agricultural research, obstacles to accessing credit and insurance, limited connection to market and weak institutions and extension services.

⁶ Gateau-Rey L, Tanner EVJ, Rapidel B, Marelli J-P, Royaert S (2018) Climate change could threaten cocoa production: Effects of 2015-16 El Niño-related drought on cocoa agroforests in Bahia, Brazil. PLoS ONE 13(7): e0200454. https://doi.org/10.1371/journal.pone.0200454

Table 1 below shows selected indicators for risk management for the Philippines and also the adaptive capacity (aka "coping capacity" in the table). The "coping capacity" of the Philippines is not much different from the global average. The Philippines has a "coping capacity" index of 4.1 as compared to the global coping capacity of 4.5. As for vulnerability, the Philippines is above average having an index of 4.7 while the global average is 3.6. Hence, in terms of overall risk to climate-induced events, the Philippines rank 38 out of the 191 countries.

TABLE 4. Selected indicators from the INFORM 2019 Index for Risk Management for Philippines. For the sub-categories of risk (e.g. "Flood") higher scores represent greater risks. Conversely the most at-risk country is ranked 1st. Global average scores are shown in brackets.

Flood (0–10)	Tropical Cyclone (0-10)	Drought (0–10)	Vulnerability (0–10)	Lack of Coping Capacity (0–10)	Overall Inform Risk Level (0-10)	Rank (1-191)
7.2 [4.5]	9.5 [1.7]	4.1 [3.2]	4.7 [3.6]	4.1 [4.5]	5.3 [3.8]	38

Table 1: WB ADB. 2021. Climate Risk Country Profile: Philippines.

6. Adaptation Assessment

6.1Identifying adaptation options

The Philippines' Nationally Determined Contributions (NDCs) in its climate action plan focus on both mitigation and adaptation strategies. Key adaptation options outlined in the Philippines' NDCs are outlined below. The VISTA project is guided by the national priorities for climate change adaptation and environmental management, and the adaptation options assessment will be further explored during the planning and prioritization exercises under sub-component 1.1 of VISTA.

- 1. Disaster Risk Reduction (DRR): Strengthening early warning systems, enhancing disaster preparedness, and promoting community-based disaster risk reduction and management.
- 2. Ecosystem-based Adaptation: Implementing conservation, restoration, and sustainable management of natural ecosystems such as forests, coastal and marine ecosystems to enhance their resilience and adaptive capacity.
- 3. Water Resource Management: Improving water use efficiency, promoting water conservation, enhancing water storage capacity, and protecting watersheds.
- 4. Climate-resilient Agriculture: Introducing climate-smart agriculture practices, promoting diversified crop production, and enhancing the resilience of crops, livestock, and fisheries to climate impacts.
- 5. Infrastructure Resilience: Enhancing the design and construction of infrastructure, including transportation, energy, and buildings, to withstand climate-related hazards and ensure long-term functionality.
- 6. Health and Climate Change: Strengthening the resilience of health systems, improving disease surveillance, and addressing climate-sensitive diseases.
- 7. Climate Change Education and Capacity Building: Promoting climate change education, training, and public awareness, and enhancing the capacity of stakeholders to address climate risks and vulnerabilities.

Aligning ecosystem-based adaptation with the Philippines' nationally determined contributions for climate resilience: Ecosystem-based adaptation (EbA) contributes to sustainable development by leveraging natural capital and ecosystem services to reduce vulnerability to climate change. EbA aligns with the Philippines' nationally determined

contributions (NDCs) for adaptation by employing local and landscape scale strategies to manage ecosystems, increasing resilience and maintaining essential services for people, livelihoods, and nature (Colls, Ash & Ikkala, 2009). Climate-resilient agriculture (CRA) practices and technologies offer opportunities to address climate change challenges while promoting economic growth and development in the agriculture sector. CRA practices, which align with the Philippines' NDCs, enhance food security and achieve at least one of the other objectives (adaptation and/or mitigation).

The NDC also emphasized promoting regional adoption of stress-tolerant crop varieties and agroforestry systems. In the Philippines, rice farmers in the Western Visayas and Central Luzon regions and maize growers in the SOCCSKSARGEN and Cagayan Valley regions commonly adopt stress-tolerant crop varieties, water harvesting technologies, and integrated crop management. Additionally, small-scale agroforestry systems have been identified in the Southern Luzon, Bicol, Eastern Visayas, and Southern and Eastern Mindanao regions. Agroforestry enhances soil and water conservation, plant diversity, and microclimate resilience. However, land tenure insecurity discourages some farmers from investing in agroforestry systems. Improving biodiversity and plant diversity through reforestation, enrichment planting, and assisted natural regeneration can enhance ecosystem services and create a more favorable microclimate in the medium term. These efforts align with the Philippines' NDCs by allowing for the establishment of other species and further benefiting the ecosystem.

During the VISTA design mission, stakeholder consultations were conducted to discuss climate change adaptation needs and options in line with the Philippines' NDCs (see SECAP review note for a comprehensive stakeholder engagement write-up). The table below summarizes key responses by region relevant to the VISTA project.

VISTA Stakeholder Consultations: Climate Change Ada	ptation Measures
Cordillera Administrative Region (CAR)	
Benguet	
1. Replanting of damaged coffee trees at 4m x 4m	
a. Seedling acquisition	
b. Seedling transport to site	
c. Site preparation (staking, hole digging)	
d. Planting of seedling	
 e. Maintenance (ring weeding, removal of vines, application etc.) 	watering, fertilizer
2. Agroforestry (coffee under alnus trees, pine trees or	other tree variety)
 Coffee planting and appropriate spacing 	
b. Alnus trees at 8m x 8m	
3. Protection of springs and other water sources	
 Planting of trees around and above springs 	
b. Enrichment planting	
c. Assisted Natural Regeneration	
 Concreting of space around spring 	
 Purchase of hoses for irrigation of coffee and f 	or domestic use
f. Fencing around water sources	
4. Water capture and storage	
a. Rainwater harvesting (rooftop)	
b. Water tanks	
c. Small water impounding, capture and storage	of runoff

 5. Irrigation infrastructure a. Water pumping or solar pumping b. Establishment of small irrigation systems c. Rehabilitation of existing irrigation 6. Tunnel dryer at household level 7. Greenhouse at household level (100-200 sqm) 8. Demonstration farm 9. Equipment/machineries (dehuller/depulper), processing centers Mountain province 1. Replanting (coffee) a. Coffee seedlings b. Planting c. Maintenance work 2. Assisted Natural Regeneration a. Maintenance 3. Enrichment Planting 4. Protection of springs and water resources 5. Rehabilitation of CIS 6. Green houses 7. Waste Management Region XII Soccksargen South Cotabato 1. Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
 b. Establishment of small irrigation systems c. Rehabilitation of existing irrigation 6. Tunnel dryer at household level 7. Greenhouse at household level (100-200 sqm) 8. Demonstration farm 9. Equipment/machineries (dehuller/depulper), processing centers Mountain province Replanting (coffee) a. Coffee seedlings b. Planting c. Maintenance work 2. Assisted Natural Regeneration a. Maintenance 3. Enrichment Planting 4. Protection of springs and water resources 5. Rehabilitation of CIS 6. Green houses 7. Waste Management Region XII Soccksargen South Cotabato 1. Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
 c. Rehabilitation of existing irrigation 6. Tunnel dryer at household level 7. Greenhouse at household level (100-200 sqm) 8. Demonstration farm 9. Equipment/machineries (dehuller/depulper), processing centers Mountain province Replanting (coffee) Coffee seedlings Planting Naintenance work 2. Assisted Natural Regeneration Maintenance 3. Enrichment Planting Protection of springs and water resources Rehabilitation of CIS Green houses Waste Management Region XII Soccksargen Agroforestry Agroforestry Coffee rejuvenation Nursery establishment Drip irrigation for coffee growing
 c. Rehabilitation of existing irrigation 6. Tunnel dryer at household level 7. Greenhouse at household level (100-200 sqm) 8. Demonstration farm 9. Equipment/machineries (dehuller/depulper), processing centers Mountain province Replanting (coffee) Coffee seedlings Planting Naintenance work 2. Assisted Natural Regeneration Maintenance 3. Enrichment Planting Protection of springs and water resources Rehabilitation of CIS Green houses Waste Management Region XII Soccksargen Agroforestry Agroforestry Coffee rejuvenation Nursery establishment Drip irrigation for coffee growing
 7. Greenhouse at household level (100-200 sqm) 8. Demonstration farm 9. Equipment/machineries (dehuller/depulper), processing centers Mountain province Replanting (coffee) Coffee seedlings Planting Planting Maintenance work 2. Assisted Natural Regeneration Maintenance 3. Enrichment Planting Protection of springs and water resources Rehabilitation of CIS Green houses Region XII Soccksargen South Cotabato Agroforestry Coffee rejuvenation Agroforestry Coffee growing
 7. Greenhouse at household level (100-200 sqm) 8. Demonstration farm 9. Equipment/machineries (dehuller/depulper), processing centers Mountain province Replanting (coffee) Coffee seedlings Planting Planting Maintenance work 2. Assisted Natural Regeneration Maintenance 3. Enrichment Planting Protection of springs and water resources Rehabilitation of CIS Green houses Region XII Soccksargen South Cotabato Agroforestry Coffee rejuvenation Agroforestry Coffee growing
 8. Demonstration farm 9. Equipment/machineries (dehuller/depulper), processing centers Mountain province Replanting (coffee) Coffee seedlings Planting Planting Maintenance work 2. Assisted Natural Regeneration Maintenance 3. Enrichment Planting Protection of springs and water resources Rehabilitation of CIS Green houses Region XII Soccksargen South Cotabato Agroforestry Coffee rejuvenation Nursery establishment Drip irrigation for coffee growing
 9. Equipment/machineries (dehuller/depulper), processing centers Mountain province Replanting (coffee) Coffee seedlings Planting Planting Maintenance work 2. Assisted Natural Regeneration Maintenance 2. Assisted Natural Regeneration Maintenance 3. Enrichment Planting Protection of springs and water resources Rehabilitation of CIS Green houses T. Waste Management Region XII Soccksargen South Cotabato Agroforestry Coffee rejuvenation Nursery establishment Drip irrigation for coffee growing
Mountain province 1. Replanting (coffee) a. Coffee seedlings b. Planting c. Maintenance work 2. Assisted Natural Regeneration a. Maintenance 3. Enrichment Planting 4. Protection of springs and water resources 5. Rehabilitation of CIS 6. Green houses 7. Waste Management Region XII Soccksargen South Cotabato 1. Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
 Replanting (coffee) a. Coffee seedlings b. Planting c. Maintenance work Assisted Natural Regeneration a. Maintenance Assisted Natural Regeneration a. Maintenance Enrichment Planting Protection of springs and water resources Rehabilitation of CIS Green houses Green houses Waste Management Region XII Soccksargen South Cotabato Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
 Replanting (coffee) a. Coffee seedlings b. Planting c. Maintenance work Assisted Natural Regeneration a. Maintenance Assisted Natural Regeneration a. Maintenance Enrichment Planting Protection of springs and water resources Rehabilitation of CIS Green houses Green houses Waste Management Region XII Soccksargen South Cotabato Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
 Replanting (coffee) a. Coffee seedlings b. Planting c. Maintenance work Assisted Natural Regeneration a. Maintenance Assisted Natural Regeneration a. Maintenance Enrichment Planting Protection of springs and water resources Rehabilitation of CIS Green houses Green houses Waste Management Region XII Soccksargen South Cotabato Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
 a. Coffee seedlings b. Planting c. Maintenance work 2. Assisted Natural Regeneration a. Maintenance 3. Enrichment Planting 4. Protection of springs and water resources 5. Rehabilitation of CIS 6. Green houses 7. Waste Management Region XII Soccksargen South Cotabato 1. Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
 b. Planting c. Maintenance work 2. Assisted Natural Regeneration a. Maintenance 3. Enrichment Planting 4. Protection of springs and water resources 5. Rehabilitation of CIS 6. Green houses 7. Waste Management Region XII Soccksargen South Cotabato 1. Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
c. Maintenance work 2. Assisted Natural Regeneration a. Maintenance 3. Enrichment Planting 4. Protection of springs and water resources 5. Rehabilitation of CIS 6. Green houses 7. Waste Management Region XII Soccksargen South Cotabato 1. Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
 2. Assisted Natural Regeneration a. Maintenance 3. Enrichment Planting 4. Protection of springs and water resources 5. Rehabilitation of CIS 6. Green houses 7. Waste Management Region XII Soccksargen South Cotabato 1. Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
 a. Maintenance 3. Enrichment Planting 4. Protection of springs and water resources 5. Rehabilitation of CIS 6. Green houses 7. Waste Management Region XII Soccksargen South Cotabato 1. Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
 a. Maintenance 3. Enrichment Planting 4. Protection of springs and water resources 5. Rehabilitation of CIS 6. Green houses 7. Waste Management Region XII Soccksargen South Cotabato 1. Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
 3. Enrichment Planting 4. Protection of springs and water resources 5. Rehabilitation of CIS 6. Green houses 7. Waste Management Region XII Soccksargen South Cotabato 1. Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
 4. Protection of springs and water resources 5. Rehabilitation of CIS 6. Green houses 7. Waste Management Region XII Soccksargen South Cotabato 1. Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
5. Rehabilitation of CIS 6. Green houses 7. Waste Management Region XII Soccksargen South Cotabato 1. Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
6. Green houses 7. Waste Management Region XII Soccksargen South Cotabato 1. Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
7. Waste Management Region XII Soccksargen South Cotabato 1. Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
Region XII Soccksargen South Cotabato 1. Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
South Cotabato 1. Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
South Cotabato 1. Agroforestry a. Coffee rejuvenation b. Nursery establishment c. Drip irrigation for coffee growing
 Agroforestry Coffee rejuvenation Nursery establishment Drip irrigation for coffee growing
a. Coffee rejuvenationb. Nursery establishmentc. Drip irrigation for coffee growing
b. Nursery establishmentc. Drip irrigation for coffee growing
c. Drip irrigation for coffee growing
d. Physical removal of plant invasive species
2. Reforestation
3. Disaster Risk Reduction measures and enhancement
4. Improved irrigation infrastructure and maintenance
5. Water harvesting
6. Improved integrated management of natural resources
7. Improved post-harvest technologies to reduce loss and waste
a. Drying facilities for coffee
b. Humidity monitors
c. Controlled processing facilities
Sarangani
1. Integrated cropping systems
2. Nitrogen fixing crops
3. Agroforestry
a. Contour farming/SALT
b. Infiltration canals
4. Reforestation
5. Climate-smart farmers field school for seminars and traming
6. Demonstration plots
7. Governance for water resources management
8. Sharing of information and training

6.2 Prioritizing adaptation options

Overview of the Philippines' NCCAP 2011-2028 and its alignment with the VISTA Project

The Philippines' National Climate Change Action Plan (NCCAP) 2011-2028 identifies seven priority adaptation options applicable to the VISTA Project: 1) Food Security, 2) Water Sufficiency, 3) Ecological & Environmental Stability, 4) Human Security, 5) Climate-friendly Industries and Services, 6) Sustainable Energy, and 7) Knowledge & Capacity Development. Convergence planning among national agencies is crucial for implementing the action plan, as strategic priorities are defined along thematic outcomes rather than sectors, requiring sectoral agencies to collaborate. Component 1 of the VISTA project will use these priorities as a basis to further define the needs and investment plans for the target areas and communities. The first sub-component specifically aims to identify investment priorities that align with climate adaptation and environmental management priorities. Component 1 of VISTA will align with the priority adaptation options as outlined below.

1. Food Security: Ensuring availability and accessibility of safe and healthy food

The objective for food security is to ensure the availability, stability, accessibility, and affordability of safe and healthy food amidst climate change. Specific activities include enhancing site-specific knowledge on agriculture and fisheries vulnerability, establishing gender-responsive climate-smart plans and budgets, building adaptive capacity in farming and fishing communities, and developing appropriate climate risk transfer and social protection measures. A priority in VISTA will be to support the key anchor crops, but in consideration of the winder agro-ecosytem required for healthy production of food products and subsistence. The ecosystem-based approach will support a healthy environment for supporting the stability of safe and healthy food in the face of climate change.

2. Water Sufficiency: Sustainable management and equitable access to water resources

Adaptive measures related to water sufficiency aim to sustainably manage water resources and ensure equitable access. Key outcomes include enabling policies for integrated water resources management (IWRM) and climate change adaptation, implementing vulnerability reduction measures, improving water supply and demand management, enhancing surface and groundwater quality, ensuring equitable access to sustainable water supply for both men and women, and improving knowledge and capacity for IWRM and adaptation planning. Sub-projects under Component 1 of VISTA will focus on water harvesting to support a sustainable supply of water for agricultural communities as well as streambank stabilization and agroforestry which will enhance the efficiency and sustainability of water resources. VISTA will also invest in the protection of water sources.

3. Ecological & Environmental Stability: Enhancing the resilience of natural systems and communities

Adaptation measures for ecological and environmental stability focus on enhancing the resilience and stability of natural systems and communities. Immediate outputs include developing and implementing climate change mitigation and adaptation strategies for key ecosystems, improving management and conservation of protected areas and key

biodiversity areas, strictly implementing environmental laws, enhancing capacity for integrated ecosystem-based management approaches, and institutionalizing natural resource accounting. VISTA component 1 will invest in protection and regeneration of forest ecosystems and biodiversity, through reforestation, assisted regeneration and enrichment planting in vulnerable ecosystems.

4. Human Security: Reducing climate and disaster risks for vulnerable groups

Human security measures address potential conflict over natural resources, population displacement, and increasingly frequent humanitarian disasters resulting from extreme climate events. The objective is to reduce risks to men, women, and other vulnerable groups from climate and disasters. Key outcomes include implementing climate change adaptation and disaster risk reduction across all sectors, creating health and social protection delivery systems responsive to climate change risks, and developing climate-adaptive human settlements and services. VISTA Component 1 will support disaster response packages for the most vulnerable households through an emergency fund.

5. Climate-friendly Industries and Services: Promoting climate-resilient and eco-efficient industries and services

The objective for climate-smart industries and services is to promote, sustain, and develop climate-resilient, eco-efficient, and environmentally friendly industries and services. Immediate outcomes include promoting and sustaining climate-smart industries and services, creating sustainable livelihoods and jobs from climate-smart industries and services, and developing, promoting, and sustaining green cities and municipalities.

6. Sustainable Energy: Climate-proofing energy systems and promoting renewable energy

Sustainable energy adaptation priorities include climate-proofing and rehabilitating energy systems infrastructures, promoting and adopting environmentally sustainable transport, enhancing the development of sustainable and renewable energy, and promoting and implementing energy efficiency and conservation nationwide.

7. Knowledge & Capacity Development: Enhancing knowledge and capacity to address climate change

The country's priorities in knowledge management and capacity development involve enhancing the knowledge and capacity of both women and men to address climate change. Immediate outcomes include enhancing knowledge on the science of climate change, improving capacity for climate change adaptation, mitigation, and disaster risk reduction at local and community levels, and establishing accessible climate change knowledge management systems for all sectors at national and local levels.

IFAD Adaptation Options Prioritisation System

A database of adaptation options and a system for the assessment and prioritization of these options have been developed as part of IFAD's Adaptation Framework. The prioritization process consists of two main elements. First, adaptation options are filtered based on the project sector and climate risks identified during the climate screening process. A Multi-Criteria Analysis (MCA) is then carried out on the shortlisted adaptation options to help select measures to integrate into the project using the following criteria:

- Technical feasibility
- Cost-benefit ratio
- How well the option addresses risks in the project context
- Complementarity to other IFAD themes
- Flexibility (i.e., avoids lock-in)
- Mitigation co-benefits
- Transformative potential
- Accessibility for small-holder farmers

The Adaptation Options System uses a simple scoring system (see table 2) based on the eight criteria above. The first four criteria require a minimum score of 2; options that score lower than 2 on any of these criteria are considered unsuitable for the VISTA project. Adaptation options with the highest scores are most suitable for a project. The results from the Adaptation Options assessment are shown in Table 3. All the options scored above average and were deemed suitable to varying degrees. Options with high mitigation co-benefits generally scored higher, while those with lower transformative potential scored lower overall.

Ideally, multiple-benefit options that provide synergies with other goals, such as mitigation, disaster risk reduction, environmental management, or sustainability (e.g., ecosystem-based approaches typically offer such multiple benefits), should be favored due to the broad range of potential future climate change impacts and their inherent uncertainties.

		Scoring Criteria						
No	Theme	1	2	3				
1	Technical Feasibility	No experience in implementing solution	Consultants available with suitable skills	Previous IFAD experience with solution				
2	Cost Benefit Analysis	Benefits are less than the costs	Benefits are higher than the estimated costs	Benefits are significantly higher than the estimated costs				
3	Addresses Climate Risk	Adaptation option is not relevant or may not be effective for the risks identified	Adaptation option effectively addresses at least one of the identified risks	Adaptation option is relevant for all of the major climate risks identified				
4	Accessibili ty for small holder farmers	Adaptation option is inaccessible for the main project beneficiaries (e.g. unaffordable, requiring regular complex maintenance), or exacerbates existing inequalities.	Adaptation option is accessible for the majority of the project's target beneficiaries.	Adaptation option is accessible to project beneficiaries and specifically benefits women or other marginalised groups.				
5	Flexibility (avoids lock-in)	The adaptation option has a long life-time (>10 years) and its design does not allow for any adjustment.	The adaptation option being considered has a short lifetime (less than 10 years)	The adaptation option is low or no regrets or is part of an adaptive management approach.				

*Table 2: Scoring Scheme*⁷

⁷ <u>Thematic Brief Irrigated Crops (ifad.org)</u>

6	Mitigation Co- benefits	No mitigation co- benefits or adaptation significantly increases greenhouse gas emissions.	Adaptation option leads to emissions reductions, either at present or in the future.	Adaptation option involves reforestation, restoration of carbon sinks, or the substitution of fossil fuels for renewable energy sources.
7	Transform ative potential	Adaptation option is limited to small increases in the resilience of target group, but does not involve changes in wider systems.	Adaptation option operates at scale or enables wider implementation of the option, for instance with a declining marginal cost	Adaptation option enables change in the system in question which significantly increases opportunities for target beneficiaries to adapt to climate change.
8	Complem entarity to IFAD themes	No complementarity	Complements at least one other cross-cutting theme that is directly relevant to adaptation outcomes	Complements more than one other cross- cutting theme to support systemic resilience.

Table 3: Scoring Adaptation Options

No	Adaptation Option	Technical Feasibility	Cost Benefit	Addresses Climate	Accessibil itv for	Flexibility
1	Capacitate extension staff with knowledge on climate change in order to support SHF deal with climate risks	3	3	3	3	3
2	Implement Agroforestry techniques	3	3	3	3	3
3	Improve existing irrigation systems to reduce water losses (e.g. drip irrigation)	3	3	3	3	3
4	Use of shade trees and plantation of leguminous varieties for nitrogen fixation	3	3	3	3	3
5	Develop and implement Integrated Pest Management Plan	3	3	3	3	3
6	Establishment of farmers' support (subsidies, awareness training programmes)	3	3	3	2	2
7	Invest in Irrigation systems in areas that are facing severe climate impacts	2	3	3	2	3
8	Strengthen capacity to generate new forms of empirical knowledge, technologies and agricultural support services that meet emerging climate change and variability challenges	3	3	3	3	2
9	Research into seasonal viable production systems for different farmers	3	3	3	3	2
10	Promote use of bio-fertilizer or organic fertilizers	2	3	3	3	3
11	Improved drainage, improved soil organic matter content and farm design to avoid soil loss and gullying.	2	3	2	3	3
12	Reduction of soil erosion, nutrient leaching from soil and minimized wind damage. (Soil erosion control and water holding structures)	2	3	2	3	3
13	Develop knowledge and decision-support systems including improved monitoring and early warning systems (Climate and weather information advisories)	З	З	2	2	3
14	Agricultural disaster risk reduction and management (DRR/M)	З	3	3	2	2
15	Expand Agricultural areas to regions with lower climate risk	2	3	3	3	2
16	Search for integrated solutions to disease and pest control that are cost effective	3	3	3	2	2
17	Make use of integrated systems involving livestock and/or aquaculture to improve resilience.	3	3	2	3	2
18	Implementation of climate smart agriculture practices and environmentally sustainable practice (e.g. Greenhouses, shadenets)	2	3	3	1	2
19	Water conservation measures are particularly valuable at times of drought (larger storage/dams and water harvesting infrastructure)	2	3	2	1	3
20	Consider increasing crop insurance cover against extreme events.	2	3	3	1	3

			_	_		
21	Provide cooling systems for mid/post-harvest horticulture produce management	2	3	3	1	3
22	Promotion of Off-farm enterprise like ISALS	3	3	3	2	2
23	Develop standards to enable flood proof infrastructure development	2	3	3	1	3
24	Consider the effect of new weather patterns on the health and well-being of agricultural workers.	2	3	3	3	2
25	Use expertise in coping with existing pests and diseases, including post-harvest management	3	2	2	3	2
26	Promote balanced fertilizer application	3	2	2	3	2
27	Increased diversification of varieties or crops to hedge against risk of individual crop failure (Use flood, drought and/or saline resistant varieties)	3	2	2	3	2
28	Use intercropping.	3	2	2	3	2
29	Change post-harvest practices, for example the extent to which grain may require drying and how products are stored after harvest.	3	2	2	1	2
30	Drilling boreholes to supplement surface irrigation water	3	2	2	2	2
31	Reduced tillage to lessen water loss, similarly the incorporation of manures and compost, and other land use techniques such as cover cropping increase soil organic matter and hence improve water retention	2	2	2	2	2
32	Promote Innovative risk transfer programs such as agricultural insurance at the sovereign and farmer level are being implemented	3	2	2	3	2
33	Reappraise economic viability of proposed infrastructure designs based on climate projections over lifetime of assets	1	2	2	2	3
	Shifting cropping calendars; when to plant, which varieties to plant and which inputs to use	3	2	2	3	1

The initial stages of the VISTA project will involve consolidation of existing plans for target ARCs and surrounding sub-watersheds. Using the understanding of priority adaptation options, this process will ensure increased adoption of site-specific, data-driven and precision techniques can optimize the use of resources like water, fertilizers, and pesticides to increase crop yields and prevent the overuse or degradation of essential natural resources. By implementing practices such as shading, intercropping, and effective pest management, farmers can achieve higher crop yields and produce better-quality goods. This strengthens the value chains by enhancing the quality and quantity of coffee and cacao beans available for processing and export. Employing modern equipment and innovative technologies can improve efficiency while reducing environmental impact. Establishing direct trade and traceability with responsible consumers can contribute to the greening of the entire value chain.

Improved water use and management in upland farm ecosystems for sustainable coffee and cacao value chain development has been prioritized in the targeted areas as changes in the availability and timing of water resources were noted during stakeholder engagement as a key limitation to farm-level productivity. It was noted across all VISTA target areas that climate change is exacerbating the pressure on water resources, which in turn leads to increased drudgery especially for women. Efficient water management and conservation are critical for the sustainability of upland ecosystems, the coffee and cacao value chains, and the well-being of local communities in the targeted areas. Proper water management practices can help protect water quality and prevent pollution, ensuring that the water supply remains safe and healthy for people and ecosystems.

The potential investments will include:

(i) <u>Water source protection</u> such as <u>Safeguarding water through measures</u> (i.e. fencing or other protective barriers around springs), slope and streambank stabilization to protect fragile upland slopes tilled by farmers against erosion and landslides through appropriate slope protection works like grouted riprap including application of bioengineering solutions like coconuts planted with Vetiver grass or adopting the Sloping Agricultural Land Technology (SALT), agroforestry interventions such as terracing, contouring, and alley cropping, setting up ripraps/gabions in eroded areas;

(ii) <u>Soil and Water Conservation</u> harnessing the natural sources of water supply such as natural springs, rainfall, and rainfall surface run-off for agricultural use and irrigation by developing water conservation measures through construction of interceptor drainage canals serving as energy dissipators and collecting these into retention ponds and distributing these to agricultural areas while protecting the slopes from being further eroded by rainfall run-off;

(iii)<u>Streambank Stabilization</u>: protection of streambanks that are prone to erosion by providing grouted riprap, gabion works, including bio-engineering measures using coconets planted to vetiver grass where applicable;

(iv) <u>Small-Scale Irrigation Schemes</u>: rehabilitation and construction of existing and new communal irrigation systems/projects (CIS/CIP) respectively to provide irrigation water supply for heirloom and upland rice as needed to ensure at least 2 croppings per year; this may also include pipe irrigation systems as supplemental water supply to cacao and coffee area during dry season;

(v) Rainwater Capture Tank: providing the poorest households in upland communities with drinking water captured into heavy duty polyethylene (PE) tanks during rainfall or from any available natural springs and use this as well for backyard home gardening

Through the VISTA investment plans, all adaptation measures will be closely linked to the VC development and investment planned under component 2 of VISTA. The programme will strive to take an innovative approach that fully integrates adaptation to climate risks, ecosystem resilience and value chain development in vulnerable communities. All adaptation options will closely consider the most vulnerable communities such as IPs, women and youth.

6.3 Monitoring Adaptation

Monitoring and evaluation are important aspects of CC vulnerability impact and adaptation. These will be led by the Central PMU aimed at learning from the activities focusing on efficiency, effectiveness and impact. If they are not working, or if the circumstances change, then the CPMO, PPMO and the implementing partners and agencies will need to change as well. Monitoring and evaluation informs decision makers when plans are not working, and when circumstances have changed; therefore, they provide information needed to make decisions about changes that are necessary in the plan or in the implementation mechanisms. M&E can be conducted in an annual basis.

The adaptation option will be embedded in the VISTA design and ESMF and monitored by DAR and DA through the national and regional PMU with oversight from Environmental, Social and Climate Safeguards Specialists. IFAD regional team will also provide guidance support throughout the duration of the project.

Monitoring is critical in ensuring the long-term success of climate adaptation initiatives, plans and actions. It plays an important role in the following aspects of adaptation.

- It tracks performance of activities undertaken during the development of an adaptation plan (e.g. stakeholder engagement activities).
- It tracks pre-identified risk thresholds/trigger levels which identify when new adaptation actions should be undertaken and
- It determines whether planned outputs and outcomes from adaptation actions have been achieved.
- It determines whether changes should be made in terms of adding/removing the action(s) or adjusting in line with the prevailing environment
- Monitoring will also assist the project to determine whether the actions are incurring any unanticipated side effects.

6.4 Costs and Budgetary Considerations. Estimated cost of adaptation options presented under the VISTA programme are outlined below. Costs will be revised by target area at the time of investment.

TAA Investment	Unit	Total (2025 - 2030)	Unit cost Pesos ('000)	Unit cost (US\$)
Water source Protectiom through SALT /				
Agroforestry/Enrichment Planting				
Nursery establishment and associated facilities	Hectare	4 234	6.393	116
Plantation establishment/Out-planting	Hectare	4 234	8.732	158
Maintenance & protection	Hectare	4 235	19.049	345
TA/replacement planting & M&E	Lump Sum		18 442.00	334.00
Sub total			18 476.17	953.00
Soil & Water Conservation				
interceptor drainage canals + Retention ponds				
/ SFR	unit	40	250.00	4 529.00
Subtotal			250.00	4 529.00
Streambank Stabilization (includes gabion				
works, coconet, vetiver grass)	LM	1000	15.00	272.00
grouted Ripraps	LM	4000	5.00	91.00
Subtotal			20.00	363.00
Small-Scale Irrigation Scemes				
Rehabilitation of existing CIS	hectares	750	100.00	1 812.00
Construction of new CIS	hectares	450	150.00	2 717.00
Pipe irrigation systems	hectares	500	1 500.00	27 174.00
Subtotal			1 750.00	31 703.00
Rain Water capture Tank (500 li/PE pipes)	LM	1000	15.00	272.00

References:

Akasaka, I. (2010). Interannual variations in seasonal march of rainfall in the Philippines. *International Journal of Climatology*, 30(9), 1301–1314. <u>http://doi.org/10.1002/joc.1975</u>

Cinco, T. A., de Guzman, R. G., Hilario, F. D., & Wilson, D. M. (2014). Long-term trends and extremes in observed daily precipitation and near surface air temperature in the Philippines for the period 1951–2010. *Atmospheric Research*, 145-146, 12–26. http://doi.org/doi:10.1016/j.atmosres.2014.03.025

Cinco, T. A., de Guzman, R. G., Ortiz, A. M., Delfino, R. J., Lasco, R. D., Hilario, F. D., Ares, E. D. (2016). Observed trends and impacts of tropical cyclones in the Philippines. *International Journal of Climatology* n/a–n/a. <u>http://doi.org/10.1002/joc.4659</u>

Cruz, F. T., Narisma, G. T., Villafuerte II, M. Q., Cheng Chua, K. U., & Olaguera, L. M. (2013). A climatological analysis of the southwest monsoon rainfall in the Philippines. *Atmospheric Research*, 122, 609–616. http://doi.org/10.1016/j.atmosres.2012.06.010

Francisco, R. V., Argete, J., Giorgi, F., Pal, J., Bi, X., & Gutowski, W. J. (2006). Regional model simulation of summer rainfall over the Philippines: Effect of choice of driving fields and ocean flux schemes. *Theoretical and Applied Climatology*, 86(1-4), 215–227. http://doi.org/10.1007/s00704-005-0216-2

International Federation of the Red Cross and Red Crescent Societies (IFRC). 2016. Information bulletin Philippines: Drought and dry spells. Information Bulletin No. 1.

IPCC. (2013a). *Climate Change 2013: The Physical Science Basis. Contribution of Working Group I to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change.* (T. F. Stocker, D. Qin, G. K. Plattner, M. Tignor, S. K. Allen, J. Boschung, ... P. M. Midgley, Eds.). Cambridge, United Kingdom and New York, NY, USA: Cambridge University Press. Retrieved from <u>https://www.ipcc.ch/report/ar5/wg1/</u>

IPCC. (2013b). Summary for Policymakers. In T. F. Stocker, D. Qin, G. K. Plattner, M. Tignor, S. K. Allen, J. Boschung, ... P. M. Midgley (Eds.), Climate Change 2013: *The Physical Science Basis. Contribution of Working Group I to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change* (pp. 1–30). Cambridge, United Kingdom and New York, NY, USA: Cambridge University Press. Retrieved from <u>https://www.ipcc.ch/report/ar5/wg1</u>

Jaranilla-Sanchez, P. A., Wang, L., & Koike, T. (2011). Modeling the hydrologic responses of the Pampanga River Basin, Philippines: A quantitative approach for identifying droughts. *Water Resources Research*, 47(3), W03514. <u>http://doi.org/10.1029/2010WR009702</u>

Naumann, G., Alfieri, L., Wyser, K., Mentaschi, L., Betts, R. A., Carrao, H., . . . Feyen, L. (2018). Global Changes in Drought Conditions Under Different Levels of Warming. Geophysical Research Letters, 45(7), 3285–3296. URL: https://agupubs.onlinelibrary.wiley.com/ doi/

PAGASA. (2011). *Climate Change in the Philippines*. Philippine Atmospheric, Geophysical and Astronomical Services Administration, Philippines. Retrieved from

https://pubfiles.pagasa.dost.gov.ph/climps/climateforum/ClimatechangeinthePhilippines. pdf

PAGASA. (n.d.). Climate of the Philippines. Retrieved from <u>http://pagasa.dost.gov.ph/index.php/climate-of-the-philippines</u>

Pullen, J., Gordon, A. L., Flatau, M., Doyle, J. D., Villanoy, C., & Cabrera, O. (2015). Multiscale influences on extreme winter rainfall in the Philippines. Journal of Geophysical Research: *Atmospheres*, 120(8), 2014JD022645. http://doi.org/10.1002/2014JD022645

Salinger, M. J., Shrestha, M. L., Ailikun, Dong, W., McGregor, J. L., & Wang, S. (2014). Climate in Asia and the Pacific: Climate Variability and Change. In M. Manton & L. A. Stevenson (Eds.), *Climate in Asia and the Pacific* (pp. 17–57). Springer Netherlands. doi:10.1007/978-94-007-7338-7_2

World Meteorological Organization. (2014). El Niño/Southern Oscillation. WMO-No. 1145. WMO, Geneva, Switzerland. Retrieved from http://library.wmo.int/pmb_ged/wmo_1145_en.pdf

Yumul Jr., G. P., Servando, N. T., Suerte, L. O., Magarzo, M. Y., Juguan, L. V. V., & Dimalanta, C. B. (2012). Tropical cyclone–southwest monsoon interaction and the 2008 floods and landslides in Panay Island, central Philippines: Meteorological and geological factors. *Natural Hazards*, 62(3), 827–840. <u>http://doi.org/10.1007/s11069-012-0109-5</u>

Yumul, G.P., Cruz, N.A, Servando, N. T and Dimalanta, C.B. (2010). Extreme weather events and related disasters in the Philippines, 2004–08: A sign of what climate change will mean? Disasters. 35. 362–82. URL: <u>https://pubmed.ncbi.nlm.nih.gov/21073508/</u>)



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex: Annex 5h Annotated Outline Pest Management Plan

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Appendix 5h. Annotated Outline of an Integrated Pest Management Plan (IPMP)

(<u>Sources</u>: SECAP Volumes 2 and 3; Integrated Pest Management in the Philippines: How it Works in <u>https://www.pinoyfoodsecurity.com/agriculture/integrated-pest-management-in-</u> <u>the-philippines-how-it-works/</u>; and Agricultural Training Institute. (Undated) Integrated Pest Management)

I. Background

IFAD and pesticide/fertilizer use. IFAD promotes safe pesticide and fertilizer use by ensuring that the correct investments and capacity-building activities for the selection, distribution, storage, application and disposal of pesticides and fertilizers are included in all projects (IFAD-SECAP 2021 Vol 2). Where recourse to pesticide use is deemed necessary under IFAD-financed projects, all activities in its application has to be in accordance with the World Health Organization (WHO)/FAO *International Code of Conduct on Pesticide Management* for the safe labelling, packaging, handling, storage, application and disposal of pesticides. Where use of a significant volume of pesticides is foreseen, a pest management plan shall be developed.

IFAD-supported projects will not supply or use pesticides that contain active ingredients that are banned or restricted under applicable international treaties and agreements, or meet the criteria of carcinogenicity, mutagenicity or reproductive toxicity as set forth by relevant international agencies.

Should pesticides be applied, the project should provide training and awareness-raising for personnel handling and applying pesticides to avoid harm to personnel and avoid environmental issues such as surface and groundwater pollution, wind drift beyond the targeted area and other adverse side effects.

IPM in the Philippines. The primary goal of IPM is not to eradicate pests but to manage these effectively using multiple control methods such as biological, cultural, mechanical/physical, and chemical controls. Biological control involves introducing natural predators or parasites that feed on pests without harming crops. Cultural controls involve altering cropping practices like changing planting times or removing plant debris to reduce pest populations. Mechanical/physical controls include physical barriers like nets or traps that prevent pests from reaching crops while chemical controls are used sparingly in combination with other methods when necessary.

One important aspect of IPM is understanding the life cycle of pests, identifying their behavior patterns, and assessing their impact on the crop. This information allows farmers to choose appropriate control measures based on specific pest problems.

The Philippines has long been actively adopting IPM strategies in its agricultural practices since the establishment of the National IPM Program in 1993. This program aims to educate farmers on ecologically sound pest management approaches and reduce dependency on chemical pesticides. In 2020, the Department of Agriculture (DA) issued Department Order 09: Rationalizing and Strengthening the Crop Pest Management Functions, Services, and Related Tasks of the DA.

Several training centers, paramount of which is the Agricultural Training Institute (ATI), have emerged across the country that focus on equipping farmers with the necessary knowledge and skills to implement effective IPM techniques.

II. Outline of the IPMP

- 1. **Overview/Background on the intended project/programme:** Present a brief overview of the subproject paying particular attention to the following:
 - Complete subproject title
 - Region/municipality/barangay where the pest management technique will be implemented.
 - Name of the executing entity with the name, position, title, contact information of the main project personnel responsible for the IPMP.
 - Summary of the subproject.
 - Date of preparation of the IPMP.
- 2. **Rationale and objectives of the Integrated Pest Management Plan:** Enumerate the main objectives and rationale behind the choice of pest management technique, to include a detailed description of the following:
 - Current impacts caused by the pest, which is being proposed for management by the subproject, and anticipated future changes to said impacts¹.
 - Current management measures/practices applied to the pest and rationale behind the proposed changes in pest management.
 - Experience of implementing entity with pest management.
- 3. **Description of Pest Management Practice:** Outline the specific pest management technique selected. Should biocides be proposed, the below considerations need to be addressed and included as part of the IPMP:
 - Identity, class, and application rate/quantity of biocides/pesticides that are to be used by the project.²
 - The form and method used for the given pest management practice.³
 - The specific geographic range where the pest management practices will be applied (GIS Coordinates).
 - Name and address of the supplier of selected biocides, or information on the facilities where the products will be stored.
- 4. **Institutional, Legislative and Regulatory framework:** Provide a concise description of the legal and regulatory framework about the biocide or other pest management technique that will be applied.
 - National regulatory framework and the legal status of the product or technique. Include any required documentation and standards required under national law and Good International Industry Practice (GIIP), and international agreements/conventions.
 - Should a biocide not be regulated under national law, the IPMP should identify international laws for either the actual product or similar products, that could be used as a guide. Explain why this biocide/technique is necessary despite the absence of national standards/regulation.
 - Analysis of institutional capacity for control of the distribution, use and disposal of the selected product/biocides and the institutions responsible at the project site.

¹ Such as those caused by climate change and other planned interventions.

² Including chemical, trade and common names, likely dilution rates, application rates per ha etc.

³ For example; pellet, liquid, paint-on, back-pack or aerial spraying, rodenticides dropped from aircraft, permanent bait stations etc.

- Identify measures to strengthen regulatory framework and institutional capacity.
- 5. **Risk Assessment:** Assess potential environmental and social risks of undertaking the chosen pest management practice/technique. Provide the potential mitigation measures to minimize identified risks:
 - Assessment of risks to communities and individuals
 - Assessment of risks posed to the environment
 - Assessment of risks prior to and after the application of the chosen technique/product
 - Effective measures identified to reduce and mitigate the risks
 - Assessment of potential alternatives
- 6. **Mitigation and Emergency Preparedness Actions/Plan:** In detail, present the recommended mitigation measures per result of the Risk Assessment. A tabular guide is provided below and should include an emergency preparedness plan for unforeseen events with negative environmental or social/health/pandemic impacts.

	What is the issue?	What actions are necessary?	Who will do it?	When will it be done?	How to monitor progress?	How to determine success?	What will it cost?
ľ							

7. **Consultation, Disclosure, and Grievance:** Specify where, when and how the IPMP will be disclosed. Specify the dates, results and feedback received during consultation with local communities and owners of land adjacent to the subproject area. Include proofs of consultations held with relevant authorities (indicating who and when) and evidence that appropriate EIA procedures were followed and licenses and permissions, where relevant, were obtained. Lastly, provide the link to the overall VISTA grievance redress system.



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex: Annex 5i Guideline for Cultural Heritage

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Appendix 5i. Guidance for Subprojects affecting Tangible and Intangible Cultural Heritage

(Sources: SECAP Volume 2 and https://www.unesco.gov.ph)

I. SECAP 2021 Standard 3 on Cultural Heritage

The Implementing Agency will have to determine if Standard 3 is triggered applying the SECAP screening questions with the effective participation of local people. Where there is potential for the project to affect cultural heritage, a cultural heritage management plan (CHMP) will have to be developed. **The CHMP may be a component of the overall environmental management plan** for the project that includes (i) measures for avoiding, minimizing or mitigating any adverse impacts on the cultural heritage; (ii) provisions for managing "chance finds" of cultural heritage during implementation; (iii) necessary measures for strengthening institutional capacity with respect to protection of the cultural heritage; and (iv) a monitoring system to track the progress of these activities. The CHMP will ensure compliance with the country's overall policy framework, national legislation and international standards for protecting cultural heritage and will reflect the institutional capabilities for protecting the cultural heritage.

Where a project proposes to use cultural heritage, including knowledge, innovations or practices of local communities, for the benefit of the project or for commercial purposes, communities should be informed of their rights under national law, of the scope and nature of the proposed use, and of the potential consequences. The PDT should obtain free, prior and informed consent (FPIC) for such use and should make arrangements in the project for fair and equitable sharing of the benefits. **Under VISTA, this facet on intangible cultural heritage will link to the VISTA FPIC-IP, IPPF and SEP**.

II. Tangible and Intangible Cultural Heritage in the Philippines¹

The Philippine National Commission for UNESCO² (PH NatCom) was established by law (Under Republic Act (RA) 621 in 1951, amended by RA 892 in 1953 and RA 3849 in 1964) in observance of the Philippines' international commitment to UNESCO. PH NatCom's original mandate was to serve as an advisory and liaison body bridging the work of relevant Philippine partners to UNESCO's own work in educational, scientific and cultural matters and concerns. It also supports the 2003 Convention on the Safeguarding of Intangible Cultural Heritage (ICH) — a mainspring of cultural diversity and a guarantee of sustainable development.

Tangible cultural heritage are the structures and materials with historical, archival, anthropological, and architectural value. Within the country, the United Nations Educational, Scientific and Cultural Organization (UNESCO) declared six World Heritage sites and the Philippines arrived at a Tentative List³ as candidate sites. Declared heritage zones are subject to the environmental impact assessment laws, rules and regulations of the country as these are considered to be culturally sensitive areas hence under the Department of Environment and Natural Resources (DENR) are deemed as Environmentally Critical Areas (ECA) requiring an Environmental Compliance Certificate (ECC) prior to any development undertakings.

¹ <u>https://www.unesco.gov.ph</u>

² UNESCO = United Nations Educational, Scientific and Cultural Organization

³ The government intends to consider these for nomination in the future. The country's heritage-related agencies and groups are currently updating the tentative list for a new list by late 2023.

	City / Drovinco		Period	
Site/Type	City/Province	Region		Description
		Declare	d Sites	
Rice Terraces of the Philippine Cordilleras	Ifugao	CAR	16 th century	The inscription includes 5 properties, namely, Batad Rice Terraces, Bangaan Rice Terraces (both in Banaue), Mayoyao Rice Terraces (in Mayoyao), Hungduan Rice Terraces (in Hungduan) and Nagacadan Rice Terraces (in Kiangan). The terraces have been declared as National Cultural Treasures of the Philippines.
Mount Hamiguitan Range Wildlife Sanctuary	Davao Oriental	Region XII	Pleistocene Epoch	The site is a declared ASEAN Heritage Park.
	Can	didate/ Te	entative Sites	5
Cultural: Kabayan Mummy Burial Caves	Benguet	CAR	100 AD	The site has been listed by the World Monuments Fund for immediate international conservation. It is a declared National Cultural Treasure of the Philippines.
Natural: Mount Pulag National Park	Ifugao, Nueva Vizcaya, Benguet	CAR, Region II	Pleistocene Epoch	The site is the third highest point in the Philippines.

Declared Heritage and Candidate Heritage Sites

Intangible cultural property per RA 10066 is defined as "the peoples' learned processes along with knowledge, skills and creativity that inform and are developed by them, the products and other manifestations that they create and the resources, spaces and other aspects of social and natural context necessary for their sustainability".

The PH NatCom supports the 2003 Convention on the Safeguarding of Intangible Cultural Heritage (ICH). To date, the Philippines has inscribed the *Hudhud* chants of the Ifugao in the UNESCO Representative List of the ICH of Humanity.

On the other hand, the use of heritage and genetic resources within ancestral domains is integral to the cultural integrity of ICCs/IPs, thus they have priority rights in the harvesting, extraction, development, or exploitation of any natural resources within ancestral domains. The FPIC process as espoused under the Indigenous Peoples Rights Act of 1997 (IPRA), is needed when exploitation/commercialization of resources are involved. Intangible cultural heritages include the Filipinos oral and written customs and traditions, practices, expressions, representations, knowledge and skills embraced by the people. <u>This upholds the application of the VISTA FPIC-IP, IPPF and SEP</u>.

III. Chance Find Procedure (Adapted from IFAD-INREMP 2019)

Chance find is the discovery of previously unknown cultural heritage resources, particularly archaeological resources, which are encountered during project construction or implementation. While subprojects under VISTA will not require massive earth moving activities as those associated with infrastructure projects like roads and irrigation dams,

subprojects located within cultural heritage sites may be prone to the presence of structures and materials with historical, archival, anthropological, and architectural value.

Under Republic Act No. 10066, cultural property includes monuments, structures, works of art, or sites of significance points of view, and are defined as sites and structures having archaeological, paleontological, historical, architectural, or religious significance, and natural sites with cultural values. This includes cemeteries, graveyards and graves.

Procedures for chance find are as follows:

- 1. Chance find procedures will be used as follows:
 - a. Stop the construction activities in the area of the chance find.
 - b. Delineate the discovered site or area.
 - c. Secure the site to prevent any damage or loss of removable objects. In cases of removable antiquities or sensitive remains, a night guard shall be present until the responsible local authorities take over. The National Historical Institute shall be responsible for significant movable and immovable cultural property that pertains to Philippine history, heroes and the conservation of historical artifacts and the National Museum shall be responsible for significant movable for significant movable and immovable and immovable cultural and natural property pertaining to collections of fine arts, archaeology, anthropology, botany, geology, zoology and astronomy, including its conservation aspect. The Philippine National Museum Cultural Properties Division takes over, specifically the Cultural Properties Division (CPD) to be contacted via email at culturalprop@nationalmuseum.gov.ph.
 - d. Notify the supervisory Engineer who in turn will notify the responsible local authorities and the Philippine National Museum Cultural Properties Division immediately (less than 24 hours).
 - e. Contact the responsible local authorities and the Philippine National Museum Cultural Properties Division who would be in charge of protecting and preserving the site before deciding on the proper procedures to be carried out. This would require a preliminary evaluation of the findings to be performed by the archaeologists of the Philippine National Museum Cultural Properties Division (within 72 hours). The significance and importance of the findings should be assessed according to the various criteria relevant to cultural heritage, including the aesthetic, historic, scientific or research, social and economic values.
 - f. Ensure that decisions on how to handle the finding be taken by the responsible authorities and the Philippine National Museum Cultural Properties Division. This could include changes in the layout (such as when the finding is an irremovable remain of cultural or archaeological importance) conservation, preservation, restoration and salvage.
 - g. Implementation for the authority decision concerning the management of the finding shall be communicated in writing by the Philippine National Museum Cultural Properties Division; and
 - h. Construction work will resume only after authorization is given by the responsible local authorities and the Philippine National Museum Cultural Properties Division concerning the safeguard of the heritage.
- 2. These procedures must be referred to as standard provisions in construction contracts, Safeguards Procedures for Inclusion in the Technical Specifications for Contracts. During project supervision, the Site Engineer shall monitor the above regulations relating to the treatment of any chance find encountered are observed.

3. Relevant findings will be recorded in the IPAC Construction Monitoring Report and the World Bank Implementation Supervision Reports (ISRs), and Implementation Completion Reports (ICRs) will assess the overall effectiveness of the project's cultural property mitigation, management, and activities, as appropriate.

Penal provisions as stipulated under Article XIII, Section 49 states that "Upon conviction, the offender shall be subject to a fine of not less than Two hundred thousand pesos (P200,000.00) or imprisonment for a term of not less than ten (10) years, or both, upon the discretion of the court: Provided, That any cultural property attempted to be concealed from registration or those intended to be encumbered or excavated in violation of this Act shall be summarily confiscated and forfeited in favor of the Commission."



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex: Annex 5j. SRN appendices 1-6

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Annex 5j – SRN Appendices

Appendix 1. Watersheds of the Cordilleras and Region XII

South Cotabato is located in the southern part of the island of Mindanao. It is bounded by the province of Sultan Kudarat in the north and west, in the east and south by the city of General Santos and province of Sarangani. It lies at a latitude of about 6°15' north and about 125° longitude. Its main access to the sea is through the Sarangani Bay where the modern port of General Santos City is located. The place is generally flat dotted with some hills and mountains. (<u>https://southcotabato.gov.ph/the-province/</u>)

The province has a total land area of about 3,706 square kilometers. A large reduction of its land area was due to the creation of Sarangani Province. The biggest municipality is Lake Sebu with a total land area of approximately 891.38 square kilometers. T'boli is next with an area of 809.00 square kilometers followed by Polomolok with 339.97 sq. km. The smallest municipalities are Tantangan and Sto. Nino with an area of 126.00 and 109.04 square kilometers, respectively. South Cotabato is rich in mineral resources especially in the mountainous areas of the municipality of Tampakan where Gold and Copper deposits are found. (https://southcotabato.gov.ph/the-province/)

Proclamation D (mm/dd/yyy)

Proclamation No.

No. Area

108

2,444,307.35

	(Area in hectares)										
Re	gion Name of Watershed	Province	City/Municipality								
		PHILIPPINES									
C	AR			Su							
	Ambuklao Watershed Forest Reserve (Pilot)	Benguet	Atok, Bokod, La Trinidad, Tublay								
and a second second	Busol Watershed Forest Reserve	Benguet	Baguio City, La Trinidad								

CAR			Subtotal	9	398,191.02		
	Ambuklao Watershed Forest Reserve (Pilot)	Benguet	Atok, Bokod, La Trinidad, Tublay		9,700.00	120	11/25/1966
	Busol Watershed Forest Reserve	Benguet	Baguio City, La Trinidad		329.00	15 (Amd. by 202) (Sus. 239)	04/27/1922 (12/21/1987) (04/05/1988)
	Buyog Watershed Forest Reserve	Benguet	Baguio City	*******	19.88	93	11/05/1992
	Chico River Forest Reserve	Bontoc	Bauko, Sabangan, Bontoe, Sagada, Sandangan, Barlig, Hugdungan, Tanudan, Labuagan, Tinglayan, Pinukpuk, Tabuk, Balbalan, Pasil, Conner		333,176.20	573 - parcel no. 2	06/26/1969
*****	Lower Agno Watershed Forest Reserve	Benguet Pangasinan	Tuba, Itogon, Baguio City San Nicolas, San Manuel		39,304.00	2320	11/22/1983
	Lucnab Watershed Forest Reserve	Benguet	Baguio City		5.98	178	05/12/1993
	Marcos Highway Watershed Forest Reserve	La Union Benguet	Agoo, Tubao, Rosario, Pugo, Santo Tomas, Aringay Baguio City		6,105.00	1754	06/22/1978
	Pucsusan Watershed Reservation	Benguet	Baguio City		0.96	2035	04/06/2010
	San Roque Watershed Reservation	Benguet Pangasinan	Tuba, Itogon, Baguio City San Nicolas, San Manuel		9,550.00	2320	11/22/1983
Regime 12	-		Relieved		280,499,12		
	Allah Watended Foron Roserve	South Cotabato Suban Kodanat Sarangani	Bunga, Surallah Isulan Kuanhu		102,110.00	3488	09/24/1985
	Kabulsan River Watershed Force Reserve	Sultan Kadama Magnindaman Smith Cutabate	Esperanne, Isulae, Begambeyen, Nimy Aquine, Kalamaney, Petentheig Amputum Lake believ		116,411.03	341	40.06.3000
	Korotadal Watershed Porest Reserve	South Construct	City of Koronadal (Marbel)		1,07.29	607	06/23/2005
	Liburgan Kivar Watershed Forest Reserve	North Cotabato	Edungen, Klamada		10,828.88	343	4543.1998
	Solva Watershed Forest Reserve	South Cotabato	Barga		9,900.00	40	010100-12000

Source: Phil. Forestry Statistics 2021

PROCI AIMED WATERSHED FOREST RESERVE BY RECION, 2021

PRIORITY CRITICAL WATERSHEDS SUPPORTING NATIONAL IRRIGATION SYSTEM (NIS): 2021 (Area in hectares)

Lead Region	Name of Watershed	No.	Area		
	PHILIPPINES	131	14,220,828.67		
CAR		4	977,829.63		
	Abra River Watershed		491,340.71		
	Abulug River Watershed		278,651.85		
	Bayogao River Watershed		128,081.27		
	79,755.80				

FOREST COVER OF THE PHILIPPINES: 2020 (In hectares)

Region /		Total Area	Closed Forest	Open Forest	311,400	
PHILI	PPINES	7,226,394	2,221,173	4,693,821		
CAR		828,727	264,640	564,087	-	
Abra		164,559	48,430	116,129	-	
Benguet		123,684	3,730	119,954	-	
Kalinga		112,494	54,867	57,627	-	
Mountain Province		98,976	32,495	66,482	-	
Region 12				4	2,277,848.96	
	Tamontaca River Wate	rshed			1,861,418.77	
	Mindanao-Simury Riv	or Watershed			213,002.10	
	Buayan-Malungon Riv	ver Watershed			140,372.34	
	Matinao River Waters	hed			63,047.75	

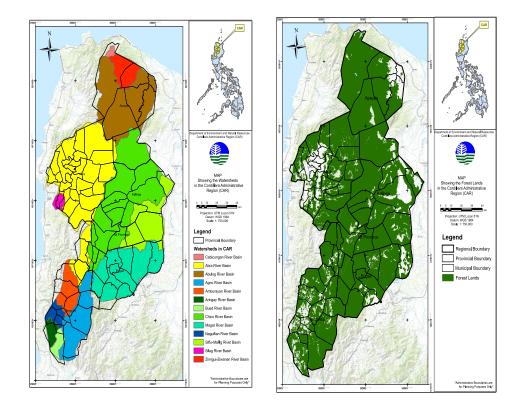
Source: Phil. Forestry Statistics 2021

Region 12	293,682	99,545	192,150	1,987
Cotabate City	856	-	192	665
North Cotabate	47,491	29,104	28,387	
Sarangani	58,760	15,702	42,163	295
South Cotabato	85,945	37,672	43,240	33
Soltan Kudarat	196,231	27,968	78,169	994

Source: Phil. Forestry Statistics 2021

STATUS OF LAND CLASSIFICATION BY PROVINCE: 2021 (In hectares)

			Forestland											
		Certified Alienable			Classified Forestland									
Region / Province	Total Area	and Disposable Land	Total Forestland	Unclassified Forestland	Total Classified Forestland	Established Forest Reserves	Established Timberland	National Parks and GRBS/WA	Military and Naval Reservations	Civil Reservations	Fishpond			
PHILIPPINES	30,000,000	14,194,675	15,805,325	755,009	15,050,316	3,270,146	10,056,020	1,340,997	126,130	165,946	91,077			
CAR	1,829,368	342,345	1,487,023	8,548	1,478,475	804,795	666,219	6,907	554	-	-			
Abra	397,555	98,420	299,135	8,105	291,030	258,743	32,230	57	-	-	-			
Apayao and Kalinga	704,764	80,679	624,085	-	624,085	374,997	247,750	1,338	-	-	-			
Benguet	265,538	89,586	175,952	443	175,509	19,735	149,708	5,512	554	-	-			
Ifugao	251,778	25,409	226,369	-	226,369	28,467	197,902	-	-	-	-			
Mountain Province	209,733	48,251	161,482		161,482	122,853	38,629	-	-					
Regime 12	Litteler	796,746	1.141.485	20,000	101.000	101.040	44.78	26/26		in plan	-			
Distan	409,940	146470	104,410	6401	642,783	10,812	hat year	36,92		382,7849				
built function and horseport	14.09	345,941	004.400	100,000	306,244	10.188	101.001			No.047				
luitat Kadera	471,880	206,261	201441	41.000	iet per	40,144	146.727							



Appendix 2. Climate of CAR and Region XII

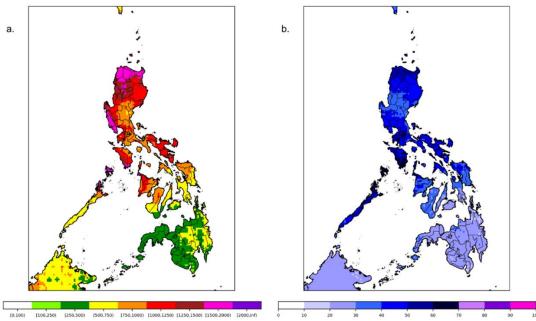
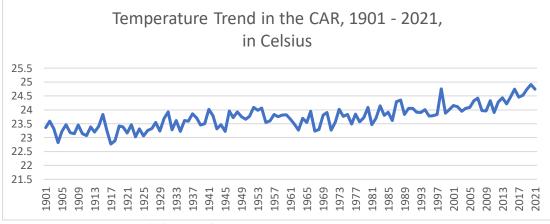


Fig 3.6. GSMaP-Gauge nationwide estimates of (a) total rainfall (mm) during TC days and (b) its percentage contribution to the total rainfall in 2019.

Source: PAGASA 2019

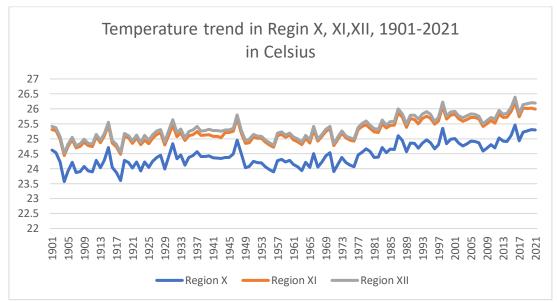


Source: WB ADB CC Knowledge Portal, 2022

Lowest Observed Average Seasonal Mean Temperature in CAR

bserved Average Seasonal Mean Temperature he identified sub-national units with the highest and lowest mean temperatures reflect the latest climatology, 1991-2020.																
	1991-2020			1961-1990				1931-1960			1901-1930					
Units: °C	🚯 DJF	MAM	JJA	SON	DJF	MAM	JJA	SON	DJF	MAM	JJA	SON	DJF	MAM	JJA	so
Country: Philippines	25.07	26.86	26.47	26.13	24.46	26.37	26.10	25.70	24.57	26.31	26.01	25.56	24.36	26.09	25.65	25.2
Highest: Region V (Bicol region)	25.82	27.60	27.97	27.28	25.25	27.15	27.66	26.89	25.37	27.12	27.59	26.77	25.15	26.88	27.18	26.4
Lowest: Cordillera Administrative region (CAR)	22.30	25.14	24.98	24.21	21.68	24.74	24.65	23.75	21.90	24.70	24.46	23.61	21.53	24.28	24.03	23.1

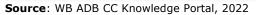
Source: WB ADB CC Knowledge Portal, 2022



Source: WB ADB CC Knowledge Portal, 2022

Lowest Observed Seasonal Precipitation in Region 12 (SOCSARGEN)

Observed Seasonal Pro	Observed Seasonal Precipitation															
The identified sub-nati	The identified sub-national units with the highest and lowest precipitation sums reflect the latest climatology, 1991-2020.															
	1991-2020				1961-1990				1931-1960				1901-1930			
Units: mm	🚯 DJF	MAM	JJA	SON	DJF	MAM	JJA	SON	DJF	MAM	JJA	SON	DJF	MAM	JJA	SON
Country: Philippines	279.55	437.01	856.30	808.17	243.92	389.92	856.12	779.93	242.25	436.62	862.86	811.87	286.09	442.22	881.23	789.42
Highest: Region XIII (Caraga)	911.36	816.19	695.83	791.81	811.87	730.65	603.52	720.55	721.98	815.55	633.70	758.91	865.18	816.06	639.31	762.07
Lowest: Region XII (Soccsksargen)	224.10	472.42	643.60	554.08	208.24	421.16	597.11	542.76	179.25	465.44	620.70	551.08	223.45	469.82	610.56	548.22



Appendix 3. List of Philippine Laws and Regulations that Impinge on VISTA

Year	Law/Regulation	Features
1975	Presidential Decree 705	Provides the basic principles of forest management and
	Revised Forestry Code	conservation, provision for proper classification, management and utilization of public domain lands to maximize their productivity, and meet the demands of the country's increasing population. The Revised Forestry Code of the Philippines also covers management of industrial tree plantations, tree farms, and agro-forestry farms, and forest protection of swamplands and mangrove forests. This covers special uses of forest resources, such as grazing, wildlife, and recreation and prescribes criminal offences, including unlawful occupation or destruction of forestlands and grazing lands.
1977	Presidential Decree No. 1144 of 1977 Creating the Fertilizer and Pesticide Authority and Abolishing the Fertilizer Industry Authority and Regulating the Fertilizer and Pesticide Use	The PD merged the fertilizer and pesticide industries under the Fertilizer and Pesticide Authority (FPA). It also states the functions and responsibilities of FPA.
1978	Presidential Decree 1586, or the Philippine Environmental Impact Statement System	Under the Philippine EIS System in 1978, environmentally critical projects (ECPs) and projects within environmentally critical areas (ECAs) need an Environmental Impact Statement (EIS). IP areas are considered as ECAs.
1988	Republic Act 6657 of 1988: Comprehensive Agrarian Reform Law (CARL)	An Act instituting a comprehensive Agrarian Reform Program to promote social justice and industrialization, providing the mechanism for its implementation, and for other purposes. It is the stated policy of the state to see to the welfare of the landless farmers and farmworkers, and to establish the owner-cultivatorship of economic-size farms as the basis of Philippine agriculture. Agrarian Reform Program which is based on the right of landless farmers and farmworkers to own the land they till, or to receive a fair share of the fruits of their labour. The Program seeks to achieve this essentially through the redistribution of agricultural lands, subject to the payment of just compensation of dispossessed landowners (sect. 2). Agricultural land allocations shall be made for ideal family-size farms as determined by the Presidential Agrarian Reform Council (PARC). States that the rights of the IP to their ancestral domain/land must prevail over that of the farmer. Leasing of undeveloped lands on the public domain to qualified entities for the development of capital-intensive farms and traditional and pioneering crops, especially those for export, prior rights of IPs to their ancestral lands shall likewise be respected (Section 2, par. 12). The preeminence of lands that have come under the operation of the Torrens System of titling as against ancestral domains/lands and Torrens titles, CARL will settle in
1991	Republic Act 7160: Local Government Code	favor of the titled lands This Code establishes the system and defines powers of provincial, city, municipal and barangay governments in the
		Philippines. It provides for a more responsive local government structure instituted through a system of decentralization whereby Local Government Units are

Year	Law/Regulation	Features
		delegated more powers, authority, responsibilities and resources.
		It also empowers local governments to enact local tax measures, including real property taxes and it assures the local governments a share in the national internal revenue.
		The Code defines the powers of Local Government Units and specifies programmes that are transferred to them, including: agricultural extension and on-site research; infrastructure projects; field health and hospital services; social welfare services; community-based forestry programmes and other investment support services.
		The Code further provides for: powers of a city or municipality to authorize the reclassification of lands; duties of national government agencies to maintain an ecological balance; relations with people's and non-governmental organizations; settlement of boundary disputes; property and supply management in the local government units; penalties; etc.
1992	Republic Act 7586: NIPAS Act	Provides the legal framework for the establishment and management of protected areas in the Philippines. It identified initial components comprising of proclaimed national parks, game refuge and wildlife sanctuaries, nature reserves, wilderness areas, mangrove reserves, watershed reservations, fish sanctuaries, protected landscapes and seascapes.
1992	Republic Act 7607	Also known as the "Magna Carta of Small Farmers" primarily aims in realizing equitable distribution of benefits and opportunities through the empowerment of the small farmers.
1995	Republic Act No. 7900: High-Value Crops Development Act	An act to promote the production, processing, marketing and distribution of high-valued crops, providing funds therefor, and for other purposes.
1997	Republic Act 8371: Indigenous Peoples Rights Act (IPRA)	The national law that safeguards and recognizes the rights of ICCs/IPs with the respect of their culture and traditional systems and ancestral domains. It also states the creation of the National Commission on Indigenous Peoples wherein it shall be a government agency responsible for establishing implementing mechanisms, appropriating funds therefor, and for other purposes.
1997	Republic Act No. 8435: The Agriculture and Fisheries Modernization Act	Mandated the Department of Agriculture (in keeping with the presidential form of government) to formulate and implement a medium and long-term comprehensive Agriculture and Fisheries Modernization Plan.
2004	Sustainable Forest Management (EO 318, s. 2004)	Pursues sustainable managements of forests and forestlands in watershed through Community-Based Forest Management (CBFM) as the primary strategy in all forest conservation and development and related activities including joint ventures, production sharing, and co-production. It also provides for the proper valuation and pricing of forestry resources and financing sustainable forest management.
2009	Republic Act No. 10000: Providing Agricultural and Agrarian Reform Credit	Providing agriculture, fisheries and agrarian reform credit, insurance and financing system to improve the productivity of the agriculture and fisheries sectors. The Act consists of loans to support activities and purposes pertaining to agriculture as stipulated under the Agriculture and Fisheries Modernization Act (AFMA) and the Agrarian Reform Code of

Year	Law/Regulation	Features
		the Philippines. Agriculture and agrarian reform credit refers to loans granted for the following activities and purposes: (i) agricultural production; (ii) promotion of agribusiness and exports; (iii) acquisition of work animals; (iv) acquisition of lands; (vi) construction, acquisition and repair of facilities for production, processing, storage, and marketing and such other facilities in support of agriculture and fisheries; (vii) efficient and effective merchandising of agricultural and fishery commodities stored and/or processed by the facilities in domestic and foreign commerce; and (viii) other activities identified in Section 23 of AFMA[3] (Section 3.f, IRR, RA 10000).
2010	Republic Act 10121: Philippine Disaster and Risk Reduction Management Act	An act strengthening the Philippine disaster risk reduction and management system, providing for the national disaster risk reduction and management framework and institutionalizing the national disaster risk reduction and management plan, appropriating funds therefor and for other purposes. State shall ensure that disaster risk reduction and climate change measures are gender responsive, sensitive to indigenous knowledge systems, and respectful of human rights.
2012	Republic Act 9729: Climate Change Act of 2009 as amended by People's Survival Fund (RA 10174).	To systematically integrate the concept of climate change in various phases of policy formulation, development plans, poverty reduction strategies and other development tools and techniques by all agencies and instrumentalities of the government. The RA 9729 serves as the basis for programming interventions to mitigate and adapt on the impacts of climate change. Assistance to small and medium enterprises/industries in developing capacity for eco-efficient production and through various training and extension activities. Contains provisions of integrating disaster risk reduction measures into climate change development, plans, and
2014	Executive Order No.	poverty reduction programs. Institutionalizing the Philippine Greenhouse Gas Inventory
	174	Management and Reporting System. The PGHGIMRS aims to establish the GHG inventory management and reporting system in some government agencies.
2016	Republic Act 10752: The Right-of-Way Act	Facilitates the acquisition of Right-Of-Way site or location for national government infrastructure projects which states that the private property shall not be taken for public use without just compensation. It ensures that all persons whose real property is affected by national government infrastructure projects are promptly paid just compensation for the speedy acquisition of the required right-of-way (ROW).
2018	Republic Act No. 11038: Expanded National Integrated Protected Areas System Act	The Expanded NIPAS (ENIPAS) covers the acknowledgement of territories and areas occupied and conserved by ICCs/IPs specifically on ancestral domains and customary rights

Appendix 4a. Accomplished Offline Environmental and Social Safeguards Screening Checklist

	No,	If Yes	or Unsure	If Relevant for	
Environmental and Social Safeguards	Yes	Likelihood	Consequence	Procurement`	Tool Link/Comment
	Unsure		-	(include action)	
General data sources provide national and sidentifying overall risks associated with projection of the seare: The Global Map of Environmental & Social conduct rapid environmental and social due to make responsible and strategic sourcing, INFORM, a global, open-source risk assessm collaboration between the Inter-Agency Sta and the European Commission. It can suppor Universal Human Rights Index (UHRI) offer Human Rights, as well as up-to-date observe bodies to improve human rights protection. The lists of sources provided are not exhause Biodiversity is essential for the maintenance food, as well as other services that are impore Diversity in agroecological systems is a key of their farming systems. 3 dataset are propose the project area, these are: UN Biodiversity LAB - a platform for building ensure that governments have access and conservation and development decisions. World Resource Institute - Resource Watch of the planet's resources and citizens. Users	GMAP: https://gmaptool.org/ INFORM: https://drmkc.jrc.ec.europa. eu/inform-index/INFORM- Risk/Results-and- data/moduleld/1782/id/419/ controller/Admin/action/Res ults UHRI: https://uhri.ohchr.org/en/ Tool Link UN Biodiversity LAB: https://www.unbiodiversityl ab.org/about.html World Resource Institute : https://resourcewatch.org/ Global Forest Watch : https://www.globalforestwa				
conservation and development decisions. World Resource Institute - Resource Watch of the planet's resources and citizens. Users climate change to poverty, water risk to sta Global Forest Watch is an online platform t harnessing cutting-edge technology, this to and how forests are changing around the w 1.1 Could the project potentially involve or lead to conversion or degradation of	ace on the state the planet, from on, and more. orests. By	Global Forest Watch : https://www.globalforestwa tch.org/ Will lead to conversion. Not necessarily degradation since			
biodiversity, habitats (including modified habitat, natural habitat and critical natural habitat) and/or ecosystems and ecosystem services? 1.2 Could the project involve or	YES	almost	major		the project will reforest and increase plant diversity under Comp 1
potentially lead to activities involve of potentially lead to activities involving habitats that are legally protected, officially proposed for protection, or recognized as protected by traditional local communities and/or authoritative sources (e.g. National Park, Nature Conservancy, Indigenous Community Conserved Area, ICCA, etc.)?		certain			Some projects sites will certainly be within ancestral domains and protected areas
1.3 Could the project potentially involve or lead to an increase in the chance of human-wildlife encounters/conflict?	Yes	possible	moderate		In some remote areas and past IFAD sites under NMCIREMP, wildlife (monkeys and wild boars) have invaded smallholder farms and damage crops. Philipping cagle (critically
1.4 Could the project potentially involve or lead to risks to endangered species (e.g. reduction, encroachment on habitat)?	Yes	possible	major		Philippine eagle (critically endangered) present in both regions
1.5 Could the project potentially involve or lead to impacts/risks to migratory wildlife?	No				Project sites are in upland areas; no wetlands

	No,	If Yes o	or Unsure	If Relevant for	
Environmental and Social Safeguards	Yes Unsure	Likelihood	Consequence	Procurement`	Tool Link/Comment
1.6 Could the project potentially involve or lead to introduction or utilization of any invasive alien species of flora and fauna, whether accidental or intentional?	No			(include action)	Indigenous and non-invasive species will be utilized for reforestation, ANR, enrichment planting, and agroforestry
1.7 Could the project involve or lead to the handling or utilization of genetically modified organisms?	Yes	possible	minor		There are existing farms that the project will support where GMOs may be present, ie vegetable farms
1.8 Could the project involve or lead to procurement through primary suppliers of natural resource materials?	Yes	possible	moderate		Project may possibly require procurement of natural resources through primary suppliers, but resource extraction is tightly regulated.
Resource Efficiency and Pollution Prevention				Yes/no/manual trigger.	Tool Link
Resource efficiency is necessary to avoid, m hazardous substances and materials, includi short- and long-lived climate pollutants. The related opportunities for improvements in r hundreds of data sets all in one place on the visualize challenges facing people and the pl instability, air pollution to human migration.	ng pesticid ese questio esource eff e state of th anet, from , and more	es, together wi ns shall also ide ficiency. The W ne planet's reso climate change	th the project-rele entify, where feasi orld Resource Ins urces and citizens e to poverty, wate	ated emissions of ble, project- titute provides . Users can	World Resource Institute : https://resourcewatch.org/
2.1 Could the project involve or lead to the release of pollutants to the environment due to routine or non- routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	Yes	almost certain	moderate		Intensive use of agri- chemicals in sensitive areas like those in the Cordilleras
2.2 Could the project involve or lead to primary not environmentally sustainable production of living natural resources? (Note: this includes the cultivation or rearing of plants or animals, including annual and perennial crop farming, animal husbandry (including livestock), aquaculture, plantation forestry, etc)	Νο				Project does not involve or lead to primary production of living natural resources.
2.3 Could the project involve or lead to engagement in areas of forestry, including the harvesting of natural forests, plantation development, and/or reforestation?	Yes	almost certain	moderate		Project involves reforestation and plantation development but well- regulated
2.4 Could the project involve or lead to significant consumption of raw materials, energy, and/or water?	Yes	almost certain	moderate		Impacts can be appropriately managed
2.5 Could the project involve or lead to significant extraction, diversion or containment of surface or ground water (e.g. construction of dams, reservoirs, river basin developments, groundwater extraction)?	Yes	almost certain	moderate		Rehabilitation of communal irrigation systems and construction of small farm reservoirs to intercept overland flow will be done to address water shortage
2.6 Could the project involve inputs of fertilizers and other modifying agents?	Yes	almost certain	moderate		The extension approach will aim at promoting sustainable and climate resilient agricultural practices, including use of organic / local fertilisers
2.7 Could the project involve or lead to procurement, supply and/or result in the use of pesticides on crops, livestock, aquaculture or forestry?	Yes	almost certain	moderate		Integrated pest management being applied (as with CONVERGE) towards cap bldg
2.8 Could the project be located in an area which is being, or has been, polluted	Yes	likely	moderate		Downstream impacts noted ie Mankayan, Benguet mining firms reported to

	No,	If Yes o	or Unsure	If Relevant for	
Environmental and Social Safeguards	Yes Unsure	Likelihood	Consequence	Procurement` (include action)	Tool Link/Comment
by an external source (e.g. a mine, smelter, industry)?	Unsure			(include action)	impact on Abra River affecting downstream communities
2.9 Could the project involve livestock – extensive and intensive systems and animal products (dairy, skins, meat, etc.)?	No				
Cultural Heritage				Yes/no/manual trigger.	Tool Link
Preserve and safeguard Cultural Heritage re prevent IFAD-supported projects from alteri Heritage. In order to identify the presence o	ing, damagi	ing, or removing	g any tangible or i	ntangible Cultural	UNESCO World Heritage List
UNESCO World Heritage List - The World Heritage Conv implementation of the World Heritage Conv properties on the World Heritage List and ha identify location and type of properties in the UNESCO List of Intangible Cultural Heritage overview of (internationally) recognized inta	ention, has as mapped ne project a and Regist	s developed pre them in this too ffected area. er of good safe	cise criteria for th ol, which could su	e inscription of pport the PDT to	http://whc.unesco.org/en/lis t/ Intangible Cultural Heritage: https://ich.unesco.org/en/lis ts
3.1 Could the project be located in areas that are considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage?	Yes	possible	minor		UNESCO sites present in both regions, ie Ifugao rice terraces and Allah Valley
3.2 Could the project directly or indirectly affect indigenous peoples' rights, lands, natural resources, territories, livelihoods, knowledge, social fabric, traditions, governance systems, and culture or heritage (tangible and intangible)?	Yes	almost certain	moderate		There will be temporary loss of access
3.3 Could the project involve or lead to significant excavations, demolitions, movement of earth, flooding or other	No				There will be no significant excavations or earth moving activities
environmental changes? 3.4 Could the project involve or lead to adverse impacts to sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	Yes	possible	minor		More on intangibles
3.5 Could the project involve or lead to alterations to landscapes and natural features with cultural significance?	No				There will be no significant excavations or earth moving activities; but reforestation could positively enhance the landscape
3.6 Could the project involve or lead to utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?	Yes	possible	minor		Indigenous forest management practices will be promoted for sustainable forest management practices
Indigenous peoples				Yes/no/manual trigger.	Tool Link

	No,	If Yes	or Unsure	If Relevant for	
Environmental and Social Safeguards	Yes			Procurement`	Tool Link/Comment
	Unsure	Likelihood	Consequence	(include action)	
IFAD's comparative advantage in working w poor rural people and in its targeting and pe- differentiated and context-specific condition communities in the project affected area: International Work Group for Indigenous A of Indigenous communities, together with th UN Special Rapporteur on the rights of IP: F around the world, including updates on new recommendations on appropriate measures	ffairs: Prov ne challeng Reports on V laws, agre	ed approach, v rural people. In vides country s ges and progres the human rig gements and in	vhich takes into ac order to identify pecific information as they are current hts situations of in ternational standa	count the indigenous n on the presence dy facing digenous peoples ards, and	International Work Group for Indigenous Affairs: https://www.iwgia.org/en/ UN Special Rapporteur on the rights of IP: https://www.ohchr.org/EN/I ssues/IPeoples/SRIndigenous Peoples/Pages/SRIPeoplesIn dex.aspx
4.1 Could the project be sited in areas where indigenous peoples are present	Yes	almost certain	severe		FPIC required by both IFAD and country system
(including the project area of influence)?					
4.2 Could the project result in activities located on lands and territories claimed by indigenous peoples?	Yes	almost certain	severe		Most if not all have secure tenure instruments
4.3 Could the project result in impacts on the rights of indigenous peoples or to the lands, territories and resources claimed by them?	Yes	almost certain	moderate		Temporary impacts; ie loss of access during construction
4.4 Could the project result in the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	Yes	possible	minor		While VC is commercial development; FPIC to apply
4.5 Could the project lead to impacts on the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	Yes	possible	minor		To promote indigenous forest management practices towards sustainable ecosystem health
Labour and Working Conditions				Yes/no/manual trigger.	Tool Link
The pursuit of inclusive and sustainable econ work for all requires the protection of project provision of safe and healthy working condition	ct workers'	í fundamental i	rights, their fair tre	eatment, and the	ILO Statistics and Databases: https://www.ilo.org/global/s tatistics-and-databases/lang-
and policies, and country profiles. US Department of Labor Findings on the W findings on worst forms of child and forced l legal framework, enforcement of laws and a	orst Forms abour, tog	ether with prev	<pre>Ir : provides count valence and sector</pre>	try specific ral distribution,	-en/index.htm US Department of Labor Findings on the Worst Forms of Child Labour: https://www.dol.gov/agenci es/ilab/resources/reports/ch ild-labor/findings
ILO Statistics and Databases: ILO's central p and policies, and country profiles. US Department of Labor Findings on the W findings on worst forms of child and forced l	orst Forms abour, tog vailable so	ether with prevocial programs t	Ir : provides count valence and sector o address child lait	try specific ral distribution,	Department of Labor Findings on the Worst Forms of Child Labour: https://www.dol.gov/agenci es/ilab/resources/reports/ch
ILO Statistics and Databases: ILO's central p and policies, and country profiles. US Department of Labor Findings on the W findings on worst forms of child and forced l legal framework, enforcement of laws and a 5.1 Could the project operate in sectors or value chains that are characterized by working conditions that do not meet national labour laws or international commitments? (Note: this may include discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining,	orst Forms abour, tog vailable so	ether with prevocial programs t	Ir : provides count valence and sector o address child lait	try specific ral distribution,	Department of Labor Findings on the Worst Forms of Child Labour: https://www.dol.gov/agenci es/ilab/resources/reports/ch

	No,	If Yes	or Unsure	If Relevant for	
Environmental and Social Safeguards	Yes Unsure	Likelihood	Consequence	Procurement` (include action)	Tool Link/Comment
age of 18 in supported activities or in value chains?	Unsure			(include action)	
5.4 Could the project: (a) operate in a sector, area or value chain where producers and other agricultural workers are typically exposed to significant occupational and safety risks, and/or (b) promote or use technologies or practices that pose occupational safety and health (OSH) risks for farmers, other rural workers or rural populations in general? (Note: OSH risks in agriculture might include: dangerous machinery and tools; hazardous chemicals; toxic or allergenic agents; carcinogenic substances or agents; parasitic diseases; transmissible animal diseases; confined spaces; ergonomic hazards; extreme temperatures; and contact with dangerous and poisonous animals, reptiles and insects. Psychosocial hazards might include volence and harassment.)	Yes	possible	moderate		Occasional exposure and weak regulation on OHS
Community Health, Safety and Security				Yes/no/manual trigger.	Tool Link
income countries where there is a lack of k to the variety of health risks and impacts the INFORM, the Hazard and exposure tab prov- risks affecting rural communities at nationa UN Women Global database on violence ag- up-to-date information on measures under of violence against women.	ides a deta level. gainst wom	e confronted w iled set of inde nen: provides e	vith every day. xes for the most c asy access to com	common health prehensive and	eu/inform-index/INFORM- Risk/Results-and- data/moduleId/1782/id/419/ controller/Admin/action/Res ults UN Women Global database on violence against women: https://evaw-global- database.unwomen.org/en
6.1 Could the project be at risk from water-borne or other vector-borne diseases (e.g. temporary breeding habitats), and/or communicable and non-	Yes	possible	moderate		Effective regulation/containment
communicable diseases? 6.2 Could the project lead to unintended negative impacts on nutrition?	Yes	possible	minor		Choice of crops for agroforestry will have minor impacts on customary or traditional diet
6.3 Is there a possibility of harm or losses due to failure of structural elements of the project (e.g. collapse of buildings or infrastructure)?	Yes	rare	moderate		These are rural infrastructure for rehabilitation or small community infra
6.4 Could the project involve or lead to the construction or rehabilitation of dams?	No				
6.5 Could the project involve or lead to transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No				
6.6 Could the project lead to adverse impacts on ecosystems and ecosystem services relevant to communities' health (e.g. food, surface water purification, natural buffers from flooding)?	No				

	No,	If Yes o	or Unsure	If Relevant for	
Environmental and Social Safeguards	Yes	Likelihood	Consequence	Procurement`	Tool Link/Comment
6.7 Could the project load to the potential	Unsure No			(include action)	
6.7 Could the project lead to the potential for gender-based violence, including	NO				
sexual harassment, exploitation and					
abuse, as a result of labour influx, land					
redistribution, or other actions that alter					
community dynamics?					
6.8 Could the project lead to increases in	Yes	almost	minor		These are rehabilitation of
traffic or alteration in traffic flow?		certain			rural farm to market roads
6.9 Could the project lead to an influx of	No				Local/community labor will
project workers?					be applied
6.10 Could the project involve or lead to	No				
the engagement of security personnel to					
protect facilities and property or to					
support project activities?					
Resettlement				Yes/no/manual	Tool Link
Resettlement				trigger.	TOOLLINK
Resettlement is not only as the physical re	location of	neonle but also	as economic so	cial and cultural	
displacement causing restrictions on, or lo					
important sites. Questions of this standard					n/a
require external sources	and very s				
•	VEC	a solle la	limited		Terrerenews and reatial
7.1 Could the project result in temporary	YES	possible	limited		Temporary and partial
or permanent and full or partial physical					physical displacement for
displacement (including people without					community infra (ie
legally recognizable claims to land)?					warehouses) but to be
					addressed by usufruct
7.2 Could the project result in economic	YES	likely	moderate		agreement Economic displacement is
displacement (e.g. loss of assets or access	TES	пкету	moderate		envisaged to be 10% or less
to resources due to land acquisition or					of HH asset
access restrictions – even in the absence					ormasser
of physical relocation)?					
7.3 Could the project present a risk of	No				
forced evictions?	NU				
7.4 Could the project result in impacts on	No				Lands with conflicting tenur
or changes to land tenure arrangements	110				will not be included
and/or community-based property					will not be included
rights/customary rights to land, territories					
and/or resources?					
and/or resources? Financial intermediaries and direct				Yes/no/manual	
Financial intermediaries and direct				Yes/no/manual	Tool Link
Financial intermediaries and direct investments	and private	sector compan	ies are a key inst	trigger.	Tool Link
Financial intermediaries and direct investments Investments into financial intermediaries			,	trigger. rument for	
Financial intermediaries and direct investments Investments into financial intermediaries a promoting sustainable financial markets a	nd provide	financial produ	icts and services t	trigger. rument for to farming	Tool Link
Financial intermediaries and direct investments Investments into financial intermediaries promoting sustainable financial markets a businesses and to the rural micro, small ar	nd provide nd medium	financial produ sized enterpris	icts and services t e sector. These q	trigger. rument for to farming uestions are very	
Financial intermediaries and direct investments Investments into financial intermediaries promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part	nd provide nd medium	financial produ sized enterpris s do not requir	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a
Financial intermediaries and direct investments Investments into financial intermediaries promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to	nd provide nd medium ner and thu	financial produ sized enterpris	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may
Financial intermediaries and direct investments Investments into financial intermediaries promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to an institution that does not have an	nd provide nd medium ner and thu	financial produ sized enterpris s do not requir	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may have ESMS, local lending
Financial intermediaries and direct investments Investments into financial intermediaries promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an	nd provide nd medium ner and thu	financial produ sized enterpris s do not requir	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may have ESMS, local lending institutions may, but not
Financial intermediaries and direct investments Investments into financial intermediaries promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social	nd provide nd medium ner and thu	financial produ sized enterpris s do not requir	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may have ESMS, local lending institutions may, but not
Financial intermediaries and direct investments Investments into financial intermediaries a promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place	nd provide nd medium ner and thu	financial produ sized enterpris s do not requir	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may have ESMS, local lending institutions may, but not transparent or may not have
Financial intermediaries and direct investments Investments into financial intermediaries a promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)?	nd provide nd medium- ner and thu Unsure	financial produ sized enterpris s do not requir possible	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may have ESMS, local lending institutions may, but not transparent or may not have ESMS at all
Financial intermediaries and direct investments Investments into financial intermediaries a promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)? 8.2 Could the investment be granted to	nd provide nd medium ner and thu	financial produ sized enterpris s do not requir	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may have ESMS, local lending institutions may, but not transparent or may not have ESMS at all As above; local players lack
Financial intermediaries and direct investments Investments into financial intermediaries a promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)? 8.2 Could the investment be granted to an institution with insufficient capacities	nd provide nd medium- ner and thu Unsure	financial produ sized enterpris s do not requir possible	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may have ESMS, local lending institutions may, but not transparent or may not have ESMS at all
Financial intermediaries and direct investments Investments into financial intermediaries a promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)? 8.2 Could the investment be granted to an institution with insufficient capacities (i.e. unqualified personnel e.g. ES Officer)	nd provide nd medium- ner and thu Unsure	financial produ sized enterpris s do not requir possible	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may have ESMS, local lending institutions may, but not transparent or may not have ESMS at all As above; local players lack
Financial intermediaries and direct investments Investments into financial intermediaries a promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)? 8.2 Could the investment be granted to an institution with insufficient capacities (i.e. unqualified personnel e.g. ES Officer) to implement the ESMS?	nd provide nd medium- ner and thu Unsure Unsure	financial produ sized enterpris s do not requir possible possible	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may have ESMS, local lending institutions may, but not transparent or may not have ESMS at all As above; local players lack capacities
Financial intermediaries and direct investments Investments into financial intermediaries a promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)? 8.2 Could the investment be granted to an institution with insufficient capacities (i.e. unqualified personnel e.g. ES Officer) to implement the ESMS? 8.3 Could the investment be granted to	nd provide nd medium- ner and thu Unsure	financial produ sized enterpris s do not requir possible	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may have ESMS, local lending institutions may, but not transparent or may not have ESMS at all As above; local players lack capacities
Financial intermediaries and direct investments Investments into financial intermediaries a promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)? 8.2 Could the investment be granted to an institution with insufficient capacities (i.e. unqualified personnel e.g. ES Officer) to implement the ESMS? 8.3 Could the investment be granted to an institution that does not have an	nd provide nd medium- ner and thu Unsure Unsure	financial produ sized enterpris s do not requir possible possible	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may have ESMS, local lending institutions may, but not transparent or may not have ESMS at all As above; local players lack capacities
Financial intermediaries and direct investments Investments into financial intermediaries a promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)? 8.2 Could the investment be granted to an institution with insufficient capacities (i.e. unqualified personnel e.g. ES Officer) to implement the ESMS? 8.3 Could the investment be granted to an institution that does not have an Exclusion List?	nd provide nd medium- ner and thu Unsure Unsure Unsure	financial produ sized enterpris s do not requir possible possible	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may have ESMS, local lending institutions may, but not transparent or may not have ESMS at all As above; local players lack capacities As above; with local players
Financial intermediaries and direct investments Investments into financial intermediaries a promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)? 8.2 Could the investment be granted to an institution with insufficient capacities (i.e. unqualified personnel e.g. ES Officer) to implement the ESMS? 8.3 Could the investment be granted to an institution that does not have an Exclusion List? 8.4 According to the institution's portfolio	nd provide nd medium- ner and thu Unsure Unsure	financial produ sized enterpris s do not requir possible possible	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may have ESMS, local lending institutions may, but not transparent or may not have ESMS at all As above; local players lack
Financial intermediaries and direct investments Investments into financial intermediaries a promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)? 8.2 Could the investment be granted to an institution with insufficient capacities (i.e. unqualified personnel e.g. ES Officer) to implement the ESMS? 8.3 Could the investment be granted to an institution that does not have an Exclusion List? 8.4 According to the institution's portfolio classification: Could the institution have	nd provide nd medium- ner and thu Unsure Unsure Unsure	financial produ sized enterpris s do not requir possible possible	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may have ESMS, local lending institutions may, but not transparent or may not have ESMS at all As above; local players lack capacities As above; with local players
Financial intermediaries and direct investments Investments into financial intermediaries a promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)? 8.2 Could the investment be granted to an institution with insufficient capacities (i.e. unqualified personnel e.g. ES Officer) to implement the ESMS? 8.3 Could the investment be granted to an institution that does not have an Exclusion List? 8.4 According to the institution's portfolio classification: Could the institution have potential high-risk projects in their	nd provide nd medium- ner and thu Unsure Unsure Unsure	financial produ sized enterpris s do not requir possible possible	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may have ESMS, local lending institutions may, but not transparent or may not have ESMS at all As above; local players lack capacities As above; with local players
Financial intermediaries and direct investments Investments into financial intermediaries a promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)? 8.2 Could the investment be granted to an institution with insufficient capacities (i.e. unqualified personnel e.g. ES Officer) to implement the ESMS? 8.3 Could the investment be granted to an institution that does not have an Exclusion List? 8.4 According to the institution's portfolio classification: Could the institution have potential high-risk projects in their portfolio?	Ind provide and medium- ner and thu Unsure Unsure Unsure Unsure	financial produ sized enterpris s do not requir possible possible possible	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may have ESMS, local lending institutions may, but not transparent or may not have ESMS at all As above; local players lack capacities As above; with local players As above; with local players
Financial intermediaries and direct investments Investments into financial intermediaries a promoting sustainable financial markets a businesses and to the rural micro, small ar specific to the selected private sector part 8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)? 8.2 Could the investment be granted to an institution with insufficient capacities (i.e. unqualified personnel e.g. ES Officer) to implement the ESMS? 8.3 Could the investment be granted to an institution that does not have an Exclusion List? 8.4 According to the institution's portfolio classification: Could the institution have potential high-risk projects in their	nd provide nd medium- ner and thu Unsure Unsure Unsure	financial produ sized enterpris s do not requir possible possible	icts and services t e sector. These q	trigger. rument for to farming uestions are very	n/a While national players may have ESMS, local lending institutions may, but not transparent or may not have ESMS at all As above; local players lack capacities As above; with local players

	No,	If Yes o	or Unsure	If Relevant for	
Environmental and Social Safeguards	Yes Unsure	Likelihood	Consequence	Procurement` (include action)	Tool Link/Comment
8.6 Does the institution provide a stable communication channel with stakeholders and local communities (e.g. a Grievance Redress Mechanism)?	Unsure	possible			As above; with local players
8.7 Does the organization provide auxiliary or capacity building support services.	Unsure	possible			As above; with local players

Appendix 4b. Accomplished Offline SECAP Climate Risk Screening

Question	Yes	No	TBD	Data Source
Step 1: Hazard identification				
as well as future projections, for a given location	n. These hazar	ds should be	consider	on past and current climate observations and trends, ed in project design and implementation to promote
disaster and climate resilience. This includes we livestock, fisheries, livestock forests, value chain				to affect agricultural systems (including crops, dentification of the hazard risks are based on the
Thinkhazard tool, which ranks the likelihood of o	lifferent natu	ral hazards a	, ffecting p	roject areas (very low, low, medium and high), and
				projections on climate variability are available on the
World Bank Climate Change Knowledge Portal (CCKP). Follow	the guiding	questions	s below to establish a baseline of existing and
potential weather-related hazards, including pro	jected future	change com	pared to	the current baseline. The potential impacts of the
project on climate change (in terms of greenhou	ise gas emissi	ons) are also	addresse	d in this section
Projected change from baseline (future hazards	in the areas c	finterventio	n)	
What are the expected hazards in the project in				
River flood	High			Thinkhazard tool
Costal Flood	High			Thinkhazard tool
Urban Flood	High			Thinkhazard tool
Landslide	High			Thinkhazard tool
Cyclone	High			Thinkhazard tool
Water Scarcity (agricultural droughts and/or				
dry spells)		Low		Thinkhazard tool
Extreme Heat		Medium		Thinkhazard tool
Wildfires	High	incului		Thinkhazard tool
Future climate scenarios foreseen (period 2040-		ge in frequer	ocy and in	
Change in temperature (increase or decrease)	Mean T	gemnequei		In the WB CCKP, select the climate projection tab
enange in temperature (increase of decrease)	increase			with the monthly temperature variable on the
	>1°C			2040-2059 option at the RCP 8.5 Scenario – If the
	10			average change is higher than 1 degree compared
				to the baseline mean temperature - select YES.
Change in rainfall (increase or decrease)	YES			In the WB CCKP, select the climate projection tab
				with the precipitation variable on the 2040-2059
				option at the RCP 8.5 Scenario – If the average
				change is higher than 10% compared to the
				baseline average rainfall - select YES.
Climate variability (larger or smaller)	larger			Qualitative assessment of the climate sub-sector
	_			tab of agriculture and water tab in the CCKP
Intensity and frequency of extreme events	1			Qualitative assessment of the climate sub-sector
(larger or smaller)	larger			tab of agriculture and water tab in the CCKP
Is the project expected to have an impact on clir	nate change (i.e. contribut	te to gree	nhouse gas emissions)
Is the project expected to be a significant		No		Select 'yes' if the project plans to invest in land us
emitter of greenhouse gases?				change leading to decreased forest coverage;
				increasing livestock (especially cattle), increasing
				the use of agrochemicals. Select 'no' if none of
				these apply, or if other investments within the
				project have been confirmed to offset the
				emissions from such activities. Select 'TBD' if
			1	further analysis is required
Hazard risk = (total nº YES + TBD responses / tot	al nº YES + NO) + TBD respo	onses) * 1	.0
Step 2: Exposure Assessment				
Step 2 helps the PDT identify the exposure of the				
information related to presence of people, agric	ultural livelih	oods, species	or ecosy	stems, environmental functions, services, and

information related to presence of people, agricultural livelihoods, species or ecosystems, environmental functions, services, and resources, infrastructure; or economic, social, or cultural assets in project locations and settings that could be adversely affected by

project activities. Follow the guiding questions below to identify the project's exposure to natural hazards. Is the project located in exposed areas to weather-related natural hazards?

0	Maria		700	
Question Low-lying areas (valleys, coastal zones, and	Yes	No	TBD	Data Source
small islands)		No		Project design mission assessment
Very warm areas (subtropical)	Yes			Project design mission assessment
Tropical areas (rainforests)	Yes			Project design mission assessment
Arid and semi-arid areas (deserts)		No		Project design mission assessment
Mountains zones and permafrost areas (tundra)	Yes			Project design mission assessment
River banks		No		Project design mission assessment
Does the project target agricultural systems, ecc	systems or liv	uliboods ove	locod to y	weather related bazards?
Is crop production frequently affected by	Yes	ennoous exp		
rainfall variability, prolonged droughts,				
changes in temperature or pests and diseases?				
Is livestock productivity frequently affected by	Yes			
rainfall variability, prolonged droughts, changes in temperature or diseases?				
Are fisheries frequently affected by ocean		No		
acidification, water salinity and changes in sea		-		
surface temperature due to ocean-				PDTs should engage in stakeholder interviews or
atmospheric oscillations or climate change?	Voc			look at publicly available sources of information
Is forest productivity frequently affected by wildfires, diseases, rainfall variability,	Yes			such as research by national meteorological authorities, national climate strategies and
prolonged droughts, or changes in				frameworks (e.g. NDCs, NAPs, National
temperature?				Communications to the UNFCCC), national
Is the biodiversity in the project area likely to	Yes			agriculture and climate change action plans
be affected by changes in climate variables? Is any stage of the agricultural value chain	Yes		-	
(production, storage, processing and	165			
marketing) exposed to climate related				
hazards?				
Is any rural infrastructure likely to be affected	Yes			
by flooding, landslides, changes in temperatures, and extreme winds.				
Exposure risk = (total nº YES + TBD responses / t	otal nº VES + I		nonses) *	* 10
Step 3: Sensitivity Assessment		NO + IBDIES	ponses	10
	h a system is	susceptible to	o, and un	able to cope with, adverse effects of climate change,
including climate variability and extremes. Indivi				
				uestions below to identify the vulnerability of your
project area or system to weather-related hazar project area.	as and exposi	are. Reflect o	n the cur	rent social, economic and political factors in your
	o technology,	prices (partic	ularly foo	od and energy), financial resources, conflict, political
instability, legal enforcement, population growth				
education, and life expectancy.				
To guide your data gathering, The INFORM Risk				ated actions focused on anticipating, mitigating, and
preparing for humanitarian emergencies. Additio				
				oortant information can also be found in countries'
National Communications to the UNFCCC (chap	oter on vulner	ability of pop	ulation) a	and other national climate change and DRR
frameworks or scientific papers. What are key sensitivities for the populations in	the project's	aroas of intor	wontion?	
what are key sensitivities for the populations in	ine project s		ventions	Use the INFORM, Hazard& Exposure tab - Current
				Highly Violent Conflict Intensity Score (Column -
Is conflict exacerbating the population's	Yes			DT).
sensitivity to weather related hazards?	105			For scores of 5 and above, include a 'Yes'
				response. For scores of 1-4, include a 'No' response
Is population displacement being exacerbated				
by climate change impacts?	Yes			Project design mission assessment
Are diseases (e.g. COVID-19, malaria, cholera)				Use the INFORM, Vulnerability tab - Current Highly
increasing the population's vulnerability and		No		Health Conditions Score (Column - AB) Scores
affecting their capacity to address potential weather-related hazards?				above 5 would trigger a YES response.
				Use the INFORM, Hazard& Exposure tab Droughts
Is the income of the target population predominately coming from agriculture?	Yes			probability and historical impact (Column - AU)
presentation coming nom agriculture:			1	Scores above 5 would trigger a YES response.

Question	Yes	No	TBD	Data Source
Are social inequalities (e.g. based on gender, youth, indigenous persons and other marginalized groups) being exacerbated by climate change?	Yes			Use the INFORM, Vulnerability tab – Inequality index (Column - H). Scores above 5 would trigger a YES response - Also assess presence of indigenous group in the country/project intervention area through the International Working Group for Indigenous Affairs, website
Is the Human Development Index (HDI) equal to or below 0.6?		No		Indigenous Affairs website Use the INFORM, Vulnerability tab - Human development (Column - C) Scores above 5 would trigger a YES response.
Is the Multidimensional Poverty Index (MPI) equal to or above 0.1?	Yes			Use the INFORM, Vulnerability tab - Multidimentional Poverty Index (Column - D) Scores above 5 would trigger a YES response.
Sensitivity risk = (total nº YES + TBD responses /	total nº VES +	NO + TBD re	snonses)	* 10
Step 4: Adaptive capacity and climate resilience		110 110010	50015057	10
on adaptive capacity may decrease the expected Adaptive capacity is the ability of a community of negative consequences of climate change in the including their level of general development as w resources and opportunities, alternatives and th	es in Steps 1- I risk level. r individual e r production vell as assets,	3 above incre xposed to clir and livelihoo information	ased the mate cha d context (includin	project's expected overall climate risk rating, Step 4 nge to adjust, absorb, avoid, and/or diffuse the Their ability to do so is linked to their context,
are subject to the impacts of climate change				
What are key adaptive capacities in the areas of		vention?	ŀ	
Is the country well ranked in the Disaster risk reduction progress score?	Yes			Use the INFORM, Lack of coping capacity tab – Inequality index (Column - D). Scores Below 5 would trigger a YES response
Are climate and weather information services (real-time weather data, seasonal forecasts etc.) effectively being delivered (through radio, TV, SMS, extension services etc.) to farmers, rural dwellers, and end users?	Yes			Project design mission assessment
Does the project country have an early action plan (preparedness and emergency response) to mitigate the impacts of weather-related hazards once the shock occurs?	Yes			Project design mission assessment
Does the government or other institutions support the target population/communities with the necessary social and economic resources to prepare for or respond to climate- related events?	Yes			Project design mission assessment
Is the target community carrying out (using their own means) agricultural adaptation?	Yes			Project design mission assessment
Does the target population have the economic means or support to adjust or adapt their activities in response to weather related shocks?		No		Project design mission assessment
Do policies/mechanisms exist that make financial credit, loans, and agricultural insurance available?		No		Project design mission assessment
Are rural infrastructures effectively delivering services to farmers and rural dwellers?		No		Existing Roads, Irrigation schemes and water management structures are effectively working in the project intervention area

Appendix 5: VISTA-IFAD Environmental and Social Exclusion List

IFAD will not knowingly finance, directly or indirectly, projects involving the following (SECAP 2021, Volume 2):

- Production or activities involving harmful or exploitative forms of forced labour,¹ or practices which prevent employees from lawfully exercising their rights of association and collective bargaining;
- (ii) Production or activities involving harmful or exploitative forms of child labour;²
- Production or activities that impinge on the lands owned, or claimed under adjudication, by indigenous peoples, without full documented consent of such peoples;
- (iv) Activities prohibited by host-country legislation or international conventions relating to the protection of biodiversity resources, cultural heritage or other legally protected areas;³
- (v) The production, trade in or use of any product or activity deemed illegal under host country (i.e. national) laws or regulations, international conventions and agreements, or subject to international phase-out or bans, such as:
 - a) Products containing polychlorinated biphenyls (PCBs);
 - b) Pharmaceuticals, pesticides, herbicides and other hazardous substances subject to international phase-outs or bans;⁴
 - c) Ozone-depleting substances subject to international phase-outs regulated by the Montreal Protocol;⁵
 - d) Wildlife products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES);⁶ and
 - e) Transboundary trade in waste or waste products, as defined by the Basel Convention;⁷
- (vi) Commercial logging operations or the purchase of logging equipment for use in primary tropical moist forests or old-growth forests;
- (vii) Production or trade in wood or other forestry products other than from sustainably managed forests;
- (viii) Production or trade in alcoholic beverages (excluding beer and wine), tobacco or drugs;
- (ix) Marine and coastal fishing practices such as blast fishing, large-scale pelagic drift net fishing using nets in excess of 2.5 km in length or fine mesh net fishing harmful to vulnerable and protected species in large numbers and damaging to marine biodiversity and habitats;

¹ Forced labour is work exacted under the threat of penalty and for which the worker has not offered himself or herself voluntarily. It can involve threats of dismissal or physical violence, the withholding of identity documents or wages, threats to report workers to immigration authorities and entangling workers in fraudulent debt.

² Child labour includes: (i) labour below the host country's minimum age of employment; and (ii) any other work that may be hazardous, may interfere with a child's education, or may be harmful to a child's health or physical, mental, spiritual, moral or social development. If national laws or regulations provide for employment of children of at least 16 years of age (in line with ILO's 1973 Minimum Age Convention), on the condition that their health, safety and morals are fully protected, and they have received adequate instruction or vocational training in the relevant branch of activity, then child labour means employing children for work that does not comply with these laws and regulations.

³ Relevant international conventions include the: Convention on the Conservation of Migratory Species of Wild Animals (Bonn Convention); Convention on Wetlands of International Importance, especially as Waterfowl Habitat (Ramsar Convention); Convention on the Conservation of European Wildlife and Natural Habitats (Bern Convention); World Heritage Convention; and Convention on Biological Diversity.

⁴ Relevant international conventions include the: United Nations Consolidated List of Products whose Consumption and/or Sale have been Banned, Withdrawn, Severely Restricted or not Approved by Governments; Convention on the Prior Informed Consent Procedures for Certain Hazardous Chemicals and Pesticides in International Trade (Rotterdam Convention); Stockholm Convention on Persistent Organic Pollutants; and WHO Classification of Pesticides by Hazard. A list of pesticides, herbicides and other hazardous substances subject to phase-outs or bans is available at http://www.pic.int.

⁵ A list of the chemical compounds regulated by the Montreal Protocol, together with details of signatory countries and phase-out target dates, is available from UNEP.

⁶ A list of CITES species is available from the CITES secretariat.

- Trade in goods without required export or import licenses or other evidence of authorization of transit from the relevant countries of export, import and, if applicable, transit;
- (xi) Production of, trade in or use of unbounded asbestos fibres;
- (xii) All mining, mineral processing and extraction activities;
- (xiii) Production or trade in radioactive materials;⁸
- (xiv) Gambling, casinos and equivalent enterprises, trade related to pornography or prostitution;
- (xv) Money laundering, terrorism financing, tax avoidance, tax fraud and tax evasion;
- (xvi) Production and distribution, or investment in media that are racist, antidemocratic or that advocate discrimination against an individual, group or part of the population;
- (xvii) Activities prohibited by host country legislation or other legally binding agreements regarding genetically modified organisms (GMOs);
- (xviii) Production of or trade in palm oil, unless from growers and companies with internationally recognised certification⁹, or undergoing certification;¹⁰

In addition, the project will not engage or include ARCs within ancestral domains

or with such complexities of overlaps and conflict and will have to uphold the VISTA-IPPF. The DAR will have to show proof of when the ARC was established: whether it is pre- or post-IPRA along with the necessary documents:

- (i) For pre-IPRA ARCs, DAR will have to provide IFAD with a copy of DENR certification on land classification status of the area if indeed it is A&D at the time of clearance towards ARC establishment.
- (ii) For post-IPRA cases, DAR will have to furnish IFAD with either a CNO or FPIC as issued by NCIP.

⁸ This does not apply to the purchase of medical or veterinary equipment, quality control (measurement) equipment and any similar equipment where the radioactive source is trivial and/or adequately shielded.
⁹ For example, Round Table on Sustainable Palm Oil (RSPO).

¹⁰ This includes growers and companies that have initiated such certification process. 126 For example, Round Table on Responsible Soy Association (RTRS).

Appendix 6. VISTA Subproject Screening Checklist

The objectives of the environmental and social screening checklist are to identify: (i) the potential environmental and social risks of subprojects; (ii) required SECAP plans and instruments to mitigate the risks; and (iii) identify the required permits/clearances for the subproject.

The screening form will be accomplished by the Proponent during the subproject preparatory stage under Component 1, with the guidance of the Component 1 Consultants and RPMO SECAP Focals.

An annotated reference on responding to this Checklist especially for Sections C (ie, likelihood and consequence) and Section D will be provided during the orientation on use of this instrument.

A. Project Details

Name of subproject:				
Project Location:	Region:			
	Municipality:			
	Barangay:			
Project cost (PhP)				
Project Duration	Start Date: (dd	/mm/year)	End date: (dd/mm/year)	
Description of the Subproject				

B. Screening for Eligibility and the PEISS System

Question	Yes	No	Comment
Is the Subproject listed in the Negative List (SRN, Appendix 3a)?			If YES, Subproject is not eligible for funding under VISTA
Is the subproject a Category A as per DAO 2003-30 Procedural Manual?			If YES, Subproject needs to undergo the EIA process and to secure ECC from DENR. Subsequently for selected subprojects, the EIS and the ECC shall be submitted to the RPMO to conform to project readiness requirements.
Is the subproject a Category B as per DAO 2003-30 Procedural Manual?			If YES, Subproject needs to undergo Initial Environmental Examination (IEE) and to secure ECC from DENR. Subsequently for selected projects, the IEE report and the ECC shall be submitted to the RPMO to conform to project readiness requirements.
Is the subproject a Category C as per DAO 2003-30 Procedural Manual?			If YES, Subproject needs to undergo EIA/IEE and secure ECC/CNC from DENR. Subsequently for selected projects, the EIA /IEE report and ECC/CNC secured from DENR shall be submitted to RPMO to conform to project readiness requirements.
Is the subproject a Category D as per DAO 2003-30 Procedural Manual?			If YES, Subproject needs to secure CNC from DENR. Subsequently for selected projects, the CNC secured from DENR shall be submitted to RPMO to conform to project readiness requirements.

C. Screening for SECAP Environment and Social Standards 1-8

Screening Question	Yes Unsure	Likelihood	Consequence	Remarks
	Unsure			
Standard 1: Biodiversity conserva	ation			
1.1 Could the project potentially				If yes to any of the 8
involve or lead to conversion or				screening questions,
degradation of biodiversity,				invoke the pertinent
habitats (including modified				requirements of Standard
habitat, natural habitat and critical				1.
natural habitat) and/or ecosystems				
and ecosystem services?				
1.2 Could the project involve or				
potentially lead to activities				
involving habitats that are legally				
protected, officially proposed for				
protection, or recognized as				
protected by traditional local				
communities and/or authoritative				
sources (e.g. National Park, Nature				
Conservancy, Indigenous				
Community Conserved Area, ICCA,				
etc.)?				
1.3 Could the project potentially				
involve or lead to an increase in the				
chance of human-wildlife				
encounters/conflict?				
1.4 Could the project potentially				
involve or lead to risks to				
endangered species (e.g.				
reduction, encroachment on				
habitat)?				
1.5 Could the project potentially				
involve or lead to impacts/risks to				
migratory wildlife?				
1.6 Could the project potentially				
involve or lead to introduction or				
utilization of any invasive alien				
species of flora and fauna, whether				
accidental or intentional?				
1.7 Could the project involve or				
lead to the handling or utilization of				
genetically modified organisms?				
1.8 Could the project involve or				
lead to procurement through				
primary suppliers of natural				
resource materials?				
Standard 2: Resource Efficiency a	nd Polluti	on Prevention		•
2.1 Could the project involve or				If yes to any of the 9
ead to the release of pollutants to				screening questions,
the environment due to routine or				conduct ESIA and prepar
non-routine circumstances with the				ESCMP.
potential for adverse local,				
regional, and/or transboundary				Secure the corresponding
impacts?				permits required by
2.2 Could the project involve or				Government, ie PEISS
lead to primary not				and water permit.
environmentally sustainable				
production of living natural				
resources? (Note: this includes the				
cultivation or rearing of plants or				
animals, including annual and				
perennial crop farming, animal				
husbandry (including livestock),				
aquaculture, plantation forestry,				
etc)				

	No	If Yes,	/ Unsure	
Screening Question	Yes Unsure	Likelihood	Consequence	Remarks
2.3 Could the project involve or				
lead to engagement in areas of forestry, including the harvesting of				
natural forests, plantation				
development, and/or reforestation?				
2.4 Could the project involve or				
lead to significant consumption of				
raw materials, energy, and/or				
water? 2.5 Could the project involve or				
lead to significant extraction,				
diversion or containment of surface				
or ground water (e.g. construction				
of dams, reservoirs, river basin				
developments, groundwater				
extraction)? 2.6 Could the project involve inputs				
of fertilizers and other modifying				
agents?				
2.7 Could the project involve or				
lead to procurement, supply and/or				
result in the use of pesticides on				
crops, livestock, aquaculture or forestry?				
2.8 Could the project be located in				
an area which is being, or has				
been, polluted by an external				
source (e.g. a mine, smelter,				
industry)?				
2.9 Could the project involve livestock – extensive and intensive				
systems and animal products				
(dairy, skins, meat, etc.)?				
Standard 3: Cultural Heritage			1	
3.1 Could the project be located in				Management protocols
areas that are considered to have archaeological (prehistoric),				shall be clearly incorporated and
paleontological, historical, cultural,				stipulated in the IPP (See
artistic, and religious values or				below Standard 4 no.
contains features considered as				4.5).
critical cultural heritage?				
3.2 Could the project directly or indirectly affect indigenous peoples'				
rights, lands, natural resources,				
territories, livelihoods, knowledge,				
social fabric, traditions, governance				
systems, and culture or heritage				
(tangible and intangible)?				
3.3 Could the project involve or lead to significant excavations,				
demolitions, movement of earth,				
flooding or other environmental				
changes?				
3.4 Could the project involve or				
lead to adverse impacts to sites,				
structures, or objects with historical, cultural, artistic,				
traditional or religious values or				
intangible forms of culture (e.g.				
knowledge, innovations, practices)?				
(Note: projects intended to protect				
and conserve Cultural Heritage may also have inadvertent adverse				
impacts)				
3.5 Could the project involve or				
lead to alterations to landscapes				

	No	If Yes,	/ Unsure	
Screening Question	Yes Unsure	Likelihood	Consequence	Remarks
and natural features with cultural				
significance? 3.6 Could the project involve or				
lead to utilization of tangible and/or				
intangible forms (e.g. practices,				
traditional knowledge) of Cultural				
Heritage for commercial or other purposes?				
Standard 4: Indigenous peoples				
4.1 Could the project be sited in				In consultation with NCIP.
areas where indigenous peoples are				If yes in 4.1, apply for
present (including the project area of influence)?				IPRA FPIC in reference to the VISTA FPIC
4.2 Could the project result in				Implementation Plan and
activities located on lands and				prepare IPP
territories claimed by indigenous				
peoples?				-
4.3 Could the project result in impacts on the rights of indigenous				
peoples or to the lands, territories				
and resources claimed by them?				
4.4 Could the project result in the				
utilization and/or commercial development of natural resources				
on lands and territories claimed by				
indigenous peoples?				
4.5 Could the project lead to				
impacts on the Cultural Heritage of				
indigenous peoples, including through the commercialization or				
use of their traditional knowledge				
and practices?				
Standard 5: Labour and Working	Condition	S	1	
5.1 Could the project operate in				If yes to any of the 4
sectors or value chains that are characterized by working conditions				screening questions, VISTA to invoke the
that do not meet national labour				pertinent requirements
laws or international commitments?				under Standard 5.
(Note: this may include				
discriminatory practices, high				
discriminatory practices, high gender inequality and the lack of				
discriminatory practices, high				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants)				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants) 5.2 Could the project use or				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants) 5.2 Could the project use or operate in a value chain where				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants) 5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants) 5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced labour may be increased for				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants) 5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced labour may be increased for projects located in remote places or				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants) 5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced labour may be increased for projects located in remote places or where the status of migrant				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants) 5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced labour may be increased for projects located in remote places or				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants) 5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced labour may be increased for projects located in remote places or where the status of migrant workers is uncertain) 5.3 Could the project involve children (a) below the nationally-				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants) 5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced labour? (Note: Risks of forced labour? (Note: Risks of forced labour? totate in remote places or where the status of migrant workers is uncertain) 5.3 Could the project involve children (a) below the nationally- defined minimum employment age				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants) 5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced labour? (Note: Risks of forced labour may be increased for projects located in remote places or where the status of migrant workers is uncertain) 5.3 Could the project involve children (a) below the nationally- defined minimum employment age (usually 15 years old) or (b) above				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants) 5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced labour? (Note: Risks of forced labour may be increased for projects located in remote places or where the status of migrant workers is uncertain) 5.3 Could the project involve children (a) below the nationally- defined minimum employment age				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants) 5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced labour? (Note: Risks of forced labour may be increased for projects located in remote places or where the status of migrant workers is uncertain) 5.3 Could the project involve children (a) below the nationally- defined minimum employment age (usually 15 years old) or (b) above the nationally-defined minimum employment age but below the age of 18 in supported activities or in				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants) 5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced labour may be increased for projects located in remote places or where the status of migrant workers is uncertain) 5.3 Could the project involve children (a) below the nationally- defined minimum employment age (usually 15 years old) or (b) above the nationally-defined minimum employment age but below the age of 18 in supported activities or in value chains?				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants) 5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced labour may be increased for projects located in remote places or where the status of migrant workers is uncertain) 5.3 Could the project involve children (a) below the nationally- defined minimum employment age (usually 15 years old) or (b) above the nationally-defined minimum employment age but below the age of 18 in supported activities or in value chains? 5.4 Could the project: (a) operate				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants) 5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced labour may be increased for projects located in remote places or where the status of migrant workers is uncertain) 5.3 Could the project involve children (a) below the nationally- defined minimum employment age (usually 15 years old) or (b) above the nationally-defined minimum employment age but below the age of 18 in supported activities or in value chains? 5.4 Could the project: (a) operate in a sector, area or value chain				
discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants) 5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced labour may be increased for projects located in remote places or where the status of migrant workers is uncertain) 5.3 Could the project involve children (a) below the nationally- defined minimum employment age (usually 15 years old) or (b) above the nationally-defined minimum employment age but below the age of 18 in supported activities or in value chains? 5.4 Could the project: (a) operate				

	No	If Yes/ Unsure			
Screening Question	Yes Unsure	Likelihood	Consequence	Remarks	
and safety risks, and/or (b)					
promote or use technologies or					
practices that pose occupational safety and health (OSH) risks for					
farmers, other rural workers or					
rural populations in general? (Note:					
OSH risks in agriculture might					
include: dangerous machinery and					
tools; hazardous chemicals; toxic or allergenic agents; carcinogenic					
substances or agents; parasitic					
diseases; transmissible animal					
diseases; confined spaces;					
ergonomic hazards; extreme					
temperatures; and contact with					
dangerous and poisonous animals, reptiles and insects. Psychosocial					
hazards might include violence and					
harassment.)					
Standard 6: Community Health, S	afety and	Security			
6.1 Could the project be at risk from water-borne or other vector-				If yes to any of the 10	
borne diseases (e.g. temporary				screening questions, VISTA to invoke the	
breeding habitats), and/or				pertinent requirements	
communicable and non-				under Standard 6.	
communicable diseases?					
6.2 Could the project lead to					
unintended negative impacts on nutrition?					
6.3 Is there a possibility of harm or					
losses due to failure of structural					
elements of the project (e.g.					
collapse of buildings or					
infrastructure)? 6.4 Could the project involve or					
lead to the construction or					
rehabilitation of dams?					
6.5 Could the project involve or					
lead to transport, storage, and use					
and/or disposal of hazardous or					
dangerous materials (e.g. explosives, fuel and other					
chemicals during construction and					
operation)?					
6.6 Could the project lead to					
adverse impacts on ecosystems					
and ecosystem services relevant to					
communities' health (e.g. food, surface water purification, natural					
buffers from flooding)?					
6.7 Could the project lead to the					
potential for gender-based					
violence, including sexual					
harassment, exploitation and abuse, as a result of labour influx,					
land redistribution, or other actions					
that alter community dynamics?					
6.8 Could the project lead to					
increases in traffic or alteration in					
traffic flow?					
6.9 Could the project lead to an influx of project workers?					
6.10 Could the project involve or					
lead to the engagement of security					
personnel to protect facilities and					

	No	If Yes,	/ Unsure	
Screening Question	Yes	Likelihood	Consequence	Remarks
property or to support project	Unsure			
activities?				
Standard 7: Resettlement	T		1	1
7.1 Could the project result in				If yes to any 1 of the 4
temporary or permanent and full or				screening questions, refer
partial physical displacement				to Abbreviated RF and
(including people without legally				prepare the Subproject RAP.
recognizable claims to land)? 7.2 Could the project result in				KAP.
economic displacement (e.g. loss of				
assets or access to resources due				
to land acquisition or access				
restrictions – even in the absence				
of physical relocation)?				
7.3 Could the project present a risk				
of forced evictions?				
7.4 Could the project result in				
impacts on or changes to land				
tenure arrangements and/or				
community-based property				
rights/customary rights to land, territories and/or resources?				
Standard 8: Financial intermedia	ies and di	irect investme	nts	
8.1 Could the investment be	ies allu u	liect investine	1115	If yes to any of the 7
aranted to an institution that does				screening questions,
not have an environmental and				VISTA SECAP focals to
social policies and an associated				assist institution in the
environmental and social				preparation of an ESMS.
management system (ESMS) in				
place (transparent, publicly				
available)?				-
8.2 Could the investment be				
granted to an institution with				
insufficient capacities (i.e. unqualified personnel e.g. ES				
Officer) to implement the ESMS?				
8.3 Could the investment be				-
granted to an institution that does				
not have an Exclusion List?				
8.4 According to the institution's				1
portfolio classification: Could the				
institution have potential high-risk				
projects in their portfolio?				_
8.5 Is there evidence that the				
institution does not comply with the				
local legal framework? 8.6 Does the institution provide a				4
stable communication channel with				
stakeholders and local communities				
(e.g. a Grievance Redress				
Mechanism)?				
8.7 Does the organization provide				1
auxiliary or capacity building				
support services.				

D. Screening for SECAP Standard 9: Climate Change

Question	Yes	No	TBD	Data Source/Comment	
1. Hazard identification - Projected chang	e from	baselir	ne (futu	re hazards in the areas of intervention)	
What are the expected hazards in the project intervention area?					
River flood					
Coastal Flood					
Urban Flood					
Landslide					
Cyclone					

Question	Yes	No	TBD	Data Source/Comment
Water Scarcity (agricultural droughts	163	NO		Data Source/ comment
and/or dry spells)				
Extreme Heat				
Wildfires				
Future climate scenarios foreseen (period 20	040-205	59) - C	Change	in frequency and intensity
Change in temperature (increase or			j =	
decrease)				
Change in rainfall (increase or decrease)				
Climate variability (larger or smaller)				
Intensity and frequency of extreme events				
(larger or smaller)				
Is the project expected to have an impact of	n climat	te chan	ge (i.e.	contribute to greenhouse gas emissions)
Is the project expected to be a significant				
emitter of greenhouse gases?				
2. Exposure Assessment				
Is the project located in exposed areas to w	eather-	related	natura	l hazards?
Low-lying areas (valleys, coastal zones,				
and small islands)				
Very warm areas (subtropical)				
Tropical areas (rainforests)				
Arid and semi-arid areas (deserts)				
Mountains zones and permafrost areas				
(tundra) River banks				
Does the project target agricultural systems	AC0.01/	steme (l ar livalil	hoods exposed to weather-related hazarde?
Is crop production frequently affected by	, ecosy:			noous exposed to weather related hazards?
rainfall variability, prolonged droughts,				
changes in temperature or pests and				
diseases?				
Is livestock productivity frequently				
affected by rainfall variability, prolonged				
droughts, changes in temperature or				
diseases?				
Are fisheries frequently affected by ocean				
acidification, water salinity and changes in				
sea surface temperature due to ocean-				
atmospheric oscillations or climate				
change?				
Is forest productivity frequently affected				
by wildfires, diseases, rainfall variability, prolonged droughts, or changes in				
temperature?				
Is the biodiversity in the project area				
likely to be affected by changes in climate				
variables?				
Is any stage of the agricultural value chain				
(production, storage, processing and				
marketing) exposed to climate related				
hazards?				
Is any rural infrastructure likely to be				
affected by flooding, landslides, changes				
in temperatures, and extreme winds.				
3. Sensitivity Assessment				
What are key sensitivities for the population	s in the	e projec	t's area	as of intervention?
Is conflict exacerbating the population's				
sensitivity to weather related hazards?				
Is population displacement being				
exacerbated by climate change impacts? Are diseases (e.g. COVID-19, malaria,				
cholera) increasing the population's				
vulnerability and affecting their capacity to				
address potential weather-related				
hazards?				
Is the income of the target population				
predominately coming from agriculture?				
Are social inequalities (e.g. based on	1			
gender, youth, indigenous persons and				

Question	Yes	No	TBD	Data Source/Comment				
other marginalized groups) being								
exacerbated by climate change?								
Is the Human Development Index (HDI)								
equal to or below 0.6?								
Is the Multidimensional Poverty								
Index (MPI) equal to or above 0.1?								
4. Adaptive capacity and climate resilience								
What are key adaptive capacities in the area	is of pro	oject in	tervent	ion?				
Is the country well ranked in the Disaster risk reduction progress score?								
Are climate and weather information								
services (real-time weather data, seasonal								
forecasts etc.) effectively being delivered								
(through radio, TV, SMS, extension								
services etc.) to farmers, rural dwellers,								
and end users?								
Does the project country have an early								
action plan (preparedness and emergency								
response) to mitigate the impacts of								
weather-related hazards once the shock								
occurs?								
Does the government or other institutions								
support the target								
population/communities with the necessary social and economic resources								
to prepare for or respond to climate-								
related events?								
Is the target community carrying out								
(using their own means) agricultural								
adaptation?								
Does the target population have the								
economic means or support to adjust or								
adapt their activities in response to								
weather related shocks?								
Do policies/mechanisms exist that make								
financial credit, loans, and agricultural								
insurance available?								
Are rural infrastructures effectively								
delivering services to farmers and rural								
dwellers?								

Prepared/Submitted by:

Approved by:

Reviewed by:

Signature over Printed Name (Proponent) Signature over Printed Name (RPMO Head) Signature over Printed Name (PPMO Head)

Date:

Date:

Date:



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex: Annex 13. Project Procurement Strategy VISTA

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities (VISTA)

Project Procurement Strategy

Department of Agrarian Reform, Department of Agriculture and Municipal Local government Units

August 2023

Contents	
1. PROJECT OVERVIEW	3
1.1 Procurement Significance:	3
2. OVERVIEW OF COUNTRY, BORROWER AND MARKET PLACE	4
2.1 Operational Context	4
2.1.1 Governance	4
2.1.2 Economic Aspects:	6
2.1.3 Sustainability Aspects:	6
2.1.4 Technological aspects:	7
2.2 IA's Internal Capability Assessment	7
2.2.1 Experience:	7
2.2.2 Strengthening Procurement Capacity:	
2.2.3 Procurement processes and delegation of authority:	
2.2.4 Contract Management Capability and Capacity:	12
2.2.5 Complaints management and dispute resolution systems:	
2.3 Market Analysis	
3. PROCUREMENT RISK ANALYSIS:	13
4. PROCUREMENT OBJECTIVES	16
5. RECOMMENDED PROCUREMENT APPROACH	16
6. SECAP INTEGRATION	17

Contents

1. PROJECT OVERVIEW

Country	Philippines
Full Project Name	Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities(VISTA)
Total Finance (US\$)	85 Million
Project Number	
Summary of Project	Increase income and employment of target groups in fragile upland areas,
Development	including women, youth and IPs, through the strengthening of inclusive value
Objective	chains with conservation and sustainable use of the natural resources and climate resilient practices.

1.1 Procurement Significance:

There are no envisaged big ticket procurement packages in this project. Majority of the procurement activities under this program are envisaged to be simple medium to low value contracts. While there are infrastructure packages, VISTA is mainly a value chain project rather than an infrastructure project. While by its nature, infrastructure projects cost more, there are no big ticket infrastructure procurement packages in VISTA. The proposed project will be implemented in two Regions(Cordillera Administrative Region and Region 12) comprised of a total of 10 provinces. Simple medium to low value procurement for works, goods and consulting procurement activities envisioned by the project are: (a) farm slope protection works, small farm reservoir, streambank stabilization, rehabilitation/construction of communal irrigation system, pipe irrigation scheme, standard farm to market road totaling 80kms over 10 provinces, tire tracks, trails, foot bridges, greenhouse drip irrigation and several units of warehouses (b) regular office logistics such as supply of office vehicles, desk and laptop computers, tablets, furniture etc. required at the initial stage and during implementation of project implementation, lease of venue for anticipated trainings for project staff and beneficiaries and on consulting services (c) individual/consulting firm services as technical partner in the implementation of component 1(Ecosystem planning, protection and enhancement), GIS and IT experts, Farmer Business School capacity building service provider, consultants for Vista Investment Planning, VPO Enterprise Capacity Building and conduct of rural finance study.

Procurement of goods

Project is envisioned to procure regular office logistics such as supply of office equipment, office vehicles for the regional and provincial offices, desktop computers, laptop computers, tablets, furniture etc. including other items required at the initial stage of project start-up i.e. during the first 18 months. However, the exact number of all goods and their specific procurement budget referenced in the Philippines as the ABC(Approved Budget for the Contract) will be ascertained at a later stage as the implementation proceeds ahead, as it is difficult to foresee at the present stage. Nevertheless, it is clear that the contract packages will be from medium to small in size.

Procurement of works

Under this category it is envisioned to procure farm slope protection works, small farm reservoir, streambank stabilization, rehabilitation/construction of communal irrigation system, pipe irrigation scheme, standard farm to market road totaling 80kms over 10 provinces, tire tracks, trails, foot bridges, greenhouse drip irrigation and several units of warehouses. Like in the goods

procurement, the exact number of all work contracts will be ascertained at a later stage as the exact project beneficiaries, location of the project sites, the length/area, detailed engineering and proposed ABC will be determined only at that point. Nevertheless, it is clear that the contract packages will be from medium to small in size.

Procurement of consulting services

Being a value chain project, it is reasonably expected that consulting services will be procured for the 2 main project components(1.Ecosystem planning, protection and enhancement and 2. Sustainable Value Chain Development.) including the engagement of project staff and consulting services for project staff capacity building under the component on project management. These consulting services include technical partner in the implementation of component 1(Ecosystem planning, protection and enhancement), GIS and IT experts, Farmer Business School capacity building and conduct of rural finance study. However, at this stage, the specific contract packages and proposed ABC of all work contracts will be ascertained at a later stage as the implementation proceeds with the identification of beneficiaries and completion of Vista Investment Planning exercise.

2. OVERVIEW OF COUNTRY, BORROWER AND MARKET PLACE

2.1 Operational Context

2.1.1 Governance: The Philippines is a republic type of government structure headed by a President elected at large. The national legislature(Congress of the Philippines) is a two chamber body composed of the House of Representatives and the Senate. The country is divided into regions consisting of local government units(provinces, cities, municipalities and barangays). However, there are no regional governments (except the BARMM or the Bangsa Moro Autonomous Region in Muslim Mindanao). Provinces, headed by Governors, consist of cities and Municipal Local Government Units(MLGUs), the latter are implementing partners of the VISTA project especially on the procurement and implementation of civil works sub-projects.

In January 2003, with World Bank support, the Congress of the Philippines enacted Republic Act 9184 otherwise known as the Government Procurement Reform Act to serve as the central legal reference on public procurement. RA 9184 covers all procurement of any branch, agency, department, bureau, office, or instrumentality of the Government of the Philippines, including government-owned and/or -controlled corporations (GOCCs), government financial institutions (GFIs), state universities and colleges (SUCs), and local government units (LGUs)". The Law was drafted based on internationally accepted practices. Under this Act, a Government Procurement Policy Board (GPPB) with support from its Technical Service Office(TSO) was tasked to issue the Implementing Rules and Regulations(IRR) of RA 9184. It was also tasked of issuing Standard Bidding Documents(SBDs) and procurement manuals and guidelines to support procuring entities. The initial IRR of RA 9184 was issued in September 2003. It was revised in September 2009 with the latest revision in October 2016, publicly referred to us the 2016 Revised Implementing Rules and Regulations(2016 RIRR). Since 2022, the 2016 RIRR are updated on a guarterly basis. Since the enactment of RA 9184, IFAD funded projects in the Philippines have adopted this national procurement system as the applicable procurement rules of its projects to the extent consistent with IFAD Project Procurement Guidelines and applicable Letters to the Borrower, now Project Procurement Arrangements(PPA) letter.

Key Procurement arrangement under RA 9184:

Transparency, competitiveness, streamlined procurement process, system of accountability and public monitoring of procurement are the RA 9184/2016 RIRR principles. Based upon those

principles, the 2016 RIRR provided for detailed procurement rules that reflect those principles. Standard Bidding Documents incorporate by reference the 2016 RIRR in the section on Instructions to Bidders. Should the indicated ABC exceed Php1M, NCB is mandated. If the ABC is less than Php1M, procuring entities are given the option to resort to an appropriate alternative method of procurement procedural details of which are provided under Annex H(Consolidated Guidelines on alternative Methods of Procurement) of the 2016 RIRR on GPPB likewise has prepared standard bidding documents for the procurement of goods, works and consultancy services with standards contract agreement form document for ICB and NCB. However, there are no standard bidding documents and standard contract agreement forms shopping and small value procurements such as Request for Quotations for goods and works and request for proposals in case of consultancy services. National SBDs highlight corrupt, fraudulent, collusive, coercive, obstructive and other analogous prohibited practices where the definitions are consistent with IFAD's SDBs. Past and ongoing IFAD projects incorporate in the bidding documents IFAD's bidder and contractor self-certification forms Nevertheless, there is separate national Act on environmental protection. However, it does not cover on climate change and SH/SEA provisions equivalent to those in IFAD's SBDs. For this project, an Annex will be attached to SBDs incorporating bidding requirements consistent with SECAP mitigation actions in specific procurements, where applicable. The 2016 RIRR also provides for a protest mechanism process and referral to arbitration in case of disputes between the procuring entity and contracted suppliers, contractors and consultants. In spite of all those, there is a need for continuous capacity building of procurement personnel especially if procurement personnel have retired, resigned or replaced with inexperienced personnel.

The 2016 RIRR has provisioned advertising rules and time limits for goods/works/consultancy services for ICB, NCB contracts, sealed quotation, direct contracts in detail. Submission, receipt and opening of tenders are generally done by the respective offices in time as mentioned in the notice. However, it allows an award for a sole bidder provided its bid is found responsive after post qualification. Despite the online publication of the invitation to bid, these may impinge on IFAD's definition of competition that requires the presence of at least three separate bidders. During the opening of the tender, representatives from the bidder side, project side, civil society organizations and the Commission on Audit are invited. Minutes of bid opening is prepared. However, pre-bid and bid opening minutes are available only upon request. There is no legal obligation by procuring entities to provide the minutes to the bidders to apparently to avoid the failure to provide as an issue to assail the validity pf the procurement process. Bidders' qualification criteria are pass/fail and are defined in the 2016 RIRR incorporated in the instructions to bidders.

RA 9184/2016 RIRR, PPR requires that selection of consulting firm services via NCB be made using Quality Based Evaluation (QBE) Procedure and Quality Cost Based Selection (QCBS). However, QCBS method are mostly used. There are alternative methods of procurement for individual consultants such as small value procurement which require procuring entities to invite at least three potential bidders via RFP but the submission of one bid will be sufficient to proceed with the evaluation and award if found responsive upon post qualification.

RA 9814 and its 2016 do not exclude foreign bidders based on nationality or unnecessary national requirements. For goods procurement, domestic preference of 15% has been provisioned to all the domestic bidders for goods procurement whether via NCB or ICB. No domestic preference exist for works and consulting services.

Unlike IFAD's procurement rules, bid evaluation is based on full responsiveness determined by a pass/fail criteria in turn based on the presence or absence of a required document stated in the issued SBD. Substantial responsiveness is not allowed. The full responsiveness is intended to prevent abuses in discretion in the evaluation that created opportunities for graft and corruption.

However, it would appear that application of post qualification criteria provided in the 2016 RIRR may still open doors for exercise of discretion. There are provisions made in 2016 RIRR for exclusion in case of convictions related to criminal or corrupt activities and for administrative debarment under the national law. Further, 2016 RIRR requires that Bid evaluation process is confidential implemented by a no contact rule policy from opening of bids to issuance of notice of award.

2016 RIRR requires a a 5-7 member Bids and Awards Committee(BAC) composed of permanent government officials with a term of one year subject to reappointment. BAC membership is by virtue of a designation order which means additional functions apart from their regular government functions. It has 3 regular members headed by a senior officer with members coming from the legal or administrative area and a representative from the finance area. There are at least 2 other members: subject matter expert and representative of the end user unit. BAC is given discretion to create a Technical Working Group(TWG) to assist its bid evaluation and post qualification functions. In practice, TWGs are often created with recommendations often accepted by the BAC,

The protest mechanism allows a bidder to file a request for reconsideration within 3 calendar days from notice of the BAC decision. BAC will resolve request within 7 calendar days. If not satisfied with the resolution, bidder may file a protest with the head of the procuring entity within 7 calendar days who should resolve the protest within the same period. If unsatisfied with the resolution of the protest, bidder may then go to the courts.

The national framework makes reference to sustainability but does not prescribe a SPP plan. It includes dedicated guidelines for application of sustainability criteria to ensure value for money at all stages in public procurement.

There exists government institution in charge of the normative/regulatory function like the GPPB and the COA. The GPPB is an inter agency body that promulgates the implementing rules of RA 9194. While it has no adjudication powers, it issues Non-Policy Matter(NPM) opinions on actual procurement issues presented by procuring entities to guide them in resolving issues presented to them. The COA is a constitutional body to conduct annual and special audit of government expenditures.

There is a provision for debarment that ensures due process and procedures which is well defined in the 2016 RIRR including its earlier versions. Penalties are well defined. The GPPBs website contains information on blacklisted or debarred firms and individuals with names, grounds for debarment, and duration of debarment.

Civil society and stakeholders' organizations in the Philippines remain weak. Representatives appear to lack working knowledge of procurement to enable them to act as deterrent presence. There is a need for GPPB to actively enlist their help in procurement and contract implementation.

2.1.2 Economic Aspects: Bidders are required to be registered with the Philippine Government Electronic Procurement System(PhilGEPS), an exclusive portal to serve as the primary source of government procurement information. Bidders are required to be PhilGEPS registered by submitting their technical, legal and financial eligibility documents. Once completed, bidders will be issued a platinum certificate of registration which entitles them to participate in public procurement opportunities all over the country.

2.1.3 Sustainability Aspects: VISTA does not have any large value construction activities that trigger social, environmental or health and hazard issues in wider scale. However, to address any environmental, social, climate change and health and disaster risks, all infrastructure activities under both components 1 and 2, adequate provision to mitigate the risk shall be provisioned at all stage of procurement (bidding document, specification, contract clause, O&M and self-

deceleration form) so that climate adaptive interventions are in place at each step of the implementation process. In addition sexual harassment(SH) and sexual exploitation and abuse(SEA) will be stated to address the issues.

2.1.4 Technological aspects: The GPPB website is a stable platform for access to regularly updated 2016 RIRR pursuant to which goods, works and consulting services manuals were likewise updated to guide both procuring entities and bidders. Latest competitive bidding SBDs may also downloaded from the website to enable bidders to prepare their bidding documents. The PhilGEPS is also supposed to be a platform for electronic procurement but manual submission of hard copies of bid documents is by and large the main norm. This, notwithstanding, the country's procurement environment has become more stable and reliable, and has encouraged increased bidder participation and competition.

In the 2023 State of the Nation address of the current President, he called for the passage of a new procurement law to take advantage of technological innovations. This is a clear signal to focus more on electronic procurement to address the problem of low budget utilization rate of procuring entities.

Internet services are available in most reaches of the country, and mobile phone coverage is nationwide. The implementing agencies at the federal and provincial levels will need to obtain training on using currently launched IFAD's OPEN online procurement End to End System to manage procurement activities.

2.2 IA's Internal Capability Assessment

2.2.1 Experience:

DAR, DA and MLGU Experience: The lead implementing agency is DAR. It has experience of implementing IFAD funded projects like the recently completed project ConVERGE. Like VISTA, ConVERGE was also a value chain project. VISTA is expected to build upon the success and lessons learned from the implementation of ConVERGE. VISTA will have program activities that are mainly rural agricultural development in nature which are being implemented in remote and inaccessible areas and the size of the procurement is generally small/medium. DA is a project party with experience in implementing agricultural development projects. MLGUs have always been engaged by both DAR and DA in such the implementation of projects due to the devolution of their functions to LGUs under the 1991 Local Government Code.

Key lessons on procurement in IFAD Country Portfolio: Performance reviews of IFAD Programmes in the Philippines identify weaknesses in Programme procurement performance, primarily associated with non-compliances and weaknesses in the preparation of bid documentation, technical specifications, detailed bid evaluation and post qualification of bids, contract management and performance assessments. These weaknesses are further aggravated due to the lack and delay recruitment of adequately qualified and trained procurement staff and weakness in procurement record keeping.

VISTA implementation arrangements: For the smooth implementation of VISTA following implementation arrangements have been proposed:

- (i) An interagency Project Steering Committee Chaired by DAR.
- (ii) A Central Project Management Office(CPMO) at DAR
- (iii) Regional Project Management Office(RPMO) at the 2 DAR Regional Offices
- (iv) 10 Provincial Project Management Offices(PPMO) with DAR

At CPMO, a National Project Manager will be recruited to be assisted by similarly recruited Deputy Project Managers at the regional level. At PPMO level, operations will be headed by a Provincial Project

Coordinator. Details of the staff recruitment are provided in the PDR Annex providing for the VISTA Project Staffing Matrix reproduced below:

Annex 15. VISTA Project Staffing Matrix

Project Level	Position	Key Tasks	Regular (GoP)	Hired (Loan)
СРМО	National Project Director	Oversee overall project implementation. Head of procuring entity for national procurement	1	
	National Project Manager	Take charge of the day-to-day operations of the project at the national level.		1
	Sr. SECAP Specialist	Provide guidance on SECAP requirements, and monitor and evaluate project activities on social, environment and climate change assessment project-wide		1
	Business Development Systems Specialist	Develop the business development systems for VPOs		1
	Financial Systems Specialist	Work on value chain finance as well as traditional finance including liaison work		1
	Sr. Admin/Finance Officer	Perform tasks related to asset management office administration, budget and accounting and audit		1
	Sr. Procurement Officer	Provide strategic and operational guidance and assistance to different project procuring entities. Prepare project wide Procurement Plan, monitor implementation and primarily responsible for project wide contracts management		1
	Sr. M&E/KM Officer	Provide strategic and operational direction for the Project's M&E, MIS, and KM		1
	Sr. Gender and Social Inclusion Officer	Develop project level gender and social inclusion (GESI) strategy and action plan, M&E with Pro-WEA indicators,. provide capacity building on GESI, conduct of social norms diagnostic study, etc.		1
	MIS/IT Specialist	Responsible for data management, design information management system, website administration, and provide technical support to M&E/KM Officer		1
	Finance Assistant	Assist Sr. Admin/Finance Officer in project budgeting, accounting, audit		1
	Admin Assistant	Assist Sr. Admin/Finance Officer related to procurement,		1

Project Level	Position	Key Tasks	Regular (GoP)	Hired (Loan)
		office administration, asset management		
	GIS Support Staff	Provide technical support to all GIS related activities like geo mapping, geo tagging	1	
	Driver	Aside from driving, oversee the operation and maintenance of assigned vehicle	1	
RPMO	Regional Project Director	Oversee project implementation at the regional level. Head of procuring entity for regional procurement	2	
	Regional Deputy Project Manager	Take charge of the day-to-day operation of the project at the regional level		2
	SECAP Specialist	Monitor and evaluate project activities on social, environment and climate change assessment at the regional level		2
	Sr. Forester	Perform asset management, office administration, budget and accounting and audit		2
	Ag Eng	Assist in planning, FS preparation, mapping and designing soil and water conservation technologies, and provide technical assistance in improving processing equipment/facilities efficiency		2
	FBS/Extension Training Specialist	Work closely with the ATI Focal Person in designing, implementation, M&E of sub-component 2.1		2
	Farm Systems Manager	Perform oversight in planning and implementation of the agri-extension systems and farming systems		2
	VPO Agribusiness Officer	Help VPOs develop business plans, oversee VPO business plan implementation , monitor VPO performance		2
	VPO Finl Mgt Officer	Help VPOs in improving their financial mgt system, train VPO key staff/Board in financial management, assist in VPO financial analysis		2
	VPO Credit System Officer	Review, set up, monitor the credit operations of VPO members		2
	Sr. Rural Infra Engr.	Conduct final review of DED and POW prepared by MLGUs and initially reviewed by DAR PBD engineers		2
	Sr. Economist	Conduct final review of FS prepared by MLGUs and initially reviewed by DAR PBD economist		2

Project Level	Position	Key Tasks	Regular (GoP)	Hired (Loan)
	M&E/KM Associate	Support the M&E officer and SECAP specialists in undertaking the M&E tasks at the regional level		2
	MIS/IT Associate	Support the MIS/IT specialist in data management, design information management system, website administration, and provide technical support to M&E/KM Associate		2
	Gender and Social Inclusion Associate	Perform similar tasks with the GESI Officer, but on a regional scale		2
	Admin/Finance Associate	Perform similar tasks with Admin/Finance Officer, but at regional level		2
	Procurement Associate	wide Procurement Plan monitor implementation and		2
	Finance AssistantDo budgeting, accounting, audit at regional level			2
	Admin Assistant	Responsible for small procurement, office administration, asset management at regional level		2
	GIS Support Staff	Provide technical support to all GIS related activities like geo mapping, geo tagging	2	
	Driver	Aside from driving, oversee the operation and maintenance of assigned vehicle	2	
РРМО	Provincial Project Director	Oversee project implementation at the regional level. Head of procuring entity for provincial level procurement	10	
	Provincial Project Coordinator	Supervise the implementation of the project at the EARCCs. Coordinate with the different implementing partners		10
	Development Facilitator (DF)	Mobilize the VPOs and the EARCCs. Work with communities to build community awareness and capacity building on NRM enhancement and protection and climate adaptation strategies. Work with specialists, LGUs, VPOs in implementing the project under Component 2.	40	
	Admin/Finance Assistant	Perform, budgeting, accounting, audit at the provincial level. Assist in office management		10
	M&E Assistant/GIS	Collect Project prescribed data/information. Encode data in the project's system. Assist M&E associate in data		10

Project Level	Position	Key Tasks	Regular (GoP)	Hired (Loan)
	Assistant	collection.		
	Gender Focal Point	Assist the Gender and Social Inclusion Associate at the provincial level	10	
	Technical Staff for GIS	Provide technical support to all GIS related activities like geo mapping, geo tagging	10	
	Driver	Aside from driving, oversee the operation and maintenance of assigned vehicle	10	

CPMO/RPMO/RIU/PPMO Experience: VISTA has the distinct advantage because DAR has just recently closed in June 2023 the IFAD funded ConVERGE project, a value chain project in most of Mindanao. DA also closed in 2022, the IFAD funded CHARM Scale Up project. Both departments are familiar with IFAD processes. For DAR, procurement will be through the organic BACs at Central, Regional and Provincial Offices. Unlike DAR, DA has no field presence at the provincial level. Procurement of civil works will be thru the BAC of the still to be identified implementing partner MLGUs. However, in terms of procurement, there is a lack of adequate manpower with sufficient skill, experience and knowledge to carry out and supervise fiduciary functions including public procurement and management at the provincial level. Procurement capacity at CPMO/RPMO/ and PPMO levels including implementing partner MLGUs. It is recommended that procurement capacity interventions be initiated at start up or soon thereafter.

2.2.2 Strengthening Procurement Capacity:

- Procurement expertise will be required for timely award of the contracts, its execution and monitoring for the success of the project. Given the inadequate procurement capacity by organic and potentially project staff who will be recruited and the volume of activities, as early as the establishment of the CPMO, the proposed Procurement Officer with proven experience on conducting public procurement following national and IFAD procedures should be immediately engaged. IFAD implementation support will likely be needed in the provision of procurement related trainings and guidance at program start up and during program implementation on the preparation of bid documentation, technical specifications, evaluation and post-qualification of bids, monitoring of contracts including short-term capacity building procurement trainings on IFAD's OPEN online procurement End to End System. Project procurement staff will also increase procurement capacity if enrolled in the IFAD Build Procurement program. The Procurement Officer together with the Regional Procurement Associates will take the lead in preparing procurement documents (bid documents/Eol/RFP) and assist in evaluation, negotiation, contract award, contract management and monitoring etc.
- Provision of adequate financial allocations (salaries, running expenses and per-diems etc.) and other resources (vehicles, office working area, equipment and tools etc.) needed by procurement personnel to deliver their tasks has been proposed. Strengthening project procurement capacity will ensure timely authorization and actual processing of due payments to vendors.

Procurement under VISTA project will be in accordance with the national law(RA 9184, its 2016 RIRR and applicable issuances of the GPPB as amended from time to time to the extent they are consistent with the provisions of IFAD's Project Procurement Guidelines (dated September 2010) and the

2.2.3 Procurement processes and delegation of authority:

RA 9184 and its 2016 RIRR has clearly defined the responsibilities and formal powers of the different procuring entities. In DAR and with respect to foreign assisted projects, provincial offices may award contracts up to P5Million while regional offices have delegated authority to award up to P15Million. MLGUs, as local government units, may award any amount provided within their Procurement Plan pursuant to a separate MOA between them and VISTA over specific sub-projects.

2.2.4 Contract Management Capability and Capacity:

One of the main capacity issues in the Government of the Philippines is on contract management. The 2016 RIRR has mainly focused on capacitating procuring units in managing the procurement process with little attention on contract management. After a contract is awarded, responsibility for managing the contract to ensure timeliness and quality of deliverables are not clearly established. In RAPID project, IFAD provided implementation support in providing capacity training to organic government and project hired staff on contract management. This engagement of a Procurement Officer at CPMO and Procurement Associates at RPMO is intended to mitigate the risk that contracts will not be properly managed and enhance contract administration and management capacity of the project.

2.2.5 Complaints management and dispute resolution systems:

Well defined complaints handling mechanisms are provided in RA 9184 and its 2016 RIRR. These provisions are applicable for procurements using national procurement procedures and are included in the National procurement documents.

Key Conclusions: Sufficient mechanisms are provided in the national procurement law to solve the problems of procurement proceedings. These mechanisms will be supplemented by: (i) the use of procurement documents and procedures that fulfill IFAD requirements and/or approval; (ii) the inclusion of an experienced Procurement Officer and Procurement Associates at CPMO and RPMOs; (iii) A Project Implementation manual that shall also include a detailed section on project procurement procedures and; (iv) IFAD implementation support at start up to increase technical capacity in procurement and contract management.

2.3 Market Analysis

On August 15-18, 2023, IFAD and the Government of the Philippines, represented by DAR and DA government personnel was still in the process of conducting a PDR Writeshop to identify investments and activities. Due to these constraints, this PPS will need improvement to undertake market sounding and market consultation. However, considering the medium to small size nature of the contract envisaged to be procured in the project and based on IFAD's experience in recently concluded and ongoing projects in the Philippines it is fair to state that: 1. With respect to goods, there would be sufficient number of suppliers who are expected to participate in a competitive bidding; 2. On works, due to the small to medium nature of the anticipated works packages, there are sufficient number of local contractors within the regional, provincial or municipal areas who will be enticed to submit bids. It is important to ensure competition that the PIM will incorporate competition as defined in the IFAD Project Procurement Guidelines which refers to the presence of at least three unrelated bidders otherwise, IFAD may deny any request for No Objection upon prior review or declare the same as misprocured upon post review.

For contracts for common items under goods and services like, vehicles, office equipment, furniture etc., and TA consultancy service that need to be procured for this program, there exists a competitive market with adequate contractors/suppliers/firms willing to participate in the bidding procedures. Such procurement for goods and services can be done through National Competitive Process (NCB) using national SBDs pursuant to RA 9184 and its 2016 RIRR. In case of

procurement of TA consultancy service, Quality Cost-Based Selection (QCBS) method will be used for the selection of best consulting firm using GPPB prescribed SBDs. The national SBDs documents should be used with necessary addendums (as defined in the PIM) for the compliance with IFAD PPF and IFAD's policies, including SECAP. Regarding smaller works items such as farm slope protection works and small farm reservoir and future similar small items they will be implemented through community group participation based on the GPPB Community Participation Manual.

The Project Implementation Manual (PIM) shall define the process and procedures on the procurement of goods, works and services (non-consulting) using National Competitive Bidding (NCB), Shopping and Direct Contracting including details of selection method to be applied in case of consultancies services such as Quality and Cost Based Selection (QCBS), Fixed Budget Selection(FBS), Least Cost Selection(LCS), Consultants Qualification Selection (CQS) and Single Source Selection (SSS). The PIM would also outline the procedures for the selection of individual consultants and individual service providers.

3. PROCUREMENT RISK ANALYSIS:

Procurement risk analysis/ for above mentioned both contract packages has been presented in the following table:

a. Medium to small size contract for goods/civil work/service packages for community infrastructures/RET activities and for initial 18 months PP activities

Risk Assessment Table

Risk Description	A Likelihood of	B Impact upon	Overal I Risk Score	Assessed Inherent Risk	Proposed Mitigation Measure/s	Net Risk (assuming full functioning of		
	Occurrenc	Occurrenc	AxB		throughout the	the mitigation		
	е	е			Procurement	measure/s)		
					Process	,		
a) Project F								
Inadequate	L	М	L	This results	Ensure design,	Less		
and poor				in time and	drawing, bill of	possibility of		
technical				cost overrun,	quantity,	time and cost		
inputs such as				substandard	specifications	overrun,		
design,				output and	are prepared	substandard		
drawing, bill of				dispute	properly.	output and		
quantity,				between the		dispute		
specifications				parties.		between the		
often lead to						parties.		
complication								
during the								
contract								
implementatio								
n.								
The	L	М	L	May result in	Recruit qualified,	Less		
engineer/office				unsatisfactor	experienced and	possibility of		
r working on				y quality of	dedicated	inefficient		
this				outcomes.	officials to	implementatio		
project/contrac					ensure efficient	n of the		
t may not have					implementation	project		

			1	1		
the necessary					of the project	activities.
qualification					activities.	
and practical						
experience.						
b) Project P	rocurement	stane				
Risk of less	I	L	L	May lead to	Prepare bid	Less chances
competition	-	_	_	re-tendering	document and	of cancellation
due to the				re-tendening	specification	of whole
preparation					•	tendering
bid documents					only after the	process.
and					proper market	F
specifications					survey	
without market						
survey						
Risk of	Μ	М	М	In case of	Ensure proper	Possibility of
abnormally				abnormally	conduct of post	bid
low bid prices. Due to high				low bid, it	qualification,	submission
competition.				increases	frequent site	with rational
				the risk of	supervision	bid price.
				contract	during contract	
				failure and	implementation,	
				low-quality	written warnings	
				output.	and demolition	
					of work at site, if	
					found not as per	
					the given	
					specification.	
Risk of	L	М	L	In case of	Include relevant	Less chances
substantially	-		_	substantially	provision in the	of bidding
high				high bid	biding document	high price
bid prices				0	•	nigh phice
				price IA may	on-the	
				(i) cancel the	acceptance or	
				whole	cancellation of	
				bidding	bids mentioning	
				process or	the threshold	
				(ii) pay high	value	
				price	considering the	
				compromisin	value for money	
				g the value		
				for money		
Risk of non-	Μ	М	М	May lead to	Formation of	Less chances
formation of				delay in	capable	of delay in
capable				evaluation	evaluation	evaluation
evaluation				and	committee with	and improper
committee				improper	proper	selection of
with proper composition of				selection of	composition of	bidder
composition of				bidder	committee	
members					members	
	administrati	on and Mana	agement	Stage		
c) Contract	administrati	on and Mana	agement	Stage	1	

Risk of slow in work progress/delay in implementatio n.	L	Μ	Μ	Results in time and cost overrun.	Prepare realistic contract management plan and close monitoring of the contract execution. Use early warning clause in contracts.	Less possibility of slow in work progress/dela y in implementatio n
Risk of low- quality work performance	S	S	S	Increase risk of non- payment of work done, disputes among two parties.	Include the provision of (i) timely and proper quality control measure (ii) close supervision of work during construction (iii) dismantling of low-quality work instantly at site after giving warning to the contractor etc. in the contract document.	Results good quality work
Risk of failure of contractors due to the contractors' changed cash flow situation.		Μ		Increases risk of contract failure. Results in time overrun as well as cost overrun.	Add a requirement of bank credit lines specifically for the contract in the evaluation and qualification criteria. Provision for advance payment in installment and provision of payment against plant and materials. Monitor the contractor's performance closely and take necessary action as early as possible.	Less chances of contract failure and time and cost overrun.

Risk of	М	S	S	May led to	Keep the	May not led to
improper				problem in	contractual	the problem
record				time	record/documen	for time
keeping of				extension,	ts properly	extension,
necessary				price		price
documents				escalation,		escalation,
				variation,		variation,
				claim and		claim and
				dispute		dispute
				settlement.		settlement

4. PROCUREMENT OBJECTIVES

Project procurement objectives are: by procuring quality contractor/supplier/firm for the supply of goods, consulting services and construction works transform agrarian reform Community clusters in the target provinces into inclusive, agroecological and profitable agri-food systems.

5. RECOMMENDED PROCUREMENT APPROACH

a. Recommended procurement approach for medium to small size contract for goods/civil work/service packages for initial 18 months PP activities

Attribute	Selected arrangement	Justification
		Summary/Logic
Specifications (SECAP	Conformance	Need to mention the
compliance)		requirement in the PIM for the
		incorporation to ensure this is
		addressed by the
		borrower/recipient when
		procurement is undertaken.
Sustainability	Yes	Need to mention the
Requirements		requirement in the PIM for the
		incorporation in each
		procurement cycle (bidding
		document, specification,
		evaluation criteria) to ensure
		this is addressed by the
		borrower/recipient when
		procurement is undertaken.
Contract Type	Traditional based on IA's design	competitive
Pricing and costing	Schedule of Rates	
mechanism		
Supplier Relationship	Collaborative	

Price Adjustments	None, fixed price	Contract will be of fixed priced

Form of Contract (Terms	State any special conditions of	In the bidding document there
and Conditions)	contract	will be a separate section of
		Special Condition of Contract (SCC)
Selection Method	Invitation To Bid (ITB)/ Request for Quotations (RFQ)/ Direct contract (DC)	RA 9184 and its 2016 RIRR require national competitive bidding (NCB) if ABC is more than P1million
Selection Arrangement	Commercial practices	Competitive method
Market Approach	 A. Type of Competition National B. Number of Envelopes/Stages Single Envelope 	RA 9184 and its 2016 RIRR require national competitive bidding (NCB) if ABC is more than P1million Hence, work packages under this contract category are NCB.
Pre / Post Qualification	Post-Qualification	All bids will be subjected to post qualification. By default, pre-qualification is not allowed in the Philippine law except for limited source bidding involving procurement of highly specialized/patented equipments that is not expected to attract many bidders.
Consultant Selection & Evaluation Method	Quality Cost Based Selection (QCBS)	QCBS method with shortlisting upon an Eol process.
Evaluation of Costs	 A. Adjusted Bid Price (corrected for a bidder's arithmetical errors) B. Life-Cycle Costs 	
Domestic Preference	No	15%, NCB will be used.
Rated Criteria	List the type of criteria to be used (mandatory/desired)	

6. SECAP INTEGRATION

SECAP Risks and Procurement Actions;

Medium to small size contract for goods/civil work/service packages for initial 18 months PP activities;

	S. No	Risks identified by the SECAP specialist	Level of risk	Mitigation measures	Remarks
1		Impacts of climate change:	High	i)Proper site and activities selection to avoid the impact of flood and landslides, ii)	Need to mention the requirement in the PIM for the

	Flood and landslides		site assessment considering flood and landslide during the prefeasibility study and include recommendation of clime proofing measures, iii) prepare sub project specific ESCMP including adaptation and mitigation measures to integrate in sub project design and include it as an annex of bidding document, iv) provision of maintenance	incorporation in each procurement cycle (bidding document, specification, evaluation criteria) to ensure this is addressed by the Borrower/Recipient when procurement is undertaken.
2	Over extraction of water	Moderate	i)provision of source protection, ii) proper water distribution mechanism, iii) support to water efficient use technologies	-do-
3	Waste management	Moderate	i)provision of solid and liquid waste management in collection, processing, and market structures ii) adequately integrate into the design and allocate sufficient budget	-do-
4	RET: Battery management after their lifespan	Low	i)adequate provision of battery management after its use	-do-

Environmental and Social Safeguards

Biodiversity conservation	Risk Rating	Consequence	Guidances for SPOs
1.8 Could the project involve or lead to procurement through primary suppliers of natural resource materials?	Moderate	Minor Project may possibly require procurement of natural resources through primary suppliers, and resource extraction is tightly regulated. Alternatives to procurement of natural resources through primary suppliers exists.	Bidding documents to consider eco- label specification as "minimum specification" or alternatively grant technical weight in bid evaluation for eco-labelled products whenever possible. Include in Bid Document construction materials should be sourced from Government approved supplier and sites
Resource Efficiency and	Risk	Consequence	Guidances for SPOs

Environmental and Social Safeguards Pollution Prevention Rating 2.1 Could the project **Moderate** involve or lead to the release of pollutants to Pollutants may possibly the environment due to be released, either routine or non-routine Waste management companies hiring Moderate routinely or by accident, circumstances with the as per EIA provision but treatment systems potential for adverse are proven and verified. local, regional, and/or Receiving environment is

Minor

highly senstive.

2.4 Could the project involve or lead to significant consumption Moderate of raw materials, energy, and/or water?	The project will require consumption of raw materias, energy, and/or water, but this will be a small component of the project, and impacts can be appropriately managed.	Bid evaluation criteria to favour ethical and efficient use of raw materials, energy and water when feasible.
Community Hoolth Dick	0	

Community Health, Risk Safety and Security Rating

abuse, as a result of

labour influx, land

transboundary

impacts?

Consequence

Moderate

6.3 Is there a possibility of harm or losses due to failure of structural elements of the project (e.g. collapse of buildings or infrastructure)?	Moderate	The project has significant reliance on buildings or infrastructure. Risk of failure is unlikely to lead to loss of life or significant environmental damage. The structural integrity of the required infrastructure has been independently verified.	emergency preparedne natural or human hazards is included in th procurement document Bid and contract requir to erect adequate warm and also take up 3 rd par and construction insura Independent assessmen integrity would be under government during con
6.7 Could the project lead to the potential for gender-based violence, including sexual harassment, exploitation and	Moderate	Moderate Moderate changes to community dynamics may result in increased potential for gender-	Include in the general c bidding documents of s subcontractors and serv compliance with IFAD's preventing and respond harassment, exploitatio

Ensure relevant safety measures and emergency preparedness against the nts.

Guidances for SPOs

res contractor ming signage's rty insurance ance. ent of structural lertaken by nstruction.

clauses of the suppliers, rvice providers 's policy on iding to sexual harassment, exploitation and sexual abuse and mandatory references to security policies will be included in

based violence or sexual

exploitation. Gender-

redistribution, or other actions that alter community dynamics?		based violence interventions are integrated into project design.	tender documents and concluded contracts. For Component 3 we will use IFAD SBD and for all other Components, National Bid Document, IFAD self- certification checklist and provision would be included in the bid document.
6.8 Could the project lead to increases in traffic or alteration in traffic flow?	Moderate	Minor The project will result in minor increases to traffic volume. Only minor increase in risk of injury or death.	Applicable traffic rules and road safety measures in the rural road network will need to be adhered to and road signs installed as needed according to the national regulations.
6.9 Could the project lead to an influx of project workers?	Moderate	Minor The project requires the employment of new labour, but workers can be sources from local communities, and so influx is kept to a minimum, and risks are effectively managed.	Bid evaluation criteria to favour sourcing workers from the local communities whenever feasible for high value construction based on type of construction and required skill sets. Will included provision in the bid and contract, contractor will be asked to hire skill and unskilled workers from the local area based on availability of this skilled or unskilled worker in the local areas.
6.10 Could the project involve or lead to the engagement of security personnel to protect facilities and property or to support project activities?	Moderate	Minor A small number of security personnel are required, but they are well trained, and protocols are in place.	Periodic reporting of accidents and infringements to be included in contract conditions. Clauses to the included in the contract during pre-construction and construction stages. Post construction after hand over and operationalisation this would be managed by Market Management Firm.
Physical and economic resettlement	Risk Rating	Consequence	Guidances for SPOs
7.4 Could the project result in impacts on or changes to land tenure arrangements and/or	Moderate	Moderate The project will result in moderate changes to land tenure arrangements	Ensure consent of affected populations is obtained prior to any interventions impacting land tenure or property rights/customary rights to

Environmental and Social Safeguards

community-based	and/or community-based	land, territories and/or resources.
property rights/customary rights to land, territories and/or resources?	property rights/customary rights. Legal recourse and other forms of arbitration/conflct resolution are available.	As part of prior review process, before start of bidding process for market infrastture and other infrasture.



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex: Annex 14. Value Chain Analysis

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Annex 14. Value Chain Analysis

OVERVIEW OF VALUE CHAIN ANALYSIS FOR PRIORITY COMMODITIES

For the project design preparation of the Value Chain Innovation for Sustainable Transformation of Agrarian Reform Communities (VISTA) Project

COVERAGE

This paper aims to provide a snapshot of the value chain analysis (VCA) for coffee and cacao. The paper does not intend to provide comprehensive information about the selected commodity value chains but an overview of these value chains that can assist the VISTA project design team to understand their potentials and limitations for the project beneficiaries. References will be provided towards materials that can give details beyond this brief (*in clickable links*, where available). For efficacy, information is curated (copy – pasted) from source documents (headlines are highlighted in **BOLD** with supporting information in grey), interspersed with relevant commentaries (*italicized in blue*).

COFFEE

Global coffee market

Top 10 Coffee Producing Countries in The World

Country	Metric Tons/Yr
1. Brazil	3,558,000
2. Vietnam	1,830,000
3. Colombia	858,000
4. Indonesia	642,000
5. Ethiopia	441,000
6. Honduras	390,000
7. India	329,100
8. Mexico	273,000
9. Peru	270,000
10. Uganda	255,000

"According 1. to the **International Coffee Organization** (ICO), the global estimated number of 60-kg bags of coffee produced was 165.05 million or 9.9 million tons of GCB in 2019-2020. There was also an estimated decrease of 4.2% in global coffee production in 2019-2020." (International Coffee Philippine Organization in Coffee Industry Roadmap (Coffee roadmap) 2021 - 2025).

2. "Global exports of green beans were down 1.1% in coffee year 2021/22, totaling 116.07 million bags from 117.32 cing million bags in coffee year The 2020/21." (ICO, 2022)

- Source: Rodriguez, G. <u>Top 10 Coffee Producing</u> Countries in The World (2022) - Coffee Of The
- 3. **"In 2018, the ICO ranked the Philippines as #30 among the top coffee producing countries in the world with a total output of 13,500 MT"** (ICO, 2018).
- 4. "The global coffee beans market size was worth USD 27.0 billion in the year 2018 and is predicted to grow with a Compound Annual Growth Rate (CAGR) of 6.7% for the period 2019 to 2025. The rising number of outlets like Starbucks and CCD in China, India, and different countries is expected to boost the market. Moreover, the varied use of coffee beans in segments like cosmetics, food, and beverages, and pharmaceuticals is anticipated to increase its demand during the forecast years.

Coffee is highly preferred by youngsters in countries like China and India. Due to higher demand, several retailers are entering the market. In India, around 1400 cafes are

registered while China has around 1500 outlets of Starbucks. Thus, the rising number of cafes and coffee outlets is expected to boost the demand for arabica and robusta beans over the period.

- There is a shift in preference of customers towards healthy products which is predicted to increase the demand for this segment. The coffee beans help to improve the immune system and prevent diseases like skin cancer, heart disease, and diabetes.
- Robusta has 2.7% caffeine content while arabica has 1.5%. The presence of caffeine content fuels the demand for coffee beans. **Moreover, demand for arabica is higher compared to that of robusta owing to nearly 60% of lipid content, higher acidity adding flavors to the beans, and a pleasant smell. Arabica holds a 60% share of the total coffee cultivation, in which Brazil is one of the major producers globally.**
 - 5. Arabica accounted for 61.2% share becoming the largest segment of the global revenue in 2018 due to its sweeter taste and less caffeine content. Market penetration of outlets along with applications of arabica beans in nuts, caramels, and chocolates is supposed to have a favorable impact on the demand for coffee.
- Robusta is supposed to grow at a CAGR of 7.4% over the forecast period (2019 2025) owing to its chocolaty flavor and strong taste with a pleasant smell. The presence of caffeine content which stimulates the brain and makes the body active has driven the segment further." (Million Insights, April 2020)
 - 6. "We forecast that the average price of arabica coffee will be USc 190.00/lb in 2023 (no change to our previous forecast), and USc 163/lb during 2024-26. We foresee a consistent annual coffee production surplus through to 2026, amounting to 7.0mn bags in 2022/23, 2.5mn bags in 2023/24, 11.3mn bags in 2024/25, and 5.5mn bags in 2025/26, which will allow for the accumulation of coffee stocks (at the global level). Our view is that coffee inventories will rise by up to one quarter between 2023 and 2026. At the global level, between 2022 and 2026, we anticipate global production rising at a CAGR of 2.0% while we predict that global consumption will rise at a CAGR of 1.7% the fluctuations in our expected production balances between individual years reflects that while production will retain a strong cyclical component (most notably in Brazil), we expect global consumption growth to be relatively stable in the long run, in spite of uneven developments at the sub-global level." (Fitch Solutions, October 2022)

Philippines coffee market

7. "At present, the Philippines is only 15% self-sufficient in coffee. Mindanao produces and grows 83.63% (50,716.76 MT DC or 25,358.38 MT GCB) per year, broken down at Region 10 (including Bukidnon) at 9.23% (5,601.32 MT DC or 2,800.66 MT GCB) and Region 12 (including Sultan Kudarat) at 35.60% (21,588.47 MT DC or 10,794.24 MT GCB); Luzon accounts for 9.18% while Visayas only for 7.2%." (Coffee roadmap, p. 11)

Table 5: Top Coffee Producing Provinces in the Philippines

PROVINCE	Area Planted (Ha.)	Volume of GCB (MT)	No. of Bearing Trees
Sultan Kudarat	19,695.00	9,022.66	15,383,478
Sulu	3,585.00	2,452.78	3,051,409
Davao del Sur	4,951.00	2,382.34	3,890,505
Bukidnon	9,034.00	2,265.35	4,521,300
Maguindanao	4,257.00	1,572.85	3,586,740
lloilo	5,740.00	1,428.04	3,077,940
Davao City	4,289.00	1,130.91	3,394,888
North Cotabato	2,984.75	1,028.57	2,221,300

8. "The most common coffee type grown in the country is Robusta, which accounted for 76.5 % of total production in 2020. Robusta is mainly used for instant coffee. Next is Arabica, which contributes 16.70 %. Arabica is

mostly cultivated in

Source: CountrySTAT Philippines 2018 – Philippine Statistics

high elevation areas (1000 meters above sea level) and sells at a premium price. It is primarily used for brewing or blending. The other coffee types are Excelsa and Liberica (kapeng barako)" (Coffee roadmap, p. 13)

9. On average, Arabica is more expensive compared to Robusta with as much as twice market value. The farmgate price of Arabica is Php 150 to Php 220 per kilo of GCB in CAR and Mindanao. The farmgate price of Robusta ranges from Php 80 to Php 110 per kilo of GCB in Luzon and Php 70 to Php 90 per kilo of GCB in Mindanao. Moreover, price of coffee increases if quality of beans and its taste increase. There are Arabica and Robusta coffee beans that are being bought at Php 300 to Php 400 and Php 130 to Php 150 per kilo respectively in the local market. (Peace and Equity Foundation [PEF] Coffee Strategy Working Paper, p. 5)

Production capacity

- 10. "... local coffee production is decreasing by 3.5% per year over the past 10 years, when the Philippines' coffee consumption for 2018 to 2020 increased by 2.1%." (Coffee roadmap. P.4). "Meanwhile, area planted for coffee slightly decreased by an average of 1.8% per year over the last four years (2016-2019) but increased in 2020. About 112,023.69 ha. planted/harvested for coffee in 2019 had increased by 1.1% to 113,264.89 ha. In 2020. This relates to the increase in number of coffee growers and new key players in coffee, processing, and manufacturing i.e. specialty coffee, increased coffee shops and household consumers of specialized coffee products." (Coffee roadmap, p. 17)
- 11. "In the past 10 years, yield per hectare declined by 2.53% per year. Meanwhile, yield per bearing tree decreased by 2.09% per year over the last decade. From 2016 to 2019, number of bearing trees was at a downtrend at 77.73M bearing trees or 0.64 MT/ha in 2016 down to 74.50 M bearing trees or 0.54 MT/ha in 2019. The low productivity corelates to aging or old age of trees, limited rejuvenation and poor farm management, among others. (Note: Based on industry data, the average yield is 250 – 300 kg green coffee beans per hectare.) ... On the average, there were 693 bearing trees in a hectare during the 10-year period as compared to the standard 1,100 trees per hectare planting density or at three meters by three meters planting distance for Robusta. A decreasing trend in planting density was recorded from 2016 (at 676 bearing trees/ha) to 2018 (at 664 bearing trees/ha). However, a slight increase occurred in 2019 with recorded 665 bearing trees/ha, then decreasing back in 2020 at 662 bearing trees/ha. The drop in densities was a result of several factors such as crop shifting and cutting of old trees, rapid industrialization, effects of climate change, and natural calamities." (Coffee roadmap, p. 18)
- **12.** The Coffee roadmap aims to achieve the following major goals to increase productivity of coffee farms:

- "1. For the Filipino coffee farmer to reach a yield of 2 kg of dried cherry/tree (1kg GCB/tree) in either a mono crop or an intercrop setting. And for the net farm income to be above a province's poverty threshold, for the farmer and his family to sustain coffee farming operations, with increase growth in the coffee domestic market by 5% per year for Arabica; 10% for Robusta; 10% for Liberica; and 10% for Excelsa.
- 2. For the Philippines to have a continuous supply of coffee by continuing to increase planted trees by ensuring that major coffee-growing regions will cultivate coffee trees with government support on rural credit, plantlets, inputs, postharvest facilities, manufacturing, and marketing linkages; and consider monocrop and intercrop number of trees/ha.
- **3.** For farmers to continue being upskilled on the technologies (e.g. GAP, GMP) of coffee

production, processing, and marketing." (Coffee roadmap, p. 5)

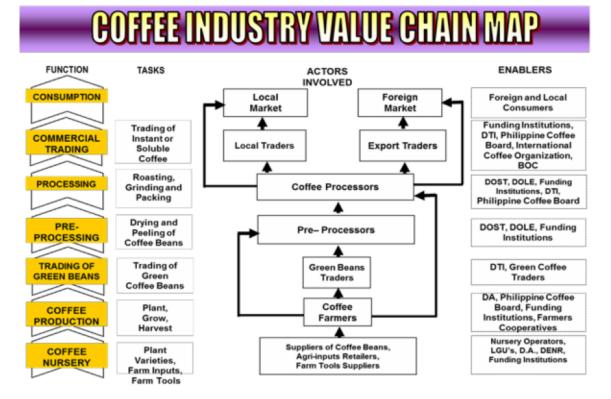
REGION	PRODUCTION (MT DC)	PRODUCTION (MT GCB)	AREA (HA)	YIELD (MT/HA)	ARABICA (MT DC)	ROBUSTA (MT DC)	EXCELSA (MT DC)	LIBERICA (MT DC)
PHILIPPINES	60,640.95	30,320.48	113,264.89	0.54	14,657.46	41,808.65	3,712.31	462.53
CAR	2,006.27	1,003.14	5,160.00	0.39	694.94	1,266.52	28.32	16.49
Ilocos Region	153.15	76.58	874.65	0.18	73.92	66.42	12.81	-
Cagayan Valley	1,046.16	523.08	4,707.00	0.22	166.79	735.32	135.86	8.18
Central Luzon	787.53	393.77	1,467.90	0.54	0.52	782.01	3.75	1.25
CALABARZON	1,272.12	636.06	13,196.00	0.10	-	895.01	318.29	58.82
MIMAROPA	141.72	70.86	920.01	0.15	2.73	108.57	17.85	12.57
Bicol Region	160.28	80.14	408.00	0.39	37.52	119.95	0.52	2.30
Western Visayas	4,179.68	2,089.84	9,914.32	0.42	674.62	3,376.26	1.78	127.02
Central Visayas	120.74	60.37	2,173.50	0.06	19.77	100.97	-	-
Eastern Visayas	56.55	28.28	190.30	0.30	6.58	22.78	19.96	7.23
Zamboanga Peninsula	514.38	257.19	902.25	0.58	119.13	349.59	45.52	1.14
Northern Mindanao	5,597.52	2,798.76	11,639.41	0.48	198.88	5,131.00	271.44	
Davao Region	10,826.25	5,413.12	15,881.29	0.68	2,317.61	7,313.62	1,124.99	
SOCCSKSARGEN	21.588.47	10,794.24	27,010.25	0.84	8,911.38	12,342.81	332.46	
CARAGA	1.622.24	811.12	4,844.00	0.33	-	1,620.81	1.43	
ARMM	10,563.10	5,281.55	13,976.00	0.76	1,433.09	7,577.01	1,397.33	

TABLE 7. LOCAL PRODUCTION, AREA HARVESTED AND YIELD/HA AND VARIETY, 2020

Source: PSA in <u>Coffee Road map</u>, pp 19-20)

Coffee value chain and key players

- 13. "There are local small and medium coffee processors of roasted beans and ground coffee in the country. But the Nestle Philippines, Inc. ... is the largest local processor of soluble coffee which accounts for 80% of the instant coffee market. It is followed by Universal Robina Corporation and Commonwealth Foods Inc. both with headquarters in Metro Manila.
- 14. Green coffee beans (GCB) are used to produce roasted beans, as well as ground or instant coffee. Roasted beans are usually for grinding. It has a high demand among industrial buyers and some institutional users. Ground coffee is derived from crushed roasted beans, mainly for brewing and has a better flavor than instant coffee. The market includes industrial buyers, institutional users, and households.
- 15. There are also specialty coffees made from the high-quality GCB roasted and brewed according to well-established standards. They include Arabica blends, organic coffee, Civet coffee (Alamid coffee), etc. which cater to niche markets." (Coffee roadmap, p. 14)





Source: <u>Philippine Coffee Road Map in STRATEGIC INVESTMENT PLAN OF THE COFFEE</u> <u>INDUSTRY CLUSTER IN REGION 12 AND MAGUINDANAO</u>

16. **Supply Chain Segments and Players**. The segments along the supply chain are identified by phase which are classified or categorized under five value chain pillars: Agriculture, Manufacturing and Processing, Marketing, Research and Development, and Policy, Credit and Insurance.

Agriculture	Nursery Development and Farm	Payment terms are either
	Inputs - Input suppliers refer to licensed dealers or	cash or credit.
	agricultural supply stores that sell inputs to nursery operators and farmers. Transactions in this stage include selling and purchasing of seeds, planting materials, plastic bags, fertilizer, irrigation instruments, and tools/ equipment.	Planting materials are sourced from nurseries, existing plants and wildlings (i.e., those that sprout under the coffee trees in the field). There are also private nurseries and nurseries in state colleges and universities.
		Likewise, there are
	Farm Production – farmers plant coffee seeds, grow them into	commercial farms especially in Arabica that produce their own seedlings. However,
	coffee plants, and harvests the	there is a shortage of
	coffee cherries. It involves activities in the farm such as	quality planting materials in the country.
	area selection, land	Intercropping is a common
	preparation, planting, crop management (i.e. fertilization, pest control, weeding,	practice among local coffee farmers. Crops involved are
	pruning), drying, dehulling/	vegetables, coconut, fruit
	milling, sorting/grading, and storage.	and forest trees. Most farms use inorganic fertilizers and some use organic fertilizers (e.g. chicken manure). Low
	Maintenance activities include weeding, fertilization and pruning	yield necessitates application rates below recommended level. Weeding and fertilization done thrice and at least twice a year, respectively. Pesticide application is also practiced to rid of pests and diseases.
	Harvesting occurs in two years, made possible with the use of seedlings that are eight to 10 months old.	Pruning is done to remove unnecessary branches. and sprouts after harvest. These activities are possible thru hired labor. For areas which use wildlings (e.g. Kalinga in Luzon), harvesting starts on the fifth year, usually from December to March.
		Most areas use stripping method where all cherries (whether red or green) are stripped from the branch. While this

		method addresses security and theft
		concerns, bean quality is very poor. Other areas
		harvest by
		picking only the red cherries.
Manufacturing	Primary Processing - Activities at	This is the procedure when
and	this stage include wet and dry	the coffee cherries are
Processing	processing, drying, depulping	processed to gather the
	and dehulling to prepare GCBs for storage and further	coffee beans. Three main post-harvest
	processing for the	handling practices are
	domestic and export markets.	currently conducted in the Philippines. ¹
Marketing	Marketing/Trading - Larger farmer groups, traders, and community agents purchase coffee (mostly GCBs) from farmers to sell to other traders or processors. Trading takes place in the farm or buying station at the barangay, municipal or provincial level.	Farmers sell GCBs either directly to buyers or to agents or traders. The agents/traders then consolidate their purchases and resell to other traders and processors. Other buyers include millers, processors and/or buying stations of coffee companies (e.g. Nestle buying
		station).
	Secondary Processing - The players process GCBs to	At this phase, the coffee
	produce value-added coffee	beans are sold and
	products like roasted beans, roast and ground coffee,	transported to either a) buying stations such
	roast and ground coffee, specialty coffee and single-	as that of Nestle
	serve coffee mixes (3-in-1) or	Philippines or b) other
	consumer pack soluble for the domestic and export markets.	secondary processors, which may include coffee
		roasters, hotels, coffee
	Market - The market/users refer to consumers of coffee beans	shops, and convenience stores.
	in its various forms like	

¹ The most common of these is the dry process also known as the natural process. The other two are the wet or washed process and the semi-washed process. The last two processes are not very common but are gaining popularity. Robusta is typically processed using the dry or natural process. Arabica growers also use the dry or natural process as there is limited quality equipment available for the other processing methods. The wet process, usually applied to Arabica, entails pulping the cherries to separate the outer skin. The

product, called parchment coffee, is then fermented through soaking in water for 8 to 12 hours (overnight), washed in the morning and then dried to remove the parchment to get GCBs.

The drying systems are sun or mechanical drying (e.g., using kerosene or LPG-fired dryers, or solid waste fuelfired dryers). The most common practice is sun drying, wherein the coffee beans are spread on paved drying areas or on the ground, using mats, nets or canvas for two days to two weeks depending on the weather. However, this method is not really recommended as it affects bean quality.

	roasted beans, ground coffee, and instant coffee. They may be consumed in households, coffee shops or restaurants. Logistics - The logistic providers offer services for transport, storage and warehousing of farm inputs, coffee beans and coffee products.	
Research and Development	Nursery Input - One of the problems of low productivity is the lack of true to type planting materials of Excelsa and Liberica primarily due to their cross-pollinated nature.	Arabica has some degree of outcrossing (pollinated by other coffee trees). The use of seeds as planting materials results in non-uniformity of plants, whose traits deviate from the trees where they come from. The use of traditional clonal propagation or more advanced strategies such as tissue culture especially somatic embryogenesis augments/ solves this problem. The high cost of seedlings stemming from high nursery input and transportation costs must also be addressed. This can be achieved by improving the traditional propagation techniques to reduce labor and inputs in nursery management; as well as developing intervention methods that increase the survival of seedlings during transportation.
	Production - Low productivity of coffee in the country is attributed to several factors such as the use of low-yielding varieties, susceptibility to biotic factors (insects, pests, and others), and abiotic stresses such as heat and drought. Further, there is scant information on the water and nutrients requirements of coffee in various regions, and farmers are not practicing proper nutrient and water management.	Increased productivity can be attained through varietal improvement such as the development of hybrids ("traditional" / "heirloom" coffee are retained). These hybrids, with outstanding vigor (higher yield, more resistant to pests and diseases, and more tolerant to abiotic stresses) can be mass-

		produced through somatic embryogenesis.
		Research done on IPM for major pests of coffee were already outdated. It is thus important to review IPM approaches and assess their current relevance.
		Severity, incidence, inventory, baseline data of coffee major pests and diseases and weeds associated with coffee should also be explored. Despite its coffee-
	Marketing - when coffee is packed, the compounds in it deteriorate, causing the product to degrade through time. A new generation of packaging materials and technologies should be developed to protect coffee's quality.	producing capacity, the value chain of the country is not well understood and analyzed. This should be done to identify the key players and their roles in the coffee value chain, analyze the prices, costs, margins and profit- sharing at different
	Others. Other research gaps that need to be addressed are the limited utilization of coffee wastes and "excess" for food and non-food products; the evident effect of climate change, and research on uniqueness of coffee in a particular origin to establish geographic indication.	stages in the coffee value chain
Policy, Credit, and Insurance	The policy or government sector provides enabling environment that encourages participation of farmers and firms in the coffee value chain and hence promote its growth and development.	Priority policy areas in the coffee value chain include trade policies, financial policies, provision of hard infrastructure (connectivity, energy, and logistics) and soft infrastructure (education and training), and institutional capacity building (governance, contract enforcement, and respect for intellectual property rights), among
		others.

The fire	ancial costor caura coffee	Value chain financing may
	ancial sector spurs coffee	Value chain financing may
valu	j	be internal or external.
	elopment by facilitating	Internal value chain
	stments, adoption of new	financing is exemplified
and		by the credit provision to
and	intensive use of capital	coffee farmers of input
inpu	its.	suppliers or coffee
-		product buyers. External
		value chain financing is
		facilitated through
		relationships and
		mechanisms. It involves
		banks and cooperatives
		that issue loans to input
-1.		suppliers, coffee
	crop insurance sector	producers, processors,
-	esented by Philippine Crop	traders, institutional
	rance Company (PCIC)	buyers, and/or
	ects farmers from losses	consumers.
	to natural calamities,	
dise	ases, and pest infestation.	Crop insurance also serves
		as "surrogate" collateral
		to banks and other
		financial institutions,
		thereby influencing and
		encouraging their
		continuous participation
		and support to
		government credit
		programs.
		programs.

Source: Coffee roadmap, pp 43-46

17. "Nestlé has been supporting Filipino farmers since 2008, providing various forms of technical assistance and training on NESCAFÉ Better Farming Practices including Coffee Production Technology Training and modules from the global Common Code for the Coffee Community (4C). 4C, or the Common Code for the Coffee Community, is the world accepted principles concerning the sustainable development of coffee planting, manufacturing, processing and marketing. Its goal is to promote the sustainable progress of coffee manufacturing, processing and trading. More and more international coffee purchasers require the coffee they buy to meet 4C or other standards of the same level." (Kaatuan Farmers Association Business Plan, p. 19)

Cost and return analysis

18. "For Robusta, when peak production period is between four to six years, a typical 1-ha farm incurs a cost of PhP 24.95/kg GCB for material inputs, while additional PhP 20.55/kg GCB for overall labor expenses. A farmer's primary processing cost, which includes dehulling, cleaning, and bagging, amounts to PhP 12.60/kg GCB. The total farmer's cost is PhP 45.50/kg GCB. With a buying price of PhP 85.00/kg of GCB, a farmer's profit margin per kg is estimated at PhP 39.50/kg or a net return of investment (ROI) of PhP 39,500 per 1000 kg GCB/ha. This is equivalent to 87% ROI already at year 4 of production." (Coffee roadmap, p. 31)

TABLE 11. COST AND RETURN ANALYSIS OF ROBUSTA COFFEE PRODUCTION (1 HA. AREA)

			Y	AR 1	Y	AR 2	Y	EAR 3	YE	AR 4	YE	AR 5	YE	AR4
ПЕМ	UNIT	UNIT COST (HP)		COST/ WALUE (PHP)		COST/ VALUE (PHP)		COST/ VALUE (PHP)		COST/ WALUE (PHP)		COST/ VALUE (PHP)		COST/ VALUE (PHP)
GROSS INCOME (SALES OF GREEN COFFEE BEANS)	KILOS	85.00			200	17,000.00	600	51,000.00	1,000	85,000.00	1,100	98,500.00	1,100	99,500.00
DOPENSES														
LASOR														
Clearing Brushing Contouring	.mpe	030	10,000	3,000.00										
Field Laycet/Solding	hm	315.00	5	1,575.00										
Hole D'aging (75 holes/md	md	315.00	7	2,205.00										
Bassi Fertilization and Trars- planting	hm	315.00	7	2,283.75										
Replarting (SX)	md	315.00	3	787.50										
Rngweedng/Underbnahing (2:4x)	9 0 d	1.00	۵,668	Å, ∆68.00	Q [,] 009	٥٥.668.00	3,334	3,334.00	3,334	3,334.00	3,334	3,334.00	3,334	3,334.00
Scleckess Fatlization QX	bog	150.00	6	1,800.00	8	2,400.00	10	3,000.00	10	3,000.00	10	3,000.00	10	3,000.00
Folar Fertlizer Spraying @x)	юлар- васк	40.00	10	1,600.00	10	1,600.00	10	1 ,600.00	10	1,600.00	10	00.00م 1	10	1,600.00
BoPestContrd (4xSpraying)	knap- sack	<u> (C. 00</u>	10	1,600.00	10	1,600.00	10	1 🖉 00.00	10	1,600.00	10	1 /00.00	10	1,600.00
Bancing/Training of Coffee Mittiples	121	050	1,667	833.50		-		-		-				-
Pruning Formative/Phytosan- bary)	md	315.00		o	3	945.00	5	1,575.00	6	1,890.00	6	1 ,890 .00	6	1,890.00
Harvesting	md	315.00		•	7	2,205.00	10	3,150.00	15	4,725.00	17	5,355.00	17	5,355.00
Roating/Diving Div Process- no]	md	315.00			2	63000	5	1,575.00	10	3,150.00	15	4,725.00	15	4,725.00
DehulIng, Gearing and Bag- glog	md	315.00		-	1	31 5.00	2	63000	4	1,260.00	4	1,260.00	4	1,260.00

			Y	EAR 1	Ň	EAR 2	Y	EAR 3	YE	AR 4	YE	AR 5	YE	AR 6
ПЕМ	UNIT	UNIT COST (PHP)	QUAN-	COST/ VALUE (PHP)		COST/ VALUE (PHP)		COST/ VALUE (PHP)	QUAN-	COST/ VALUE (PHP)		COST/ VALUE (PHP)		COST/ VALUE (PHP)
GROSS INCOME (SALES OF GREEN COFFEE BEANS)	KILOS				200	17,000.00	600	\$1,000.00	1,000	85,000.00	1,100	93,500.00	1,100	93,500.00
SUB TOTAL LABOR				22,352.75		16,36300		16,464.00		20,559.00		22,764,00		22,764.00
MATERIALS														
Stakes	pc	1.00	1,900	1,90000										
Planting Materials: Coffee Seed- lings	þ:	26.00	1,500	39,000.00										
Synthotic fertilizer (N 120- P1 20-K60)	bəg	1,100.00	6	6,600.00	8	8,300.00	10	11,000:00	10	11,000.00	10	11,000,00	10	11,000 00
Foliar (Organic) Fertilizer (Based on leaf analysia)	liver	300.00	4	1,200.00	4	1,200.00	8	2,400.00	8	2,400.00	8	2,400.00	8	2,400.00
8io Control repellants	Dater	300.00	3	900.00	3	900.00	6	1,800.00	6	1,80000	6	1,200.00	6	1,800.00
Pruning Shear	pc	500.00	1	500.00			2	1,000.00		-			2	2,0:0.00
Knapsad: Sprayer	ហៅ	2,70000	1	2,700.00		•		-		-				-
Plastic Containor for Harvorthg	pc	50 00			3	19000	5	25000	5	250 00	5	29000	10	50000
Al Weather Drier (20 Motors)	p<	2,000.00			2	4,000 00	4	8,000 00	4	00 000,8	5	10,000 00	5	10,00000
Jute Bags for Storing Coffee Berrice	Þ	50.00			12	00.00	20	1,000.00	30	1,500.00	30	1,900.00	35	1,750.00
SJB TOTAL MATERIALS				52,400 00		15,65000		25,45000		24,950.00		26,95000		29,45000
TOTALEXPENSES				74,752.75		32,01200		41,91400		45,509.00		49,714.00		52,214,00
NET INCOME				04,752 79		(15.01300)		9,086 00		39,491.00		43,78600		41,28600
CUMULATIVE NET INCOME				(74,7279	0	(42,739.75)		(80,679.75)	//	(41,188.75)		2,977 25		4188325
ROI (19						-07%		22%		87%		98%		79%
Cost of Production						16007		69.86		45.51		45,19		47.47

Roba to Coffee Price - adaject to world market price (JFFE Index) Fertilizer დიი – varies between FHP 1000 FHP 1500 /bug Labor დიი – abo varies depending on total extrement and total one for harvest

Plandat apt - and ime investment

natural dry potod To diversify income and environment, best to plant drade treas frat (in open area), windoroula, as wolf as, ofter income generating cops (and au intraduce livestock as addiconal income for cotoo form (prinilos)

Yield estimates are under farmer condition, rarded (no irrigotor), flower futures dependion

Source: Coffee roadmap, p. 32-33

- 19. "For Arabica coffee plantation, the peak of production occurs on the fifth to 10th year. The farmer's total production cost for a typical 1-ha Arabica farm averaged at PhP 56,905.00. This includes a total labor cost of PhP 15,609.00 broken down further to field labor, care and maintenance, and postharvest processing. Total farm supplies computed at PhP 20,400.00 while land rental is at PhP 15,000.00 and a depreciation value of PhP 5,896.00.
- A typical Arabica farm production during the fifth year can already harvest 1,080 kg/ha at 1.2kg/tree which is priced at PhP220.00/kg green coffee bean (GCB). Hence net return of investments (ROI) during year 5 is at PhP180,695.00 or already a 317.54% ROI." (<u>Coffee roadmap</u>, p. 34)

Income Estimate

20. Figure below shows the value transformation from fresh cherries to GCB. In the case of Bayanihan Millennium Multi-purpose Cooperative (BMMPBC, one of the beneficiaries of RAPID), a good number of members are content with selling fresh berries to the coop instead of spending time and effort in producing GCBs. BMMPC, on the other hand, makes more money from buying fresh berries and producing GCBs themselves.

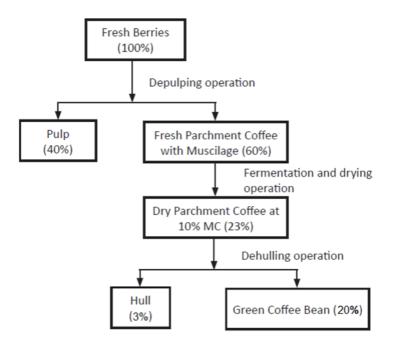


Figure 6. Material balance of fresh Arabica coffee berries to green coffee bean

- 21. **"Based on experience of local roasters one kilo of GCB will produce 0.8 kilos of roasted coffee.** According to some coffee players, coffee processors and coffee shops are more interested in buying GCB since they will have the flexibility to do their own kind of roasting and processing. Moreover, GCB can be stored for few years without quality decline (assuming proper storage were done) while roasted coffee will start to stale after several weeks." (PEF, p. 9)
- 22."At the farmgate level, a Robusta coffee farmer that has a 1-hectare land containing 1000 coffee trees producing 500 kilos of commercial grade Robusta GCB will earn approximately Php 17,440 in one season if sold at Php 80 per kilo of GCB. Cost of production already include labor, post-harvest processing, hauling and interest expenses for labor.
- 23. Income will increase up to Php 34,440 if the coffee farmer doubles his productivity (1,000 kilos of GCB) through proper farm maintenance and

fertilization if he produced the same quality of coffee. If that farmer improved the quality of his coffee and produce 1000 kilos of Fine Robusta, his income will further increase to Php 53,773 per season if sold at Php 25 per kilo of fresh cherries (Php 125 per kilo of GCB if converted). Finally, if a coffee farmer maximizes his land and follows the maximum planting density (1600 trees per hectare), his income will reach Php 55,680 for commercial grade GCB and Php 86,613 for Fine Robusta coffee." (PEF, p.12)

Figure 4: Farmgate Income Projection

	Curr	ent Planting	Max Planting Density			
ROBUSTA (Farmgate/Farmer Level)	Baseline Income		Income			
			Fine Robusta Fresh		Fine Robusta	
	GCB (kg)	GCB (kg)	Cherries (kg)	GCB (kg)	Fresh Cherries (kg)	
No. of Trees per hectare	1,000	1,000	1,000	1,600	1,600	
VOLUME	500	1,000	5,000	1,600	8,000	
PRICE	80	80	25	80	25	
SALES	40,000	80,000	125,000	128,000	200,000	
TOTAL COST	22,560	45,560	71,227	72,320	113,387	
A. Farm Maintenance Labor & Inputs Cost	6,600	17,600	17,600	27,800	27,800	
B. Harvest & Post-Harvest Cost	10,167	20,333	44,333	32,533	70,933	
C. Transportation Cost	1,000	2,000	2,000	3,200	3,200	
D. Interest Expense (@10% per month)	4,793	5,627	7,293	8,787	11,453	
PROFIT	17,440	34,440	53,773	55,680	86,613	
Income Change (compared to baseline)	-	17,000	36,333	38,240	69,173	
% Increase (compared to baseline)	-	97%	208%	219%	397%	

Source: PEF, p. 12

Wholesale & Retail

- 24. "Profit margin in selling commercial grade GCB is only around 8%. Coffee groups usually have a mark-up of Php 10 per kilo of GCB. However, demand for commercial GCB is very high and thus it is easier to sell. Fine Robusta GCB will give farmer groups better margins (15%). Even though it will take more effort for farmer groups to produce Fine Robusta, this will give them a mark-up of around Php 25 per kilo. Roasted coffee is by far the most profitable wholesale coffee venture even if it comes with higher capital requirement mostly due to equipment (roaster) and personnel cost. Coffee groups can at least sell their roasted coffee at Php 350 per kilo which will give the groups a profit margin of around 54%. For example, a coffee group will earn Php 140,000 from selling 20MT of commercial grade coffee. Their profit will increase to Php 440,000 if they sold the 20MT of Fine Robusta GCB. Their profit will skyrocket to Php 3Million if they are able to produce and sell16MT of roasted coffee (20MT GCB = 16MT of roasted coffee).
- 25. Retailing coffee will give the most income to any group or sole proprietor. Retailing ground coffee beans will provide a 77% profit margin while a coffee shop venture will provide 95% profit margin. However, large capital requirement for equipment, packaging and personnel is needed. Moreover, selling requirement is very high. If a farmer group decided to transform 20MT of GCB into roast and ground beans for retail, they need to sell at least 51 roast and ground coffee 250-gram pouches per day at Php 150 to breakeven while a coffee shop needs to sell 205 cups per day to breakeven if they decided to transform 20MT of GCB into cup of coffee and sell it at Php 30." (PEF, p.12-13)

Figure 5: Wholesale & Retail Income Projections

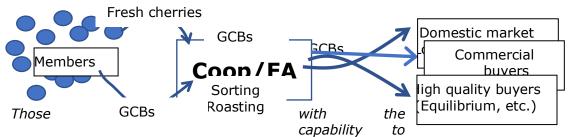
	Wł	nolesale (@20M	T)	Retail (@20MT)			
ROBUSTA		Fine Robusta	Roasted	Ground Beans	Brewed Coffee		
	GCB (kg)	GCB (kg)	Beans (kg)	(250 g pouch)	(# of Cups)		
VOLUME	20,000	20,000	16,000	64,000	1,600,000		
PRICE	90	150	350	150	30		
SALES	1,800,000	3,000,000	5,600,000	9,600,000	48,000,000		
TOTAL COST	1,660,000	2,560,000	2,622,000	2,239,000	2,215,000		
A. Transportation Cost							
1. Hauling to Trading Centers (e.g. Davao, M	60,000	60,000	192,000	192,000	-		
B. Secondary Processing Cost							
1. Cost of Purchase (GCB)	1,600,000	2,500,000	1,600,000	800,000	800,000		
2. Roasting Machine	-		650,000	650,000	650,000		
3. Grinder	-		-	45,000	45,000		
4. Pouch	-		-	192,000	-		
C. Other Cost							
1. Monthly Rent	-		-	-	180,000		
2. Personnel Salary			180,000	360,000	540,000		
PROFIT	140,000	440,000	2,978,000	7,361,000	45,785,000		
Gross Profit margin	8%	15%	53%	77%	95%		
Total Volume Sold to Breakeven		17,067	7,491	14,927	73,833		
Volume Sold per Day (for retail)	-	-	-	178	4,444		
Volume Sold per Day to Breakeven (for retail	-	-	-	51	205		

Source: PEF, p. 13

- **Coffee value chain in Northern Mindanao** (Source: <u>RAPID Growth REGIONAL</u> <u>STRATEGIC INVESTMENT PLAN FOR COFFEE, NORTHERN MINDANAO</u>)
- 26. **"Small farmers are the country's main producers of coffee in Mindanao.** Farmers market coffee to small processors, large companies, and specialty coffee shops. These buyers process coffee into various forms such as green coffee beans (GCB), roasted, ground, and instant."
- 27. "Northern Mindanao is the fourth top coffee producer in the country in terms of production volume recording 5,739.12 MT in 201835. However, in the last 30 years, coffee production declined. Production decreased from around 10,000MT in the 1990s to 5,200 MT in 2012. A gradual increase is recorded starting 2013 until 2017. The decline of coffee production can be attributed to aging coffee trees producing lower yield and the shift of farmers to other high value crops. In the region, the number of coffee bearing trees declined from as high as 11.3 million trees in 1990 to 5.9 million in 2018. Nevertheless, a gradual growth of coffee production in the last 7 years can be seen. This is attributed to renewed interest of farmers in coffee because of increased demand."
- 28. "In the last 30 years, farm gate price is going up. For instance, Robusta, with a price of PhP 22 per kilo in the 1990, recorded an average PhP 93 a kilo in 2018. However, Arabica has a recorded farm gate price of PhP 52 a kilo in 1998. As of today, Robusta's farm gate price ranges from PhP 80 to PhP 150 per kilo (dried beans). Arabica is sold at around PhP 350-400 a kilo. More than half of the Robusta coffee supplies goes to Nestle that has a manufacturing plant in Cagayan de Oro City. Only a small percent goes to local coffee processors." (p. 38 39)
- 29. "At present, the Bukidnon Coffee Industry has 16 coffee brands made from Arabica coffee, Robusta and Excelsa namely: Agila Filipina and Jacques Coffee from Lantapan; Con Amor, Noble Coffee, Monks Blend and Kitanglad Brew from Malaybalay; Café Rico from Quezon; Seven Tribes Coffee from Impasug-ong; Hineleban Coffee and Damilag Coffee from Manolo Fortich; Highland Robusta from Maramag; Kape Napalit from Pangantucan; Peace Coffee from Valencia; Senior

Rogelio Coffee and MACOFA Coffee from Malitbog; and Mirayon Mountain Meadows Coffee from Talakag.

- 30. Of these, Monks Blend and Hineleban Coffee have already established national prominence over the years, thanks to their effective marketing strategies. Others rely on their growing popularity as sought-after products that can be bought directly from their farm areas (e.g., Kape Napalit, Kitanglad Brew) or at municipal bus terminal outlet (e.g., Kape Maramag) or at community-run restaurants and coffee shops (e.g., Miarayon Mountain Meadow Coffee, Jacques Coffee). And then there are a handful others that have already penetrated the supermarkets in the capital cities of the region (e.g., Kape Roger, Gloria's Coffee, Señor Rogelio), with FDA approval to boot.
- 31. Producing quality coffee in the Bukidnon province is within reach with Central Mindanao University housing the first coffee laboratory in Region 10 to offer technical quality testing facilities. ...A high scoring coffee can command a higher selling price in the specialty coffee market. Further dragging the competitiveness ... is the lack of a suitable consolidation center where small farmers can properly store their produce in a warehouse that is also host to other processing machineries such as dehuller and roaster, a testing apparatus, and ample space for drying, sorting and packaging." (p. 21)
- 32. The emerging optimal business model for coop/farmers' associations is illustrated below. Some members would deliver fresh cherries while others deliver GCBs to the coop/FA. The coop/FA acts as consolidator, processor, and sorter of GCBs to sell to different buyers, according to their requirement. Lowest quality GCBs usually go to domestic market although some domestic buyers require good quality beans. The bulk of production goes to Nestle and other commercial buyers (although Nestle is the primary buyer).



produce high quality beans sell them to higher value buyers. Some coops/FAs would roast their own GCBs for sale to domestic buyers. This way, the coop/FA can buy all the output of their members (mimicking the role of traders/consolidators) and capture the full value of the chain.

34. Since producing high quality GCBs takes time and significant effort, most coops would stop at consolidating GCBs for Nestle since the profit margin there is already significant. Those that aspire to capture higher values go into high quality coffee which is valued at up to double or more than the buying price of Nestle. For those who will venture into the tri-market model, the idea is for them to concentrate on producing lower quality/commercial GCBs while they improve their capacity to meet the quality requirements of high value buyers. Over time, the objective is to increase the volume of high quality GCBs while reducing the volume of lower quality GCBs to maximize profit margins. Those who can afford to increase their volume to meet both markets can aspire to do so by increasing their supply base (recruiting more members) and training members who want to aspire for higher value to produce good quality beans.

Coffee in SOCCSKSARGEN

- 33. "The SOCCSKSARGEN Region is the biggest producer of coffee, producing 26,957 MT of the total production in the Philippines in 2015. This represented 37.26% of country's production... Among the different regions, only SOCCSKSARGEN was able to increase coffee production, from 27,554 MT in 2009 to 28,891 MT in 2013; a 4.9% increase. However, SOCCSKSARGEN production exhibited a decline since 2013, from 28,891 MT to 26,958 MT in 2015, despite increases in hectareage and number of bearing trees during the period. The factors for this situation, according to key informants, are probably weather variations that caused less than optimal water and temperature regime for fruiting or that induced greater than usual incidence of pest and disease." (PEF, 12-13)
- 34. Sultan Kudarat is the top coffee producing province in the country. However, its production exhibited a decline of 0.15% from the period 2010.to 2015. Coffee value chain in CAR
- 35. "The Cordillera Administrative Region is 5th among the different coffee producing regions in the Philippines, producing 5,465 MT or 7.22% of national production. ... The suitability of the cool climate of the Cordillera highlands (Benguet, Mountain Province, Ifugao) positions the Arabica coffee production in a comparative advantage over other regions in the country. The warm climate in the lowland areas in Kalinga, Ifugao and Apayao is suitable for Robusta coffee production. ... Data for the past three years shows that the volume of coffee produced in the CAR in metric tons in dried berries form grew only at an average of 0.57% per year. However, the volume of coffee beans bought by local coffee buyers/consolidators dramatically increased by about 46.35% per year for the past three years. The share of volume bought by local buyers to the volume produced has also been increasing from only 1.57% in 2009 to 10.4% in 2011. This situation presents an increasing gap in the supply (production) level and demand (processing) level in the coffee industry that needs to be addressed. For 2015, Robusta shares 88.36% of the total production, Arabica shares 9.78% and the rest are Excelsa and Liberica. The top coffee producing province in CAR is Kalinga accounting about 68% of the total coffee production as of 2012, followed by Ifugao and then by Benguet. By species, Benquet produces 73% of the total Arabica coffee production while Kalinga produces 75% and Ifugao produces 21% of the total Robusta **production**." (<u>PEF</u> 2018, p. 15)
- 36. "Under input provision, planting materials are produced in the nurseries operated by the Municipal Agriculture Offices and the Provincial Agriculture Office. There are cases where the farmers themselves produce their own seedlings by selecting good seeds from their own previous production then transplanting the seedlings in their farm. However, there are many cases wherein farmers, for lack of appropriate knowledge collect coffee wildlings and transplant these to their expansion areas with minimal care and maintenance resulting to low productivity. In addition to coffee seedling produced by LGU nurseries, there are 12 also private nurseries selling seedlings. There are no records however of the production capacity and service areas of these nurseries."
- 37. Coffee seedlings are sold at ten pesos per piece to 20 pesos per piece depending on the size of the coffee seedlings. The seedlings are usually grown in seedling plots and transferred to seedlings bags where they are grown within nine months to 1 year. At 1 year, the seedlings are ready to be sold and transplanted to the fields. For fertilizers and other commercial inputs, about 100 agricultural input dealers and establishments exists in capital towns of the producing

provinces. The involvement of DA-Bureau of Plant Industry however remains deficient to get some of the coffee nurseries be accredited, a need that is important in producing adequate quality seeds and planting materials.

- 38. The main operators in this segment are the estimated 28,000 coffee farmers/growers and about 100 farmers" groups who are involved from the time of establishing a coffee production (transplanting of seedlings) area and farm until the stage of harvesting coffee berries. Almost all the coffee growers in the region has coffee growing as a secondary crop with an average of about 170 bearing coffee trees grown as backyard crop. Coffee trees come into bearing 3-4 years after planting and are in full bearing at 6-8 years. Fruits mature 7-9 months after flowering. The harvest season is January to April for Robusta coffee, November to June for Arabica, and February for Excelsa.
- 39. The average harvest in the Cordilleras is around 0.66Kgs per tree for Robusta, and 1.26Kgs per tree for Arabica. The various activities include cultural management - fertilization, weeding, irrigation and pest and diseases management, and harvesting of berries. In the case of Robusta, one-time harvesting by stripping method is the common practice for speed and practicality but can result to damages to coffee trees and inclusion of unripe coffee berries that can affect the overall quality of the harvests. On the other-hand, hand-picking is usually done for Arabica berries. In the presence of old unproductive trees, rejuvenation is undertaken to increase production.
- 40. Green Beans processing that includes drying, de-hulling, de-pulping, sorting and grading are usually done by individual growers themselves, in some cases by farmers" associations, and by about 200 coffee micro-processors. In some areas in Kalinga and Ifugao, the different activities are done by consolidators and assemblers. The resulting product in this stage is the green beans. The common processing practice for Robusta coffee is the dry process where harvested coffee berries are sun dried on pavements and plastic nets or canvass materials for a few days before these are put in hulling machines to crush and remove the hulls and parchments. In instances where hulling machines are not available, rice mills are used but are not efficient. In many barangays, manual pounding is done.
- 41. The wet processing method is usually done for the Arabica variety but there are still a few who are practicing the dry processing method. To help the farmers produce coffee green beans that should be of better quality and reduce labor costs, the DA in partnership with the LGUs and Farmers cooperatives and associations, provides hulling and pulping machines and appropriate extension and training services ... Processing of roasted coffee are undertaken by about 28 processors and 200 micro-processors in the region. It involves further sorting of coffee beans, roasting, grinding and packaging. Under this processing stage, the end products are ground coffee usually packed in 500 grams and 1 kilogram packing for Robusta. Arabica on the other hand are usually packed in 250 g, 500 g and 1 kilogram packing. The end products are sold to local households, local hotels and restaurants, local market outlets and goes beyond the region.
- 42. Roasting are done with the use of coffee roasting machines. Such however is limited because of the limited number of available roasting machines, which were subsidized by the government through DA, DTI, DOST and LGUs. Other roasting activities are done through the traditional way of manual roasting. There are two forms of coffee that are marketed and traded. One is in the form of coffee green beans which are directly marketed to bigger companies like Nestle Philippines, Figaro, and Rocky Mountain. Such are traded through designated buying stations in the provinces and through assemblers who are responsible in transporting

them to the targets markets as mentioned. In most cases, assemblers and consolidators directly buys from the farmers coffee beans. There are cases that fresh coffee berries are traded to consolidators who process the berries into green beans. Presently however, there is an increasing demand for green beans at the local market with the opening of local roasted coffee processing enterprises. The other form of coffee marketed is in the form of roasted ground coffee packed in amounts designed for household – 250 grams, 500 grams and 1 kilogram. The processors distribute these by themselves to the different local market outlets.

- 43. Almost all the coffee growers in the region have coffee growing as a secondary crop with an average of about 170 bearing coffee trees grown as backyard commodity. The growing potential of coffee as a viable source of income however has motivated the farmers to increase production through expansion of areas in the past recent years. Hence, coffee growing farmers in the provinces have organized themselves into cooperatives and/or organizations to be able to access better services from concerned government agencies. Most interventions of the government were rendered through the organizations. Most farmers and coffee growers have small land holdings and backyard type of coffee production somewhat limiting the volume of coffee they are able to produce. To increase their bargaining power as well as creating steadier and more sustainable market, they form into groups where they consolidate their produce which they commit to buyers for better price. "(PEF, pp 20-23)
- 44. "In Kalinga, Mountain Province and Ifugao, the Provincial Coffee Boards are actively working on providing services to strengthen cooperation and commitment among the different operators identified in the value chain in order to make coffee a viable industry in the provinces and to develop equitable sharing of benefits from the coffee industry.

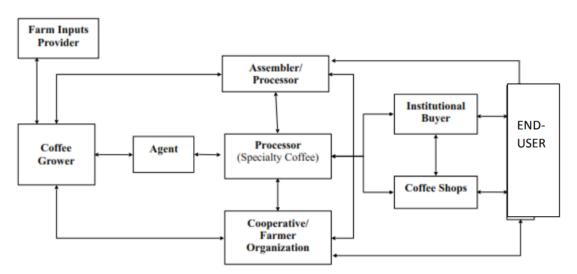
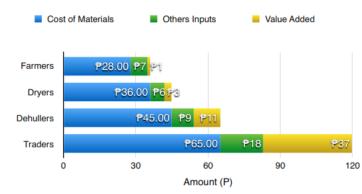


Figure 9: Information Exchange among Players

45. Important aspect in vertical relation is the presence of good communication system. It is through communication that the different players in the coffee value chain are able to coordinate and establish agreements and commitments, particularly on the aspect of supply – seedlings for coffee growers, raw coffee berries for primary processors (green beans) and green beans for second level processing (roasting). The presence of Provincial Coffee Boards in the provinces, in a significant way, helps assure balanced relationships among the players in the value chain. They help balance power and are gearing towards creating equitable socio-economic benefits by helping strengthen linkages. The emergence of specialty coffee shops

demanding good quality coffee has intensified the advocacy of the need to produce quality coffee. Some coffee growers, particularly the Arabica coffee growers, since then started to adopt quality improvement techniques in harvesting and coffee green beans processing, such as doing sorting, classifying and moisture testing. A few coffee growers in Kalinga who have been practicing the dry processing method to produce green beans has slowly shifted to wet processing method for the production of green beans in their pursuit to supply the demand for gourmet coffee. Thus, the demand of the market and consumers in a sensible way influences the quality and quantity of coffee supply. Still, coffee growers are mainly price-takers. Prices are reportedly mainly set by assemblers and consolidators of big traders and multi-national companies. The vertical relationships are still to be shaped and made stronger through information exchange as to pricing, standards of quality, as well as through the exchange of knowledge on skills." (PEF, pp. 23-24)

- 46. In the Cordilleras, the average farm-gate price for Arabica coffee dry beans was higher than the rest of the country at 136.81 pesos per kilogram in 2011 and 166.93 pesos per kilogram in 2015. The province of Benguet registered even higher price at 142.02 pesos per kilogram in 2011, and 168.18 in 2015. However, the average farm-gate price in Mountain Province was lower at 98.07 pesos per kilogram in 2011 and almost doubling to 185.14 pesos per kilogram in 2015.
- 47. For Robusta coffee dry beans, the average farm-gate price in CAR has been higher than the national average. The average price in CAR was 72.99 pesos per kilogram in 2011 and 82.47 pesos per kilogram in 2015. The price across the fiveyear period showed the Cordilleras eventually surpassing the historically higher average price in CALABARZON... According to key informants, the higher-thanaverage farmgate prices in CAR (and even in CALABARZON) were due to the region's proximity to Metro Manila. Some key informant however attributes the price difference to perceived taste difference of coffee produced in the region. The taste difference was reportedly due to the unique agro-climatic characteristics of the Cordlleras. In terms of roasted coffee, the wholesale price for Arabica roasted coffee on the average nationwide was 294.71 pesos per kilogram in 2011 and rose to 358.36 pesos per kilogram in 2015. On the other hand, the average wholesale price nationwide of Robusta coffee roasted was 178.59 pesos per kilogram in 2011 and rose to 210 pesos per kilogram in 2015. With respect to seasonality, the condition in the cordillera limits the production of Arabica berries from November to May, with peak harvest in the months of January and February. For Robusta berries, harvest run from January to April, with peak harvest in January and February. (PEF, p. 35)
- 48. The figures below show that farmers have the lowest value captured among all the players; only 1.9% of total value for GCBs and 12.7% for roasted coffee beans. (p. 26)



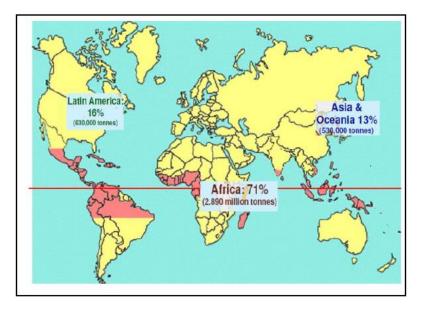


gure 10: Cost Contributions and Value Added Captured for GCB



CACAO

- 49. "The world demand for cacao has nearly tripled since 1970 growing at an annual rate of 3% with China and India growing at 7.9%. One of the primary drivers of this increase is the growing middle class, increasing discretionary household income in developing countries, new and innovative uses of cocoa in the food, cosmetics and pharmaceutical industries, and the positioning of cacao as health food." (Philippine Cacao Industry Roadmap, p. ii)
- 50. "Cacao is an equatorial product it only grows in countries on or near the equator. The tree is cultivated in many countries. Africa contributes 71% of the world cacao production, followed by Latin America (16%) while Asia and Oceania at 13%. Today, the leading suppliers of cacao are Ivory Coast, Ghana, Indonesia, Nigeria, Brazil, Cameroon, Ecuador, Dominican Republic and Papua New Guinea."



- **51.** Ninety percent (90%) of existing cacao farms are small. This ownership profile holds true even in the global scenario where most cacao farms are also small, ranging from 1-3 hectares."
- "... cacao may significantly contribute to poverty alleviation and inclusive growth through livelihood and job generation. This is because cacao production only requires small monetary investment or start-up capital. This explains why 90% of the growers are of small farm holdings. The suitability of cacao as an intercrop for coconut and

banana, the two-week harvest interval, and the early gestation period of 18 months are some of the most valued advantages of this high value crop. **The early return of investments and high profitability of the product also ensure good income augmentation potentials.** Above all, the industry is market-driven considering that cacao has no product substitute. Its diversified usage as food and non-food warrants a sustainable marketing opportunity." (Cacao Roadmap, p. 2-3)

52. "As illustrated in the figure below, the global demand (blue line) of cocoa beans is consistently increasing since the 1900s. Consequently, global production (red vertical lines) is generally increasing to meet the global demand though slight fluctuations of production is noted in some years. However, as shown in the graph, global cacao production since 1991 is lower compared to the global demand. As a result, projected supply shortfall by 1 million MT by year 2020 has been forecasted by industry experts." (Cacao Roadmap, p. 4)

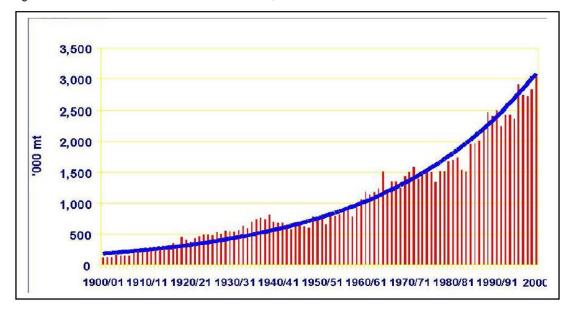


Figure 2: World Cacao Production vs. Demand, 1900 to 2000

- 53. "The growing demand of cocoa beans is positively correlated with the demand for chocolates given that cocoa is the primary raw material that cannot be substituted by another commodity. In 2011, global sales of chocolate breached the USD 100-Billion (B) mark and is expected to hit USD 147-B by 2017 (Bloomberg).
- 54. "The 2014-2015 world cacao grinding requirement was forecasted at 4.146 million MT (MMT). However, Asia's grinding requirement alone is already at one MMT, but only 0.5 MMT can be supplied by cacao producers from the ASEAN Region. The high grinding capacity has already exceeded the bean production thus, widening the gap of demand and supply. In the Philippines, current production is not even enough to supply local grinding requirements estimated to be at 40,000 MT."
- 55. "While demand is on an uptrend, supply gap continues to widen due to production constraints brought about by factors such as changing weather condition, pests and diseases, low productivity, aging trees, competing crops and unsustainable cacao farms. The one (1) MMT projected shortfall by 2020 is forecasted by experts to be felt earlier. The scarcity of bean supply also resulted to the closure of grinding facilities." (Cacao Roadmap, p. 5-6)

56. "The cocoa market has experienced recordbreaking growth in global supply over the last decade (Tridge, 2021). However, demand will slightly outstrip supply in 2021/22, rising as supply drops, mostly due to low agricultural input use and unfavourable weather conditions (Mera et al., 2021). The Russia– Ukraine war may affect yields, as trade sanctions have reduced the availability of fertilizers and sharp price increases make it difficult for some cocoa farmers to buy inputs (Confectionery Production, 2022; ICCO, 2022). The projected supply deficit is expected to narrow in 2022/23 as more agriculture inputs become available and conditions improve (Mera et al., 2021; Tridge, 2021)." (GLOBAL MARKET REPORT, Cocoa prices and sustainability, p. 3)

57. A growing number of uncertainties, including climate change, are challenging the viability of the cocoa sector. (Global Market Report, p. 4)

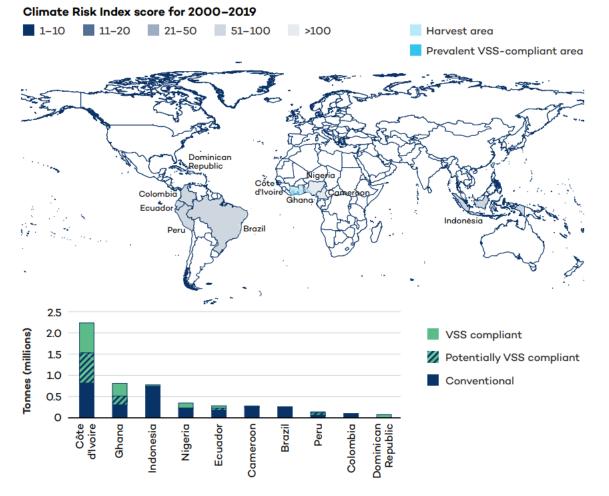
- **The COVID-19 pandemic has greatly affected the cocoa sector, as most cocoa is exported for chocolate production** (Global Agriculture and Food Security Program, 2021; Ministerie van Landbouw, Natuur en Voedselkwaliteit, 2021; Tridge, 2021). ... Despite these challenges, global cocoa production expanded in 2020 from the previous year (Mera et al., 2021; Tridge, 2021).
- Climate change is also expected to disrupt the global cocoa value chain, as some regions will become less productive and others completely unsuitable for growing cocoa ...
- In addition to being vulnerable to the effects of climate change, **the cocoa sector is** also a driver of climate change. In many parts of the world, cocoa farming is associated with deforestation...
- The cocoa sector must help reverse global deforestation if it is to mitigate climate change. This means renovating cocoa trees and intensifying existing cocoa production operations to dissuade cocoa farmers from encroaching on natural environments.
- Equally important are measures that the industry can jointly implement to ensure that cocoa farming does not result in deforestation, such as traceability systems that can track cocoa beans to their origin.
- **Cocoa farming also has great potential to support reforestation as it is a suitable agroforestry crop.** Furthermore, shadegrown cocoa offers protection against rising temperatures and a drop in precipitation.

58. Voluntary sustainability standard (VSS)² can improve the sector's sustainability and resilience (p. 6)

- Efforts to make the cocoa sector more sustainable and resilient to challenges such as climate change are ongoing. The adoption of VSSs first started in the sector nearly 30 years ago (Fairtrade Foundation, 2022). Implementing VSSs allows farmers to differentiate themselves in the marketplace from conventional cocoa
- Agricultural practices that comply with VSSs can support farming resilience in different ways. For instance, requiring farmers to improve soil health by using organic manure, covering crops, or fewer pesticides can help maintain soil moisture, adequate soil drainage, and aeration. These efforts, in turn, can sustain cocoa trees in dry spells and prevent soil erosion during heavy rains

² **ISO 34101: AN INTERNATIONAL STANDARD FOR SUSTAINABLE COCOA.** In their efforts to address these (sustainability) issues, cocoa industry stakeholders gathered together to craft a voluntary international standard, to establish a common framework and universal guidelines **for producing sustainable cocoa**. After six years of planning and development, the ISO 34101 standard is now published and in place. The new standard covers all of the organizational, economic, social, and environmental aspects of cocoa farming, includes strict requirements in terms of traceability, and provides a clear sustainability roadmap for the industry. ISO 34101: an international standard for sustainable cocoa - Cacao Forest

- VSS-compliant cocoa, which grew at a CAGR of 34% to 41% between 2008 and 2019, represented 27% to 47% of global production in 2019. However, there are signs that the supply of VSS-compliant cocoa may be slowing, as its CAGR dropped -0.55% to 8% from 2014 to 2019 (calculations based on Meier et al., 2021). The decline in VSS-compliant production is largely due to a drop in UTZ-certified cocoa, which fell from 1.6 Mt in 2018 to 1.34 Mt in 2019
- Our analysis indicates that Côte d'Ivoire, Indonesia, Ghana, Cameroon, and Brazil offer VSSs the greatest opportunity to expand based on the size of their existing conventional cocoa production. Among the least-developed cocoa-producing countries, Haiti, Liberia, Guinea, the Central African Republic, the Democratic Republic of the Congo, and Sierra Leone offer VSSs the greatest opportunity to enable sustainable development by adopting more sustainable cocoa-farming practices based on their share of global cocoa production, the presence of VSSs, and their rating on the Human Development Index. (p. 6-7)
- Just as important, VSS-compliant cocoa farming can also result in higher yields compared to conventional production ...

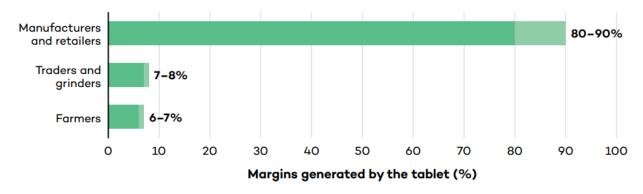


Note: Countries with lower Climate Risk Index scores are those that have been most impacted by extreme weather events in the reference period.

Sources: Eckstein et al., 2021; FAO, 2022; Meier et al., 2021; Voora et al., 2019. Source: <u>Global Market Report</u>, p. 3

59. Cocoa farmers are among the lowest earners in the value chain, while chocolate manufacturers and retailers generate the greatest profit.

Figure 5. Share of margins generated by a tablet of dark chocolate in 2018, by value chain actor.



Sources: Bhutada, 2020; FAO & BASIC, 2020.

Source: Global Market Report, p. 18

- 60. "VSSs are trying to address challenges in the sector and seeking better financial outcomes for farmers
 - To better illustrate the differences between conventional, VSS-compliant, and specialty prices, Figure 6 showcases the cocoa market price (cocoa futures) from 2012 to 2021 (USD/tonne), the average FOB prices in Ghana and Côte d'Ivoire for conventional cocoa in 2020, prices paid by certification schemes such

as Fairtrade and certified Organic (FOB) in 2019 based on available data, and average prices paid by specialty buyers through direct trade (FOB) in 2020. For сосоа farmers, the effects of participation in a VSS on prices and incomes are mixed,

though

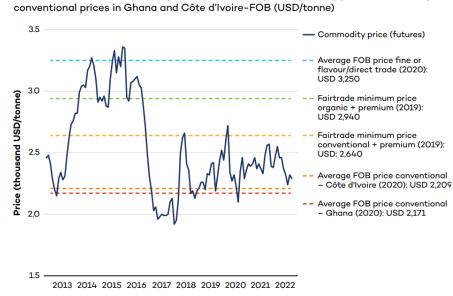


Figure 6. Cocoa market price against Fairtrade, Organic, specialty prices, and average

Source: Authors' elaboration based on data from Fairtrade International, n.d; Fountain & Hütz-Adams, 2018; Indexmundi, 2022 (assuming Ghanian farmers receive 70% of FOB and Ivorian farmers 62% of FOB price).

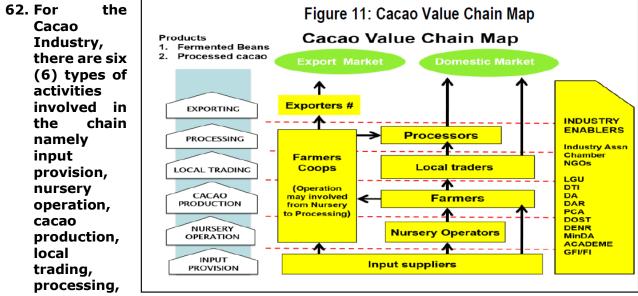
appears that small cocoa farmers who adopt VSSs tend to be more profitable (Francisco da Silva, n.d.)

However, it is important to note that producing VSS-compliant cocoa implies higher operational costs (i.e., application fees, annual fees, audits) and time for farmers, who can obtain better prices only when selling certified cocoa as such. In many producing countries, few farmers can obtain and maintain certifications without subsidies, limiting their ability to benefit from higher prices (Elder et al., 2021)." (p. 20)

- 61. "A way forward: What is needed to address low farm gate prices and build a more sustainable cocoa value chain?
 - Enhancing price transparency and the accountability of value chain actors in cocoa markets...
 - Promoting an enabling business environment and farmers' access to finance is key
 - Supporting crop diversification and extension services
 - Promoting better trade relations, rewarding farmers for adopting sustainable cocoa practices, and supporting the LID in mainstream markets" (p. 24)

Cacao market in the Philippines

Industry value chain

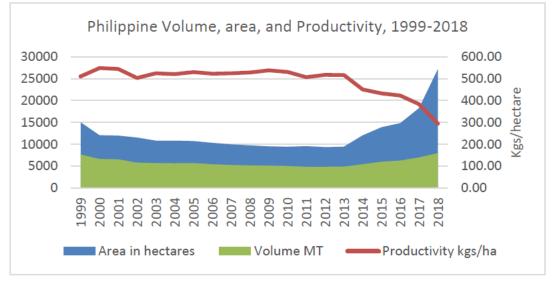


and exporting. Each level of activity has corresponding businesses/players who guarantee the availability of products required in their level. Fertilizers, pesticides, packaging, and other input requirements of the upper level functions are being supplied by input suppliers. Farmer cooperatives in the cacao-growing communities serve as operators from nursery operation to processing of cocoa beans. Aside from these cooperatives, there are nursery operators, farmers, local traders and processors operating at the various level of industry activities. (Cacao roadmap, p. 16)

- **63.** "The Philippines is a net importer of cacao on the other hand, global supply shortfall is expected to be at 1 million metric tons (MMT) by 2020 (p. ii)... there are three major cultivar groups being grown by farmers. These are the Criollo, Forastero, and Trinitario cultivars: The Criollo is considered as the most prized, rare and expensive variety. It is native to Central and South America. It is believed that the 1st cacao seed planted in the Philippines was the Criollo variety brought via the Acapulco-Manila Galleon Trade in 1670. Only 5% of the world's cacao production is Criollo. This variety is difficult to grow, as extremely susceptible to pests and diseases. The beans are white to pale pink in colour and recognized as a superior quality, less bitter and more aromatic. Considered as the "Prince of Cocoas," Criollo is an ingredient in premium chocolates.
- **64.** The Forastero, a native of the Amazon basin, is the most versatile variety and most commonly grown cocoa. It is mainly grown in Africa, Ecuador and Brazil and accounts for 80% of the world"s cocoa supply. It is significantly harder, disease

resistant and high yielding. Beans are purple-coloured and mainly used to give chocolate its full-bodied flavor. They have bitter taste, thus, often blended with superior cocoas. Trinitario, the hybrid of Criollo and Forastero combines the best of the two other main varieties: the hardiness and high yield of Forastero and the refined taste of Criollo. It is the predominant fine flavor cocoa and can be found in all the countries where Criollo cocoa was once grown including Southeast Asia and the Philippines. It is being used in about 10% of the world cacao supply.

- **65.** There are six (6) intermediate products that can be derived from cacao beans: cocoa nibs, cocoa liquor (tablea), cocoa cake, cocoa butter, cocoa powder and chocolate confectionary blocks. Its diversified use, both for food and non-food, provides broader market opportunities. As a health food, cacao is packed with vitamins and antioxidants that make it almost a super food or a natural multivitamin." (p. 1)
- 66. **"Cocoa-based products traded in the local and international market include**: Wet cacao beans, Ready to sow cacao seeds (seedling purposes), Cocoa nibs (beans, whole/broken, raw/roast, Tablea (Cocoa paste or liquor, not defatted), Cocoa powder (not containing added sugar / other sweetening matter), Cocoa butter, fat/oil, Chocolates, Chocolate Confectionery" (p. 2)
- 67. "The Philippines is among the countries in Asia seen to have a competitive advantage on cacao production given its strategic location and climatic condition. The two (2) million (M) hectares of coconut farms ideal for cacao intercropping supplement the industry"s competitive advantage. The first cacao in Asia was planted in the Philippines in 1670 while commercial farms developed in the 1950s. Production level reached 35,000 MT by 1990. However, production started to decline due to several factors such as weather and climatic condition, pests and diseases infestation, and aging trees. The decline was further aggravated by decreasing world market price and competitive advantage, the Philippine cacao production at present only stands at 10,000–12,000 MT from the 20,000–25,000 hectares (ha) of land planted with cacao per industry estimate. The said estimate is higher as compared with the figures shown by the 2015 Philippine Statistical Authority which was at 13,910 ha only producing 6,020 MT." (p.3)
- 68. "The volume of production for cacao in the Philippines continues to increase where in 2018 it had peaked at over 8000 metric tons. However, an analysis of cacao productivity shows that it has declined to less than 300kgs per hectare in 2018 (Figure 3). This can mean that the increase in production is due to the expansion of planted area for the crop. On the other hand, the decline in productivity is due to the high number of newly planted cacao trees that are not yet productive. The persistent problem of old, senile trees that have low productivity in need of rejuvenation."

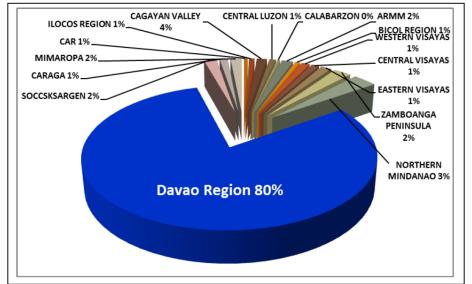


Source: PSA, 2019 in Cacao Regional Strategic Investment Plan (RSIP), Reg. 11, p. 19

- 69. During the series of Regional Cacao Convergence sessions, it has been reported that millions of planting materials had been distributed and cultivated in the last two to four years through the Department of Environment and Natural Resources-National Greening Program (DENR-NGP)), Department of Agriculture-High Value Crops Development Program (DA-HVCDP) and the Philippine Coconut Authority-Kaanib Program (PCA-Kaanib Program). However, monitoring was not regularly conducted, resulting to inaccurate and outdated data which need to be addressed immediately.
- 70. By 2016, around 38,785,095 seedlings were distributed and planted. If proper trainings will be provided to beneficiaries and appropriate production

protocol will be observed, this will provide a big push for the industry.

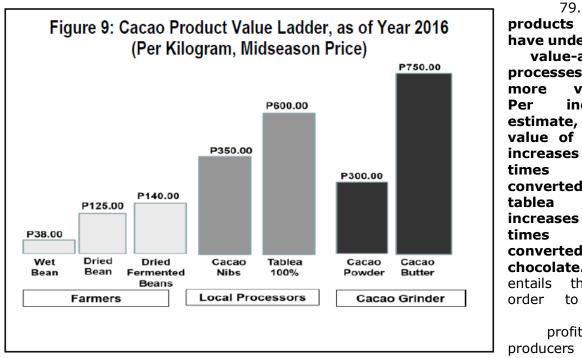
71. ... [T]he Davao **Region contributes** 80% of the national cacao production having 19,769 ha (LGU data) of land planted with cacao in 2015. The rest of Mindanao contributes 10% while the remaining 10% is being shared Luzon and bv



Visayas". (Cacao roadmap, p. 4)

72. On account of productivity level, a declining yield from 2005 to 2014 was noted despite of the expansion of the industry in terms of area. Although area expansion was observed yearly, the volume of production at 0.5 kg to 1.0 kg per tree per year is way below the targeted 2 kg per tree per year set by the industry to beat the 2022 Cacao Challenge. Genetic expression of the existing varieties is at 3.5 kg per tree per year. Aging cacao trees, lack of good agricultural practices, and scarcity of high-yielding planting materials are among the factors affecting the yield and production volume of the industry. Aging cacao trees, lack of good agricultural practices, and scarcity of high-yielding planting materials are among the factors affecting the yield and production volume of the industry.

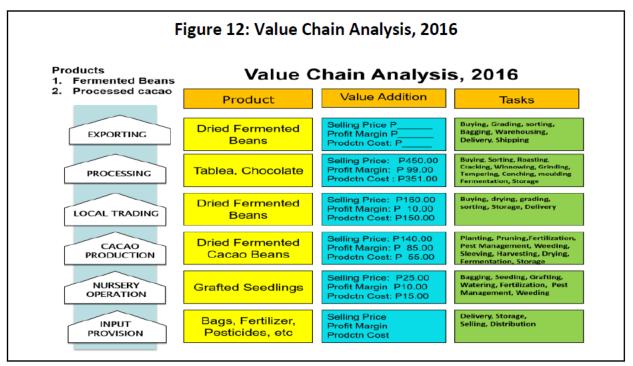
- 73."Among the major chocolate manufacturers located in the country are Universal Robina Corporation, Commonwealth Foods, Inc., Goya, Inc., and Columbia International Food Products Inc. Most of these companies are situated in Luzon, with capacity ranging from 20,000 to 36,000 MT of processed cocoa annually. Universal Robina accounts 38% of the chocolate market, with Cloud Nine and Nips as top selling products.
- 74.Grinding requirement of local chocolate manufacturers is at 40,000 MT while national production is only at 10,000 MT. A portion of this 10,000 MT is also being exported or processed at source, hence, not all local production is being consumed by the local grinders prompting them to import cocoa beans from other countries. It is reported that the Philippines imports 50,000 MT of cocoa and cocoa preparations to meet the local demand.
- 75.The presence of players from all stages in the cacao value chain places the Philippines at a competitive edge. Locally, the discrepancy between the grinding requirements of manufacturers and the existing national production entails more opportunities for production expansion to meet local demand. In addition, local processors offer higher buying price for cocoa beans compared to bean exporters.
- 76. Normally, the local price of the country's cocoa beans is correlated with the international commodities pricing. However, when there is an increased volume in local cacao processing on a certain period (i.e. tablea processors) and supply of raw materials is nil, it pushes the local price up considering that "tablea" does not at all times conform to world market prices.
- 77. Dried bean prices had moved up from as low as P30.00/kg in 2007, P70.00 in 2009 to as high as P115 in 2014. Dried fermented cocoa beans get a premium of around P10.00- 15.00 per kilogram for fermented beans." (p. 8-10)
- 78. Cacao is the only agricultural commodity that defies the law of Supply and Demand. Unlike other commodities, the price of cocoa beans are generally higher during peak season. Low production is between January to April with the price at its lowest. However, during the peak production period, i.e. October up to early January, the price is also at its highest. Incidentally, this period is also the peak inventory month for cacao bean for occasions such as Halloween, Christmas and Valentine's Day. (p.8)



°... products that have undergone value-adding processes are valued. industrv estimate, the value of beans increases four when converted to and increases eight when converted to chocolate. This that in gain to higher profitability, must

value-add their products instead of settling into wet or dried beans alone.

- 80. Among the most valued cacao product is the cocoa butter which is being sold at PhP750.00 per kilogram or higher. This product is a pale-yellow, edible fat extracted from the cocoa beans. It accounts 45-57% of the bean content and is the most expensive. It is a major ingredient in practically all types of chocolates, and also being used in making ointments, toiletries, and pharmaceuticals." (p. 12)
- 81. "In the 2016 VCA conducted by the industry players and enablers, no data on the provision and export of value-added inputs were generated. However, other activities in the chain show that the greater value addition being done in each activity, profit margins are. As illustrated in Figure 12, activities in the processing of tablea and chocolate have a higher profit margin as compared to the activities at the lower level of the value chain." (Cacao roadmap, p.17)

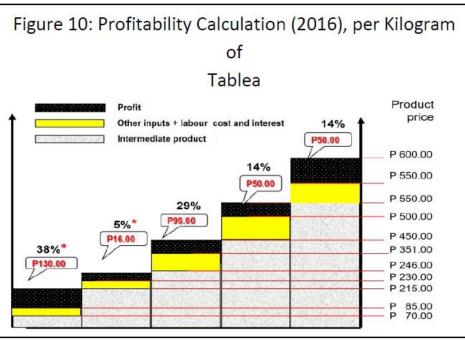


Source: Cacao roadmap, p. 17

- 82. "In selling beans, the dried fermented ones are more valued compared to the wet and dried beans. Farmers may have an additional PhP10-15.00 per kilogram in selling dried fermented beans. However, in order to market this type of product, availability and accessibility to postharvest facilities are very important to farmers.
- 83. In terms of tablea product, the farmers get the highest profitability with 38% or equivalent to PhP130.00.00 based on the PhP 215.00 selling price of 1.5 kg of beans. Production cost is estimated at PhP45.00 PhP50.00 per kilo of dried

fermented beans. The minimal requirement for additional inputs and overhead costs, and the prevailing market price based on supply and demand, contribute to the bigger profitability of the farmers. On the other hand, tablea processors gain the next highest profit compared to as other levels of the value chain.

84.A



percent profit, equivalent to PhP99.00 per kilogram, is gained by t

twenty-nine

PhP99.00 per kilogram, is gained by the processors out of the PhP450.00 selling price per kilogram. Traders, wholesalers, and retailers only acquire 4% and 14% profitability shares. Under the value chain distribution in the

international scenario, 6.6% profit goes to the farmer for every bar of chocolate, while the chocolate producer and retailer take 35% and 44% of the shares, respectively.

85.As illustrated in Figure 10, farmers with value-adding activities gained more economically. Thus, the cocoa sector can contribute much in terms of inclusive economic growth. This is very important in spurring up rural economic development. This is on top of the jobs created and other related livelihood opportunities that will be created." (p. 12)

Government Support

- 86. "The potential and significant contributions of the cacao industry to employment and income generation led various government agencies to initiate interventions that will support the development of the industry. Among the programs designed to provide support are as follows:
- High Value Crops Development Program of the Department of Agriculture (DA);
- Philippine Rural Development Program of DA;
- National Greening Program of the Department of Environment and Natural Resources;
- Coconut-Cacao Enterprise Development Project of Philippine Coconut Authority;
- Industry Clustering, Market Assistance, Trade Promotion and Shared Service Facility Programs of the Department of Trade and Industry (DTI);
- Market Resurgence Program (MRP) of DTI;
- Agrarian Production Credit Program of the Department of Agrarian Reform;
- Mindanao Sustainable Agrarian and Agriculture Development (MinSAAD)
- Project Credit Program of the DA-Agricultural Credit Policy Council;
- SETUP, MPEX, and CAPE Programs of DOST; and,
- Research and Development Projects of the DA-Bureau of Plant Industry and academe." (Cacao roadmap, p.13)

Industry challenges

- 87. "Postharvest Facilities... [M]ajority of the cacao farmers still do the fermentation and drying at their farms or homes using makeshift equipment. Cacao beans are dried on the ground or makeshift platforms which may expose the beans to surface contamination and infestation. The absence of appropriate solar dryers or mechanical dryers slows down the drying of cocoa beans during rainy season, allowing moulds to develop. On the other hand, rapid drying prevents the oxidation of acetic acid which leads to excess acid trapped within the beans. These can cause serious problems for the industry as it affects the beans flavour and quality. To attain these quality requirements, appropriate postharvest facilities must be available in all cacao-growing communities. These facilities include cacao bean grading kits, fermentary facility, solar dryer with UV cover, mechanical dryer, multipurpose dryer pavement, and warehouse.
- **88.** *Nursery and Budwood Garden...* The increasing number of cacao growers posted a problem in terms of supply of quality planting materials as nursery and budwood gardens are limited especially in Luzon and Visayas. In Davao Region, there are over 150 nursery operators with combined production of more than five (5) million seedlings per year. These nursery operators supply not only the Davao Region and Mindanao areas but also Luzon and Visayas. Likewise, ready to sow seeds and bud sticks which are the primary inputs to nursery operation are sourced out from Davao. The existing supply gap is a major concern that hampers the expansion and development of the industry. The availability of quality planting materials including expansion and establishment of community-based nurseries and budwood gardens are critical in meeting the 2022 Cacao Challenge and ensuring the availability of high-yielding and pest and disease resistant planting materials. The proliferation of non-accredited nurseries is also evident and pose additional concern to the industry in its

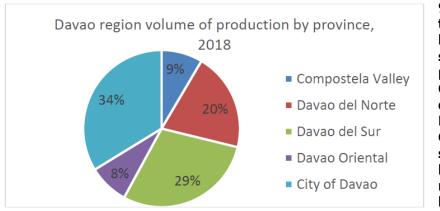
aim of maintaining a high-yielding and disease-resistant planting materials. After all, quality beans come from quality seedlings.

- 89. Farm to Market Roads... In the production side, the lack of FMR affects the farmers" capacity to transport farm inputs and farm products thus increasing their production costs. The delay of movement in the harvested cacao to postharvest facilities and/or marketing channels also affects the quality of beans thus, resulting to low farm gate prices. As for the marketing aspect, poor road networks limit the farmers" opportunities to gain access to larger commercial channels and choose buyers whop can provide higher prices. Oftentimes, farmers rely on middlemen who often buy their beans at a much lower price. Since most cacao farms are located in the rural areas, issues on product consolidation, delays in the movements of crops, farm inputs, and finished product which affect production costs and farm gate prices are very evident.
- 90. Research and Development. Improvement and innovation across the different areas of the value chain (input provision to production and processing) are necessary in gaining competitive and comparative advantage. Accordingly, both the private and public sectors including the academe have been doing their own research and development on cacao production and management and product development and enhancement in order to attain these advantages. On cacao production and management, the agriculture-based academic institution such as the University of Southern Mindanao (USM) undertakes various research that aim to develop new generation of superior clones that are high-yielding, high fat content, and resistant to Cocoa Pod Borer (CPB), Phytophthora pod rot, and Vascular Streak Dieback (VSD). Together with the DA-BPI, new cacao hybrids were developed, and studies on varietal appropriateness to local conditions were made.
- 91. To complement the research and development (R&D), the DA-BPI and the DOST in partnership with the private sector undertook research and development interventions to develop new technologies in nursery operation, farm production protocols and postharvest processing. Ultimately, this seeks to increase farm productivity and enhance product quality. Although product development and enhancement are commonly initiated by the private sector engaged in processing/manufacturing, the government sector such as the DOST is also conducting researches for quality improvement of various cocoa-based products such as tablea, liquor, etc. While there are numbers of research conducted, the industry still sees the need to conduct further research and development activities. The need for an effective system to promote research products and ensure firm-level technological absorption or facilitate technology transfer must also be taken into consideration. The establishment of a Cacao Research Center is being pushed by industry players in order to have a focal center for R&D and depository of all cacao research."
- 92. Human Resource Development. Majority of the cacao farms in the country are small holdings and are being owned and managed by farmers. These farmers are generally undergraduates who have gained knowledge in farming from their descendants or from experience. Consequently, majority of them have limited technical skills and knowledge on the production, marketing, and entrepreneurial aspects of agribusiness. Further, farmers have limited access to relevant and updated data, information, and knowledge which they can use. This human resource gap often becomes a hindrance in attaining the desired productivity and competitiveness of the industry. For instance, the

lack of knowledge on Good Agricultural Practices (GAP) led to improper cacao farm management thus resulting to low yield and vulnerability of the plant to pests and diseases. Lack of knowledge on the use and establishments of postharvest facilities affect the quality of the beans thus ultimately affecting the farmers" income. Addressing these gaps are relevant to the industry given that cacao production is labour-intensive rather than capital-intensive. At present, the private sector and non-government organizations such as the Kennemer Foods International (KFI), CSI Trade Ventures., Cacao Industry Development Association of Mindanao (CIDAMI), ACDI/VOCA, and the Cocoa Foundation of the Philippines, Inc. (CocoaPhil) are also providing technical interventions to cacao farmers across the country. Public sector initiatives to enhance human capability within the industry is also evident as DA, DAR, DENR, and DTI in partnership with Cacao Industry Development Association of Mindanao Inc. (CIDAMI) provide human resource trainings not only in the field of production but also on entrepreneurship. This shows that efforts for human resource development are being prioritized both by the public and private sectors. However, given that most of the training centers are located in Region XI, other regions such as those from Luzon and Visayas have limited access to these types of intervention. This is one area that has to be looked into." (Cacao roadmap, p. 13-15)

Cacao value chain in Reg. 11

- 93. **"The Davao region has always been the top contributor of dried cacao beans in the country.** PSA data shows that since 1999 majority of the cacao produced in the country comes from the Davao region (Figure 5). More than 80 percent of the total production of cacao comes from the Davao region starting in 2014 which continues to the present. This is a response to the high demand for cacao and chocolate products in both the international and domestic market (Department of Agriculture RXI, 2014). (Cacao RSIP, Reg. 11, p. 20)
- 94. **"Based on the PSA data, Davao del Sur has the largest production next to Davao City in 2018 (Figure 7).** Compostela Valley contributing the lowest volume. However, according to PCIP (2017), production in Davao del Norte is the largest among the provinces of the region. They also have the largest land area planted at 6,037 hectares (DA-PRDP, 2017).



95. All provinces in the Davao Region have large areas suitable for the production of cacao. **Central areas in Davao** del Sur, Davao del Norte, and Compostela Valley show suitable and highly suitable color There maps. are highly suitable areas in the coastline of

Davao Oriental as well. The identified areas can serve as initial data for expansion activities to be done for the cacao industry in each province... The concentration of cacao farmers is mostly in Davao City, Davao del Norte, Compostela Valley Province. Banana and coconut farmers converting to cacao is seen as the primary reason to why the large number of farmers in these provinces (Department of Agriculture RXI, 2014)." (Cacao RSIP, Reg. 11, p. 21-22)

96. "Figure 8 shows the value chain map of the Davao region showing the flow of cacao commodity from input up to its final users and consumers." (Cacao RSIP, Reg. 11, p. 23)

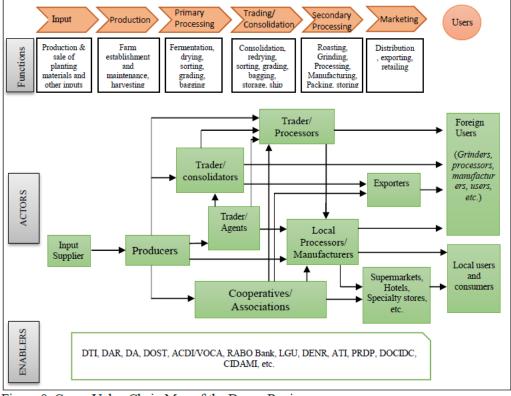


Figure 8. Cacao Value Chain Map of the Davao Region

- **97.** "*Input suppliers* include nursery operators, fertilizer retailers, plastic materials to cover cacao pods, etc. These also include cooperatives that maintain nurseries that supply to members.
- 98. Producers/Farmers. Farmers can be classified into smallholders and commercial farmers. Majority are small-scale with less than 2 hectares. three hectares of farmland with low investment in inputs, planting materials, labor, etc. Commercial farms, however, continue to use an intercropping system but they invest more in farm maintenance, labor, and other value-adding activities. Cacao were planted as intercrop to other types of crop such as coconut. They either sell dry or wet. Decision to sell wet or dry vary depending on the volume harvested, selling price available, logistics, and weather conditions. Farmers sell wet beans to local processors, consolidators, agents of local processors, and to cooperatives. While wet beans are sold to cooperatives, agents of traders and of local processors, and to processors.
- 99. *Trader/agents.* These are small scale traders that are located in the barangays buying both wet and dried beans. Some are considered agents. They are individuals that consolidate cacao beans for the local processors and trader/consolidators. In return, they are given incentives by as much as PhP5.00/kg depending on the prevailing selling price. Some have established a mini buying station (beside their houses) while some are buying from the farm using their vehicles. Known agents are those that supply to KFI. Dried beans bought by barangay traders are sold to big trader/processors.

- 100. *Trader/consolidators*. These are big traders that perform primary processing such as fermentation, drying, sorting, grading, and bagging. They have storage for consolidation and directly ship to foreign users. Known trader/consolidators are KFI and Seedcore, among others. Others are mostly Chinese traders that buy dried beans for consolidation. They prefer to buy unfermented beans since they are more particular with the appearance of the beans. They sell to trader/processors and exporters.
- 101. *Trader/processors*. These are big traders that are located in Davao City such as JM Agro Industrial Trading. They buy dried beans "all-in". They process cacao beans to cocoa liquour and to other products. They export beans and processed cacao, and also supply to local manufacturers for food and beauty products. One example of trader/processor in Davao del Norte is the Chokolate de San Isidro/CSI Ventures, Inc.
- **102.** Cooperatives. Some cooperatives buy wet beans from farmer members, while some buy dried unfermented beans. There are cooperatives that process cacao into tablea and sell to food manufacturers. While some cooperatives buy wet beans to ferment, dry, and sell to exporters, and to local processors. An example of these cooperatives are Subasta Integrated Farmers MPC and BARBCO both in Davao City, LAMPCO³ in Compostela Valley, and Agrigrow Live in Davao Oriental. But some cooperatives simply consolidate and sell.
- 103. Local Processors/manufacturers. They process cacao beans to cocoa liquour, tablea, nibs, chocolates, and etc. They supply cocoa products, mostly chocolates, to local food supermarkets, hotels, grocery stores, among others. They also export chocolate products. Example of this type of actors include Malagos and MS3 Agriventures⁴ with processing plant in Davao City, FODC (Auro) in Cavite, and Mama Sita's in NCR that use cocoa as ingredient to their products such as champorado mix, and etc. Another example is Comval Tropical Harvest Trading, Inc. Co. in Compostela Valley that manufactures chocolates for domestic market.
- 104. *Retailers such as supermarkets, hotels, grocery stores, etc.* are those that buy/display chocolate products for the consumers. These may also include pasalubong centers, and other specialty stores.
- **105.** *Exporters* include those that buy and sell fermented or unfermented beans, cocoa butter, and other processed products to other countries. Mostly, dried beans are exported to Malaysia and Indonesia.

Buyer	Price (PhP)	Type of product	Demand	Market
FODC	196 (Average)	Fermented	300T	Local, US, Japan
Malagos	125 fermented	fermented, wet	1900T*	Europe, US, Local
MS3	150-160	fermented	1T/day* Finished products	Middle East
Seedcore Agri- industrial Crop	130-150 fermented, 30-35 Wet	wet, dried	25T/weekly	Export
CSI		Dried, wet	4T/month*	Local, Export
ComVal Tropical	35 wet, 130 fermented	fermented, unfermented, wet	3T	Local
KFI	32-35 wet,	wet, dried	4500T	Puratos, Mars, etc.
*Projected Source: KII (2019)				

Table 6. Price, demand, and markets of anchor firms in the region

³ BARBCO and LAMPCO are RAPID beneficiaries.

⁴ MSE Agriventures is a RAPID anchor firm along with Kennemer Foods, Inc.

- **106.** *Foreign Processors*. They process cacao beans into different products. It can be for food, pharmaceutical and cosmetic products." (Cacao roadmap, p. 24-25)
- **107.** The largest concentration of cacao processors (73) are in Davao City with the base of operations of the largest cacao processors such as Kennemer Foods, Inc, Malagos, and FODC constituting the main market for cacao within the region (Bentain, 2018). (Cacao RSIP Reg. 11, pp 24-25) Main supply of cacao were coming from the Davao provinces and brought to Davao City. Table 6 shows the different anchor firms (AF) or large buyers in the Davao region with information on their current buying price, product requirement, demand, and current markets. (Cacao RSIP Reg. 11, p. 32).
- 108. Table 7 shows the consolidated plans and programs for the different provinces in the Davao Region along with activities and programs from government enablers, NGO enablers, and private initiatives. (Cacao roadmap, p. 33)

Province	Programs	Purpose	Partners
Davao Oriental	Agribusiness Development Program	Develop commodity industries including cacao	LGU
	MARS Cacao Development Center	To increase supply of cacao in the Philippines	LGU, CIDAMI, ACDI/VOCA, Mars Cocoa Dev't Center, DOSCST
	Mindanao Rural Development Program	Cacao venture project with an ARB	NAGMASID KOOP; MRDP
	Information dissemination for BPI accreditation	Increase awareness to non-certified cacao nursery operators	DTI, BPI, DA
	Cacao Doctors Training	Improved delivery of services, technology, and trainings for the overall development of the cacao industry	DTI, DA, private firms
	CMAFCO Pre- membership Education Seminar	Pre-membership seminars for incoming cacao farmer members for assisted cooperatives	DTI, CDA
Davao del Norte	Cacao-Banana Agri- Enterprise Development (CBAED)	Banana-cacao intercrop farming system	FEDCO, ACDI/VOCA
	Cacao 100 Program	Loan facility for cacao farmers	Land Bank of the Philippines
	Seed High Value Crops Financing Program	Loan facility for cacao farmers	Development Bank of the Philippines
	Cacao Doctors	Production and farm maintenance training	Department of Agriculture RXI
	Export Pathways Program	Product development and enhancement; Linking to domestic and international markets	Department of Trade and Industry
	CoCoPal	Created to produced CoCoPal Farmer Leaders	ACDI/VOCA; CocoaPhil; PhilRice

Table 7. Summary of Programs to develop Cacao in the five provinces of Davao Region

		who in turn will provide technical trainings in their municipalities	
	GREAT Women Project	Generate women entrepreneurs; Cacao Doctors training; Chocolate-making	DTI, LGU, DA, DOST
Davao City	Kakao Konek	RAPID Growth Launching; Industry Cluster Election of Officers; Trainings; Showcase of chocolate and tableya producers	DTI, CIDAMI, Cacao Industry Cluster Council
	Chocolate Capital Expo	Cacao exhibits and support program discussions	DTI, LGU, local cacao industry council
	Mindanao Trade Expo	Trade exhibit	DTI, DA, LGU
	Chocolate Festival	Trade exhibit; chocolate exposition	CIDAMI, DTI, SM City Ecoland
	Cacao Facility Demo & Techno Training	SSF on cacao processing	DTI, LGU
Davao Occidental	Cacao Value Chain Stakeholders Consultation	Date generation/collection for cacao value chain study	DTI
Davao Occidental	Cacao Leaves Dehydration and Fossilization Training	Skills training; Value- adding	DTI
	Cacao Industry Cluster Meeting	RAPID Program introduction	DTI
Davao del Sur	Techno Enhancement on Tableya-making	Training to improve tableya production through better technology	DTI
Source: (Department of Agricu	ulture RXI, 2014); (Department of Agricu	ulture, 2015)	

- 109. "Priority investments for the Davao region include establishing nurseries and organic fertilizer production facilities, training of farmers on GAP, Cacao Doctors training and FFS, and seedling dispersals. With a total investment of P437 million, these PAPs will ensure the supply of quality inputs to producers... A total of 13 million seedlings have been disbursed to thousands of farmers mostly via their producer organizations in all the provinces of the Davao region amounting to P195 million. These disbursements were mostly done by the DA-PRDP, DENR NGP, and various seedling disbursal programs of the LGUs... Quality planting materials that are affordable to smallholder farmers will be delivered by 100+ nurseries to be put up by the DA and LGU. Most of them will be managed by a cooperative with a few being managed by the LGU. There is also an initiative to facilitate the accreditation of nurseries under the BPI ensure the quality of the seedlings coming out of these nurseries." (Cacao RSIP, Reg. 11, pp 37-38)
- 110. "Processing which includes the production of dried cacao beans (sun-dried and dried, fermented), tableya, and chocolate production has a budget allocation of P210 million pesos... A total of 85 fermentary facilities, 146 dryer facilities, and 88 warehouse/storage facilities will be granted to coops and associations across all the municipalities covered in each of the respective provinces that are part of the region. These post-harvest facilities hope to address the production of quality dried cacao beans supplied to traders, processors, and exporters in the cacao industry... Aside from the post-harvest facilities, investments in tableya and chocolate factories, grinder equipment grants, and two chocolate academies have been allocated for the provinces of Davao del Sur and Davao Oriental. The investments plan to address the growing domestic demand for chocolates in the country... Along with the facility grants, more than P77 million worth of GMP training were given to farmers and farmer groups. These trainings were province-wide activities across four provinces in the region." (p. 41)

111. "Trading and marketing in the cacao industry were allocated a total of **P116 million in investments.** The main investment made by the DA, DTI, and local LGUs were in convening producers and their buyers to create marketing agreements between value chain actors. These were facilitated via meetings where details of purchase agreements (contracts, POs, lease farming) were ironed out in the presence of government enablers and the parties involved... Information dissemination via IEC materials, radio, ty, and print promotion to advertise the benefits of cacao farming and their success stories also received a significant amount of investment. Davao del Sur and Davao Oriental LGU were the initiators of many of these activities as part of their promotion of this high value crop. Hundreds of farmers got to participate in field tours which taught them benchmarking options in the industry to learn the roads to success taken by their fellow farmers... The DTI together with the DA and local government units in the region have undertaken activities to promote collective activities among farmer groups such as organizational training, entrepreneurship, and the adoption of block farming to properly consolidate and market their produce as a cacao association. Development of pricing structures have been undertaken by DTI throughout the region. It provides useful information for small farmers to get the right price for their product... A sizable investment in activities such as market matching, organizing trade fairs, assisting SMEs and farmer groups to attend trade fairs have been made by the DTI. These activities have been centered on the promotion of the cacao product and market linkaging to improve the value chain. All in accordance with the directives in the National Cacao Road Map." (pp. 43-44)



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex: Annex 15. Staffing Matrix

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Annex 15. VISTA Project Staffing Matrix (DAR)

Project Level	Position	Key Tasks	Regular (GoP)	Hired (Loan)
СРМО	National Project	Oversee overall project implementation. Head of	1	
	Director	procuring entity for national procurement		
	National Project Manager	Take charge of the day-to-day operations of the project at the national level.		1
	Sr. SECAP Specialist	Provide guidance on SECAP requirements, and monitor and evaluate project activities on social, environment and climate change assessment project- wide		1
	Business Development Systems Specialist	Develop the business development systems for VPOs		1
	Financial Systems Specialist	Work on value chain finance as well as traditional finance including liaison work		1
	Sr. Admin/Finance Officer	Perform tasks related to asset management office administration, budget and accounting and audit		1
	Sr. Procurement Officer	Provide strategic and operational guidance and assistance to different project procuring entities. Prepare project wide Procurement Plan, monitor implementation and primarily responsible for project wide contracts management		1
	Sr. M&E/KM Officer	Provide strategic and operational direction for the Project's M&E, MIS, and KM		1
	Sr. Gender and Social Inclusion Officer	Develop project level gender and social inclusion (GESI) strategy and action plan, M&E with Pro-WEA indicators,. provide capacity building on GESI, conduct of social norms diagnostic study, etc.		1
	MIS/IT Specialist	Responsible for data management, design information management system, website administration, and provide technical support to M&E/KM Officer		1
	Finance Assistant	Assist Sr. Admin/Finance Officer in project budgeting, accounting, audit		1
	Admin Assistant	Assist Sr. Admin/Finance Officer related to procurement, office administration, asset management		1
	GIS Support Staff	Provide technical support to all GIS related activities like geo mapping, geo tagging	1	
	Driver	Aside from driving, oversee the operation and maintenance of assigned vehicle	1	
RPMO	Regional Project Director	Oversee project implementation at the regional level. Head of procuring entity for regional procurement	2	
	Regional Deputy Project Manager	Take charge of the day-to-day operation of the project at the regional level		2
	SECAP Specialist	Monitor and evaluate project activities on social, environment and climate change assessment at the regional level		2
	Sr. Forester	Perform asset management, office administration, budget and accounting and audit		2

Project Level	Position	Key Tasks	Regular (GoP)	Hired (Loan)
	Ag Eng	Assist in planning, FS preparation, mapping and designing soil and water conservation technologies, and provide technical assistance in improving processing equipment/facilities efficiency		2
	FBS/Extension Training Specialist	Work closely with the ATI Focal Person in designing, implementation, M&E of sub-component 2.1		2
	Farm Systems Manager	Perform oversight in planning and implementation of the agri-extension systems and farming systems		2
	VPO Agribusiness Officer	Help VPOs develop business plans, oversee VPO business plan implementation , monitor VPO performance		2
	VPO Finl Mgt Officer	Help VPOs in improving their financial mgt system, train VPO key staff/Board in financial management, assist in VPO financial analysis		2
	VPO Credit System Officer	Review, set up, monitor the credit operations of VPO members		2
	Sr. Rural Infra Engr.	Conduct final review of DED and POW prepared by MLGUs and initially reviewed by DAR PBD engineers		2
	Sr. Economist	Conduct final review of FS prepared by MLGUs and initially reviewed by DAR PBD economist		2
	M&E/KM Associate	Support the M&E officer and SECAP specialists in undertaking the M&E tasks at the regional level		2
	MIS/IT Associate	Support the MIS/IT specialist in data management, design information management system, website administration, and provide technical support to M&E/KM Associate		2
	Gender and Social Inclusion Associate	Perform similar tasks with the GESI Officer, but on a regional scale		2
	Admin/Finance Associate	Perform similar tasks with Admin/Finance Officer, but at regional level		2
	Procurement Associate	Provide operational guidance and assistance to different project procuring entities in the region. Prepare regional wide Procurement Plan, monitor implementation and primarily responsible for region- wide contract management		2
	Finance Assistant	Do budgeting, accounting, audit at regional level		2
	Admin Assistant	Responsible for small procurement, office administration, asset management at regional level		2
	GIS Support Staff	Provide technical support to all GIS related activities like geo mapping, geo tagging	2	
	Driver	Aside from driving, oversee the operation and maintenance of assigned vehicle	2	
РРМО	Provincial Project Director	Oversee project implementation at the regional level. Head of procuring entity for provincial level procurement	10	
	Provincial Project Coordinator	Supervise the implementation of the project at the EARCCs. Coordinate with the different implementing partners		10
	Development Facilitator (DF)	Mobilize the VPOs and the EARCCs. Work with communities to build community awareness and	40	

Project Level	Position	Key Tasks	Regular (GoP)	Hired (Loan)
		capacity building on NRM enhancement and protection and climate adaptation strategies. Work with specialists, LGUs, VPOs in implementing the project under Component 2.		
	Admin/Finance Assistant	Perform, budgeting, accounting, audit at the provincial level. Assist in office management		10
	M&E Assistant/GIS Assistant	Collect Project prescribed data/information. Encode data in the project's system. Assist M&E associate in data collection.		10
	Gender Focal Point	Assist the Gender and Social Inclusion Associate at the provincial level	10	
	Technical Staff for GIS	Provide technical support to all GIS related activities like geo mapping, geo tagging	10	
	Driver	Aside from driving, oversee the operation and maintenance of assigned vehicle	10	



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex: Annex 16. Quality Assessment Matrix

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department

Annex 16. Quality Assessment Matrix

VISTA Quality Assessment Matrix/Checklist

Pillars/Areas of Quality assessment	Parameter/issue requiring QA scrutiny	Rating of this Parameter (Six-Points Rating Scale or Assessment Scale)
1. National Legal and Institutional frameworks of Public Procurement in the Borrower's country	The assessment of the Acceptability of the National Procurement system is based upon analysis of the below- mentioned parameters and, in case of deficiency, assessment of Quality will scrutinise the expected effectiveness of foreseen mitigation measures:	The rating of each parameter by QAG is made after assessing the quality and sufficiency of the respective mitigation measure prescribed in the PDR
	1. The national public procurement legal framework achieves the established IFAD procurement principles and complies with applicable obligations and the hierarchy of national legal instruments is clearly established (law, Regulations and procedures).	Rating:6 Justification: The national public procurement legal framework of the Philippines achieves established IFAD Procurement Principles and complies with applicable obligations. Hierarchy of national legal instruments is clearly established.
	2.National Procurement Methods are sufficient to meet the full range of project's needs with clear conditions for use of less competitive methods and ensure value for money, fairness, transparency, proportionality and integrity.	Rating:5 Justification: Republic Act 1984 also known as the Government Procurement Reform Act prescribes for competitive procurement methods while providing for clear conditions under which alternative methods of procurement may be used.

Pillars/Areas of Quality assessment	Parameter/issue requiring QA scrutiny	Rating of this Parameter
		(Six-Points Rating Scale or Assessment Scale) There are some limitation in procurement of consultancy services as the primary method used is QCBS with budget ceiling. No options available to apply QBS/FBS/LCS and CQS
	3.National Advertisement rules are compatible with IFAD requirements	Rating: 5 Justification: Not fully compliant. Annex "C" of 2016 Revised Implementing Rules and Regulations of RA 9184 allows 20 days as earliest possible time to open bids from first day of posting.
	4. Rules for participation do not exclude foreign bidders based on nationality or unnecessary national requirements	Rating: 6 Justification: Fully Compliant
	5. Bidders' qualifications criteria are pass/fail and related to deliver the specific contract. (Exclusions can be justified in case of convictions related to criminal or corrupt activities, non-payment of taxes and social security contributions and for administrative debarment under the national law)	Rating: 6 Justification: Fully Compliant
	6.National domestic preferences rules are in line with IFAD's requirements	Rating: 6

Pillars/Areas of Quality assessment	Parameter/issue requiring QA scrutiny	Rating of this Parameter
		<i>(Six-Points Rating Scale or Assessment Scale)</i> Justification: Domestic preference for goods at 15% consistent with IFAD's. No domestic preference in infra.
	7. National Law/Regulations require that Bid evaluation process is confidential and bid evaluation criteria are objective, relevant to the subject matter of the contract, and precisely specified in advance in the procurement documents.	Rating: 5 Justification: Compliant as prescribed in the 2016 Revised IRR of RA 9184
		Rating: 5 Justification: QCBS is default evaluation methodology in selection of consulting firms. Alternative modes require more substantiation to emphasize quality not bid price as basis for award.
	9. National Law/Regulations require "public" bid opening and disclosure of record of bid opening session	Rating: 6 Justification: Fully compliant
	10. National Law/Regulations require neutral specifications based on international norms	Rating: 5

Pillars/Areas of Quality assessment	Parameter/issue requiring QA scrutiny	Rating of this Parameter
assessment		(Six-Points Rating Scale or Assessment Scale)
	while admitting equivalent national standards, and provide for the use of functional /performance specifications where appropriate.	Justification: Fully compliant
	11. National SBDs are available and the contents of the such documents is sufficient for suppliers/contractors/service providers to respond to the procurement requirement on	Rating: 4
	fair and non-discriminatory basis. National SBDs include provisions on Fraud and Corruption, IFAD's right to audit, SECAP standards and SH/SEA provisions equivalent to those in IFAD's SBDs.	Justification: Partially compliant. National SBD's will be supplemented with an annex where bidding requirements need to incorporate SECAP mitigation measures.
	12. National SBDs include standard contract conditions which are consistent with internationally accepted practice and which prescribe arbitration as an ultimate forum for dispute settlement in case of contracts with foreign vendors.	Rating: 6 Justification: Fully compliant.
		Rating: 5 Justification: Compliant. Second tier refers to the courts.

Pillars/Areas of Quality assessment	Parameter/issue requiring QA scrutiny	Rating of this Parameter
assessment		(Six-Points Rating Scale or Assessment Scale)
		Rating: 5
	14. The national legal framework prescribes record- keeping rules (should cover the	Justification:
	entire procurement process, including contract management phase), and the PDR addresses these rules in an effective and adequate manner ensuring they are respected in practice efficiently.	Compliant. Implementing agencies adopt theft proof safekeeping measures. No electronic filling is available as such based on previous experiences documentation recovery could be limited in the event of natural disasters such as cyclones, floods and earthquakes.
	need for a Procurement Manual detailing all procedures for the correct implementation of procurement regulations and laws and which	Rating: 6 Justification: Fully compliant. Separate Procurement Manual issued by the Government Procurement Policy Board exists for goods, works and consulting services procurements.
	16. National Law/Regulations allow for sustainability and a national SPP (Sustainable Public Procurement) plan exists.	Rating: 6 Justification: Fully compliant
	17.National Guidance documents exist to enable Procuring Entities to introduce a well-	Rating: 5

Pillars/Areas of Quality assessment	Parameter/issue requiring QA scrutiny	Rating of this Parameter
	balanced application of sustainability criteria to ensure value for money	<i>(Six-Points Rating Scale or Assessment Scale)</i> Justification: Only with respect to goods
	international obligations like those reflected in IFI's Financing Agreements	Rating:6 Justification: Compliant per Sec. 4.2 of 2016 Revised IRR(2016 RIRR) of RA 9184
	19. Presence and effectiveness of a central Procurement Regulatory authority which is independent from transacting public procurement and assumes its role in disseminating professional guidance and rules concerning prevention of conflict of interest and integrity in the work of bid evaluation committees	Rating:6 Justification: Government Procurement Policy Board issues upon request non-policy matter opinions in addition to 2016 Revised IRR that disseminates professional guidance and disclosure of relations including disqualification sanctions
	20. Definitions of fraud, corruption and other prohibited practices in procurement Law/Regulations are consistent with IFAD's	Rating: 5 Justification: Compliant. An online portal exists of blacklisting suppliers, contractors and consultants. However obstructive practises and external entities rights to audit is not well defined in the procurement law.
2. Implementation Capacity of the parent Ministry (the	<i>The assessment of quality for this Pillar will be based on undermentioned parameters</i>	

Pillars/Areas of Quality	Parameter/issue requiring QA scrutiny	Rating of this Parameter
assessment		(Six-Points Rating Scale or Assessment Scale)
Implementing Agency) and related management systems, the capacity of the Project's Implementation Unit (PIU) to undertake project procurement and contract management	which are meant to measure the capacity of the parent ministry and PIU to undertake project procurement and contract management in a timely and effective manner as per the prescribed design of the project's procurement arrangements and the adequacy of the parent ministry's management systems and related interface with the PIU/PCU/PMU:	
	 segregation of roles in budget allocation, procurement processing/approval and subsequent payments to vendors. (ii) and (iii) Product/Performance (as demonstrated by successful past experience and ability to deliver public services timely and at the right quality. Foreseen Mitigation measures in the PDR are to be assessed for sufficiency with respect to the 3P deficiencies. Examples of mitigation measures: Creation of PIU Hiring of Project Management and/or Technical consultants 	Rating:5 Justification: DAR, DA and LGUs do not have certified procurement personnel and need procurement capacity training at start up. Processes are compliant. Performance is varied depending on procurement and contract management capacity as reflected by government wide underspending issues. Foreseen mitigation measures are sufficient to address 3P deficiencies. These measures include creation of Project Management offices at regional levels, hiring of program manager and assistant program managers. Draft PIM provide internal control measures including avoidance of conflict of interest. Technically capacity of project personal would be supplemented by IFAD or other external TA's

Pillars/Areas of Quality	Parameter/issue requiring QA scrutiny	Rating of this Parameter
assessment		(Six-Points Rating Scale or Assessment Scale)
	3. Formulation of PIM with adequate interface between the project and parent ministry systems and with adequate internal control measures including avoidance of situations of conflict of interest.	
	4. Appointment of external auditors, as relevant.	
	5. Training of parent ministry staff connected with project activities.	
		Rating: 6
	 PIU Director is issued a charter with clear reporting lines and well-defined and appropriate delegation of authority to transact project business and command timely provision of needed inputs from the parent ministry's various departments. 	Justification: Based on past IFAD financed projects an organic government officer will be designated as project director with reporting and delegated authority to be able to implement project business
	3. PIU staffing levels, in case PIU is established:	Rating:5
	 Number and range of expertise of PIU staff is adequate to cover all activities of the project (minimum 1 full-time Procurement 	Justification: Senior Procurement Officer will be provided at DAR Central Project Management

Pillars/Areas of Quality	Parameter/issue requiring QA scrutiny	Rating of this Parameter
assessment		(Six-Points Rating Scale or Assessment Scale)
	TORs • Training allocations for PIU staff are foreseen especially when parent ministry staff are seconded to the PIU	Office and Procurement Assistants at DAR Regional Project Management Offices, DA Regional Implementing Units. Project still to develop TORs for consulting firms. Project yet to hire procurement officer and assistants responsible for procurement and contract management. Training allocations are provided in cost tabs. Senior Procurement Officer and procurement staff to be enrolled in IFAD BuildProc Training with inclusion referenced in the PPA
	 Project budget includes adequate financial allocations (salaries, running expenses and per-diems etc.) and other resources (vehicles, decent office working area, equipment and tools etc.) needed by the PIU to deliver its tasks. 	Rating:6 Justification: Covered in proposed 18 month procurement plan
	5. Payment, Quality Assurance and Change Management procedures are fully developed by the PIU or mitigation measures are foreseen to deal with any deficiencies as early as possible at project commencement. Examples: Measures to ensure timely authorization and actual processing of due payments to vendors.	Rating:6 Justification: Provisions are provided in the PIM and existing budget and audit regulations of government
	6.Codes of Conduct and the consequences of breach of obligations are known to all parent	Racingio

Pillars/Areas of Quality	Parameter/issue requiring QA scrutiny	Rating of this Parameter
assessment	· · · · · · · · · · · · · · · · · · ·	(Six-Points Rating Scale or Assessment Scale)
	ministry and PIU staff engaged in project activities on part-time or full-time basis.	Justification: PIM will provide
	7. The parent ministry's system for suspension/debarment of bidders ensures due process and is consistently applied.	Rating:6 Justification: 2016 RIRR has separate guidelines for termination of contracts and blacklisting that comply with due process requirements
	8. The project builds-in third party or civil society and stakeholders' access to procurement information as a transparency safeguard and a precondition for effective monitoring of project's procurement operations.	Rating: 5 Justification: 2016 RIRR mandates the engagement of civil society as observer in all stages of the procurement process. However there are some limitation in the effectiveness of civil society participation
3. National Market Competitiveness and Delivery Capacity	The assessment of quality for this Pillar will be based upon undermentioned parameters which measure the extent to which the chosen optimal procurement strategies for the acquisition of the project's procurement needs are established following adequate market research which has fed into the design of the project's Procurement Plan:	
	1.Market Research is the basis for formulation of the project's procurement	Rating: 6

Pillars/Areas of Quality	Parameter/issue requiring QA scrutiny	Rating of this Parameter
assessment	· · · · · · · · · · · · · · · · · · ·	(Six-Points Rating Scale or Assessment Scale)
	 strategy for the acquisition of each substantial procurement contract and evidence of: comparison with alternative strategies is evident in the analysis presented in the PPS, at least for major contracts market capacity to deliver at competitive rates is present. 	Justification: There are no substantial procurement contracts envisaged in the project.
	2.The identification of the project's procurement needs is done in consultation with the stakeholders and is objective without exaggeration or understatement of the procurement needs.	Rating: 4 Justification: Consultation done with implementing agencies but its is too early to obtain any feedback from any of the stakeholders since the procurement packages are well defined
	3.National sustainable development goals of as well as relevant IFAD mainstreaming themes (in particular Youth, Gender, Environment & Climate as relevant) have been considered in procurement strategy preparation.	Rating: 6 Justification: Compliant
	4. Procurement strategy clearly demonstrates understanding of any constraints facing private firms in their participation in public procurement	Rating: 6 Justification: Compliant

Pillars/Areas of Quality assessment	Parameter/issue requiring QA scrutiny	Rating of this Parameter
assessment		(Six-Points Rating Scale or Assessment Scale)
	competitions (e.g. difficulties in obtaining bid securities, insurance policies etc.).	
	5.Evidence of Market Engagement with respect to advance dissemination of SECAP requirements and encouragement of the private sector to comply. Evidence of assessment of the capacity of the national market to comply including any foreseen SECAP training plans for the private sector.	Rating: 5 Jstification: This would be elaborated and buildt into the PIM and PMU to advise service provider, supplier and the contractor to ensure adherence or the measure as foreseen.
	6.Evidence that cost estimation of procurement contracts are based on market research for Goods or alternatively scientific estimation methods (like bottom-up, analogous or parametric cost estimation methods) for Works and Services.	Rating: 4 Justification: Too early as procurement packages are too small and not well defined. To be undertaken when project is launched and staff are already in place
4. SECAP compliance	The assessment of quality for this Pillar will be based upon undermentioned parameters which are needed to verify that SECAP standards have been implemented throughout all stages of the procurement process: definition of procurement needs/specifications, bidders' selection and qualification criteria, bid evaluation criteria and contract terms and conditions:	
	1.SECAP standards are considered in identification of project's procurement	Rating:5

Pillars/Areas of Quality assessment	Parameter/issue requiring QA scrutiny	Rating of this Parameter (Six-Points Rating Scale or Assessment Scale)
	requirements and evidence that alternatives were considered.	
	2. SECAP and SH/SEA standards are incorporated in the bidding documents especially where national SBDs are used.	Rating: 5 Justification: For compliance with respect to SECAP. Previous IFAD Financing Agreements did not require incorporation of SECAP standards in national SBDs.
	3.SECAP standards are implemented at all stages of the procurement process: setting of bidders' selection and qualification criteria, bid evaluation criteria and contract terms and conditions including mandatory Self- Declarations by bidders.	Rating:5 Justification:For compliance. Previous IFAD Financing Agreements did not require incorporation of SECAP standards in national SBDs. Bidder Self Certifications implemented in ConVERGE and RAPID projects
5. Fitness for Purpose of the project's Procurement Plan, Supervision Arrangements and status of project design and its readiness for implementation	The assessment of quality of this Pillar is based upon undermentioned parameters needed to verify that the project's procurement plan takes into consideration the findings of all above assessment pillars/parameters and that the IFAD Supervision Plan is commensurate with the complexity of the project's procurement and the assessed capacity of the implementing agency and the	

Pillars/Areas of Quality assessment	Parameter/issue requiring QA scrutiny	Rating of this Parameter
	<i>PIU (i.e. both procurement and supervision plans are fit for purpose):</i>	<i>(Six-Points Rating Scale or Assessment Scale)</i>
	1. The Procurement Plan incorporates the findings of all above assessment parameters	
	which have been arrived through the use of adequate management tools like SWOT and PESTLE analysis or equivalent methods, market research techniques and sound risk prioritization/mitigation measures.	Justification: Inadequate as to market research techniques/ Mostly small procurement and civil works which is available in the local market.
	2. The Procurement Plan is conducive to facilitate the project's timely completion and builds-in relevant time contingencies depending on the project's readiness for implementation	Rating:5 Justification: For compliance because specific contract packages not yet adequately defined due to absence of PMU/PIU at this stage of project design
	3. IFAD's Procurement Supervision Plan is commensurate with the complexity of the project's procurement and the assessed capacity of the implementing agency and the PIU.	Rating: 5 Justification: For compliance
	4. The provisions of the Financing Agreement and the Letter to the Borrower support the findings of the design of the project's procurement arrangements.	Rating: Justification: Not applicable at this time

A Six-Points Rating Scale for each parameter is to be assessed and filled-in in the rightmost column: 6 Highly Satisfactory 5 Satisfactory

4 Moderately Satisfactory 3 Moderately Un-Satisfactory 2 Un-Satisfactory

1 Highly Un-Satisfactory



Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities

Project Design Report

Annex: Annex 17 FM_arrrangements VISTA

 Document Date:
 02/02/2024

 Project No.
 2000003758

 Report No.
 6432-PH

Asia and the Pacific Division Programme Management Department



Template for Detailed FM arrangements in the Project Design Report (PDR) (Annex 17)

Philippines

Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities (VISTA)

19 January 2024

I. <u>Financial Management Risk Assessment</u>

	Summary	Brief description of issues	Inherent Risk at design H/S/M/L	Agreed Mitigation Measures (covenants precedent to disbursement)	Residual Risk H/S/M/L
Α.	Inherent risk assessment pillars				
i.	Country level	2022 TI score is 33/100, ranked 117/180 countries. Philippines TI is one of the significant decliners since 2014. RSP dropped to 4.0 in 2022 after stable rating of 4.25 since 2016. 2016 PEFA indicates improvement in some areas, however, confirms failings and delays in reconciliations with budget execution and accounting systems are inadequate to monitor and facilitate budget delivery. FMIS is still in development and procurement lacks an independent complaints mechanism while budget allocations steadily increased with limited absorptive capacity in executing departments. Inadequacies in internal control exist while financial reporting and oversight is insufficient to provide assurance on service delivery as envisioned in the budget	S		N/A

Table 2. Summary of FM Risks and mitigating actions:

DAR is LPA and DA is co- implementing agency, roject operation will follow PFM regulations and procedures at all levels that would sometime cause the delay of project implementation. DAR had recently implemented an IFAD- assisted project. ConVERGE, from 2015 to 2022 that involved regional and provincial operating units and local government units in Regions IX, X, and CARAGA. S Will be addressed during the design. N/A iii. Entity level From past and existing projects, some weaknesses that significantly affect the project FM: a) slow setting-up of project offices with delay of assigning seconded and recruitment of hired staff and b) in adequate computerized accounting software and c) seconded staff transfer during implementation. S Conditions precedent to first disbursement: a) Recruitment of key staff at CPMO and b) e- NGAs will be configured or additional software that meet the IFAD reporting requirements. N/A 8. Conditions precedent to first disbursement: a) Recruitment of key staff at CPMO and b) e- NGAs will be configured or additional software that meet the IFAD reporting requirements. N/A 9. DAR's finance staff number and staff as project. Iveals and may be constrained in some cases considering that they also must perform and prioritize government regular duties and functions. Regular government taff could not provide full time or coust une for project S A steady complement of government offices and staff at the central, regional, and provincial offices will be delegated. A special order (SC) will be S Regular government taff could not provide full time or protrate and provincial offices will be delegated. A speci						
some weaknesses that significantly affect the project FM: a) slow setting-up of project offices with delay of assigning seconded and recruitment of hired staff and b) In adequate computerized accounting software and c) seconded staff transfer during implementation. VISTA will be implemented in two large regions with the ccordination of DAR and DA with LGUs.Conditions precedent to first disbursement: a) Recruitment of key staff at CPMO and b) e- NGAs will be configured or additional software that meet the IFAD reporting requirements.N/A8. Control risk assessment pillars• DAR's finance staff number and capacity may vary at sub-project levels and may be constrained in some cases considering that they also must perform and prioritize government regular duties and functions. Regular government staff could not provide full time or focus time for project• A steady complement of government officers and staff at the central, regional, and provincial officers will be delegated. A special order (S.O.) will be issued by DAR and	ii.	Entity level	implementing agency, project operation will follow PFM regulations and procedures at all levels that would sometime cause the delay of project implementation. DAR had recently implemented an IFAD- assisted project, ConVERGE, from 2015 to 2022 that involved regional and provincial operating units and local government units in Regions IX,	S	•	N/A
assessment pillars•••••1. Organization and Staffing••DAR's finance staff number and capacity may vary at sub-project levels and may be constrained in some cases considering that they also must perform and prioritize government regular duties and functions. Regular government staff could not provide full time or focus time for project•A steady complement of government delegated regular staff and project-hired finance staff will be retained at all levels.1. Organization and Staffing••A steady complement of government delegated regular staff and project-hired finance staff will be retained at all levels.•2. Organization and Staffing••••3. Organization and Staffing••••4. Organization and Staffing•••••5. Second condections offices will be delegated. A special order (S.O.) will be issued by DAR and•	iii.	Project level	some weaknesses that significantly affect the project FM: a) slow setting-up of project offices with delay of assigning seconded and recruitment of hired staff and b) In adequate computerized accounting software and c) seconded staff transfer during implementation. VISTA will be implemented in two large regions with the coordination of DAR and DA	S	disbursement: a) Recruitment of key staff at CPMO and b) e- NGAs will be configured or additional software that meet the IFAD reporting	N/A
 1. Organization and Staffing 1. Organization and Staffing and capacity may vary at sub-project levels and may be constrained in some cases considering that they also must perform and prioritize government regular duties and functions. Regular government staff could not provide full time or focus time for project S S Government delegated regular staff and project-hired finance staff will be retained at all levels. S Regular government officers and staff at the central, regional, and provincial offices will be delegated. A special order (S.O.) will be issued by DAR and 		assessment				
implementation. collaborating agencies to	1.	•	and capacity may vary at sub-project levels and may be constrained in some cases considering that they also must perform and prioritize government regular duties and functions. Regular government staff could not provide full time or	S	 government delegated regular staff and project-hired finance staff will be retained at all levels. Regular government officers and staff at the central, regional, and provincial offices will be delegated. A special order (S.O.) will be 	

	 Projects have difficulty in recruiting experienced individuals and retaining competent technical staff and in addressing turnover of contracted staff. Coordination among finance counterparts could be hindered by ambiguities in FM arrangements due to various levels of project implementation and agencies involved. 		 assign regular staff and define roles and responsibilities. Project finance staff will be contracted on a fixed term basis to augment DAR government staff in performing day-to-day project FM functions at all levels. TORs will be specifically defined for each position. Project setting up and recruitment of key staff will be done at early stage by utilizing the retroactive financing. The Project organogram as well as specific tasks and functions of each unit in the organizational structure including accountabilities and responsibilities should be agreed by DAR and other parties involved. The Project will (i) ensure competitive salary and attractive benefit package, (ii) undertake less bureaucratic application, referral, and hiring processes; (iii) provide further capacity enhancement training to staff. Continuous capacity building of government finance staff and project-hired staff on procurement, FM and anticorruption policies. Detailed collaboration agreements for coordination between DAR, DA, and LGUs will be implemented.
2. Budgeting	 VISTA is required to follow DBM processes and procedures to obtain annual budget cover for IFAD loan proceeds and GoP counterpart fund requirements under DAR's regular agency budget in the General Appropriations Act 	S	 DAR must secure annual budget cover for VISTA through the annual GAA. Synchronize annual preparations of AWPB and agency budget for respective submissions to IFAD and DBM.

s

	 (GAA). Otherwise, there might be significant delays in the use of project funds due to additional processes, and further review and approval by the DBM and Office of the President (OP) of budget authorization. Annual budgets might not be realistic considering actual project implementation conditions and budget execution issues. Implementing units and collaborating agencies having distinct budget concerns and varying absorptive capacity that could lead to slow implementation progress. 		 Conduct of start-up training on IFAD AWPB and regular budget workshops for a participatory and wholistic budget preparations. Allocate resources strategically and set periodic disbursement milestones. Consolidated AWPBs to be submitted to IFAD for prior review and approval no later than 60 days before the start of the covered budget period. Government and/or IFAD will conduct supervision and implementation support missions on a regular basis or as needed to monitor and follow-through on budget execution and implementation issues. 	
 Funds flow and Disbursement Arrangements 	 Long outstanding fund 	S	 eNGAs will be customized for project IFR and financial reporting and regular training to be provided for eNGAS users. Clear funds flow and management, including reporting processes, procedures, and responsibilities must be defined in the PIM and MOAs with collaborating agencies. Monthly reporting and reconciliation of bank account balances. DAR to strictly implement and monitor compliance with relevant COA accounting and audit rules involving fund transfers and advances. 	S
4. Internal Controls	There is risk of internal control weakness or ineffective implementation of internal control systems as indicated by COA observations in the annual consolidated agency audit report of DAR for CY2022.	Μ	 DAR CPMO will ensure timely issuance of further guidance on project internal control procedures during implementation. The PIM will provide for project internal control systems and any updates to 	М

				 the PIM will be made and disseminated accordingly. DAR Central Office will cause VISTA to be covered by internal audit activities of DAR Internal Audit Service. 	
5.	Accounting and Financial Reporting	 Project accounting will conform to the Government Accounting Manual (GAM) and will be done through the e-NGAs. However, existing government accounting systems are not integrated and automated to generate the consolidated financial reports of all implementing units and collaborating agencies by components and categories as per IFAD financial reporting requirements. There could be errors and delays in consolidating and reporting project financial transactions of all operating units and collaborating agencies to IFAD and COA. 	М	 The e-NGAs will be enhanced to allow the recording and reporting of project financial transactions by component and categories and comply with IFAD reporting requirements. Separate books of accounts and/or records will be maintained for VISTA by all implementing units and collaborating agencies. DAR Central Office will perform the consolidation of project financial transactions for submissions of IFRs and financial statements or reports. The PIM, in conjunction with existing COA accounting and audit rules, will include policies, procedures, and timelines in recording, reporting, and consolidating project financial transactions. 	М
6.	External Audit	 The Commission on Audit (COA) will conduct the project audits of VISTA at all project levels. There could be delays in the completion of project audits of implementing units and collaborating agencies by their respective COA regional offices, and the consolidation of the results at DAR Central Office. Prior year audit findings could be reiterated in the current year audit report and remain outstanding and unresolved. COA could issue an unsatisfactory audit report. 	S	 DAR will closely coordinate the annual project audit TORs and timeline with the COA, implementing units, and collaborating agencies to monitor status for timely completion, resolution of issues, consolidation, and submission to IFAD of satisfactory audit report and project financial statements, including management letter no later than six (6) months after the covered calendar year. DAR will ensure that any audit observation and recommendation will be 	S

			resolved within 6 months after COA issuance of audit report and submit status for IFAD review and monitoring.	
Overall FM Risk @ design ¹	Use of government PFM for foreign-assisted projects is appropriate but there remain risks of slow project start-up, delays in procurement, disbursement, and financial reporting that are derived from complex project governance, PFM regulations and policies, and the limited reporting capacity of accounting system.	S		S

¹ The Final Risk at design should reflect a combined consideration of inherent and control risks for the project.

II. <u>Project financial profile</u>

VISTA will be financed as follows:

IFAD financing is projected at US\$85,0 million (75 per cent of the total project costs), \$25M PBAs and \$60M BRAM;

Domestic financing from Central GoV, Local GOV and beneficiaries is US\$15.4 million, US\$8.7 million & US\$ 3.6 million (13.6 percent, 7.7 per cent & 3.2 per cent respectively). Beneficiary contribution will be in cash and in-kind.

Allocation by cost categories: initially the PDT team agreed with 10 cost categories (see table 6b below) with the Central Government and as this was not captured during the first quality review as well as split between PBAs and BRAM was not done in the Costab then due to the national procedures it will be challenging to go back to the Government with request of reducing number of cost categories required by IFAD (to 6 ones). FMD agreed with the justifiable reasons brought to the attention by the Country Director and leaves the current excessive number of cost categories in the Costab with the condition the number of those cost categories will be reduced in Schedule II during preparation of Negotiation package and President's Report to the required number by the uniting of the following cost categories from IFAD loan:

- Vehicles will be included in Equipment & Materials with total estimation of final category as US\$3.070.000;
- Training and Workshops will be included in Consultancies with total estimation of final category as US\$15.635.000;
- Salaries & Allowances will be included in Operating costs with total estimation of final category as US\$7.598.000.

Schedule II of the Financing Agreement will indicate 6 cost categories with defining kinds of each underlying expenditure as well as split of the amounts between two sources PBAs and BRAM. The final PIM will include the details of those expenditures to facilitate the preparation of AWPBs by the project.

Table 6a. VISTA costs by component (and sub-components) and financier

	The Governme	nt	IFAD	Loc	al Governme	ent Bene	eficiaries_Ca	ash Ben	eficiaries_Ki	nd	Total		For.	Local (Excl.	Duties &
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Exch.	Taxes)	Taxes
A. Ecosystem Planning, Protection and Enhancement															
Identify and prioritize sustainable investments	1 116	16.7	5 584	83.3	-	-	-	-	-	-	6 700	5.9	-	6 047	653
Enhance Natural resources management for value chains and resilience	3 106	18.0	12 906	74.6	1 007	5.8	-	-	277	1.6	17 296	15.3	-	14 355	2 940
Greening the Value Chain	-	-	4 331	100.0	-	-	-	-	-	-	4 331	3.8	-	4 331	-
Subtotal	4 222	14.9	22 821	80.6	1 007	3.6	-	-	277	1.0	28 327	25.1	-	24 734	3 593
B. Sustainable Value Chain Development															
Sustainable Agriculture Production Improvements and Enhanced Extension Services	836	4.0	19 912	96.0	-	-	-	-	-	-	20 748	18.4	11	19 901	836
VC Commercialization and Rural Finance	68	0.5	9 587	75.5	-	-	3 047	24.0	-	-	12 703	11.3	-	12 634	68
VC-related Infrastructure Support	7 708	20.0	22 855	59.2	7 737	20.0	-	-	321	0.8	38 622	34.2	-	32 056	6 566
Subtotal	8 613	12.0	52 354	72.6	7 737	10.7	3 047	4.2	321	0.4	72 072	63.9	11	64 592	7 470
C. Project Management															
Project Operations Management	2 185	28.2	5 572	71.8	-	-	-	-	-	-	7 757	6.9	-	7 572	185
Project Monitoring, Evaluation, and Knowledge Management	407	8.7	4 252	91.3	-	-	-	-	-	-	4 660	4.1	-	4 252	407
Subtotal	2 593	20.9	9 825	79.1	-	-	-	-	-	-	12 417	11.0	-	11 824	593
Total PROJECT COSTS	15 427	13.7	85 000	75.3	8 743	7.8	3 047	2.7	598	0.5	112 816	100.0	11	101 150	11 656

Table 6b. VISTA costs by expenditure category and financier

														Local	
	The Governme	nt	IFAD	Loca	al Governme	ent Ben	eficiaries_Ca	sh Bene	ficiaries_Ki	nd	Total		For.	(Excl.	Duties &
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Exch.	Taxes)	Taxes
nvestment Costs															
A. Works	8 725	20.0	26 175	60.0	8 127	18.6	-	-	598	1.4	43 625	38.7	-	36 209	7 416
B. Equipment & materials	553	16.6	2 779	83.4	-	-	-	-	-	-	3 332	3.0	-	2 779	553
C. Vehicles	60	17.0	291	83.0	-	-	-	-	-	-	351	0.3	-	291	60
D. Goods, services & inputs	2 627	19.7	10 110	75.7	617	4.6	-	-	-	-	13 354	11.8	-	11 164	2 1 9 0
E. Grants and Subsidies	-	-	22 682	88.2	-	-	3 047	11.8	-	-	25 729	22.8	-	25 729	-
F. Training & capacity building	558	8.2	6 258	91.8	-	-	-	-	-	-	6 817	6.0	-	6 284	532
G. Technical Assistance, Consultancies, and Studies	776	8.5	8 310	91.5	-	-	-	-	-	-	9 086	8.1	-	8 310	776
H. Workshops	123	13.3	797	86.7	-	-	-	-	-	-	919	0.8	-	797	123
otal Investment Costs	13 421	13.0	77 402	75.0	8 743	8.5	3 047	3.0	598	0.6	103 213	91.5	-	91 563	11 650
Recurrent Costs															
A. Operating costs	1 088	44.2	1 376	55.8	-	-	-	-	-	-	2 464	2.2	11	2 454	-
B. Salaries & allowance	917	12.9	6 222	87.1	-	-	-	-	-	-	7 139	6.3	-	7 133	6
otal Recurrent Costs	2 006	20.9	7 597	79.1	-	-	-	-	-	-	9 603	8.5	11	9 587	6
tal PROJECT COSTS	15 427	13.7	85 000	75.3	8 743	7.8	3 047	2.7	598	0.5	112 816	100.0	11	101 150	11 656

III. <u>Financial Management and Disbursement Arrangements</u>

The project will be implemented using the national government and DAR's financial management (FM) systems as the basis for budgeting, accounting, internal controls, financial reporting and auditing.

1) Financial management organization and staffing

The Financial and Management Service (FMS) of DAR Central Office will be primarily responsible for the implementation of adequate and sound financial management system for the Project. The FMS Director will be assisted by Regional/Provincial Chief Finance and Administrative Officers, who supervise admin and finance functions (i.e., budgeting, accounting, cashiering, planning, and procurement), approve obligations and disbursements, and are in-charge of accountability reports at R/PPMOs. A Senior Admin and Finance Officer will be recruited at the CPMO to lead all projecthired staff in performing day-to-day project FM functions at the central, regional, and provincial levels.

A steady complement of government delegated regular staff and project-hired finance staff will be retained at all levels from project start-up up to the whole duration of project implementation period.

A Special Order (S.O.) will be issued by DAR and collaborating agencies to delegate regular government officers and staff, and to specify their respective roles and responsibilities concerning the Project. TORs of the Senior Admin and Finance Officer and Finance Assistants at R/PPMOs will be established prior to hiring on a fixed term basis. The PIM will be updated to include a clear delineation of functions and responsibilities of all government and contractual staff positions involved in the implementation of project FM arrangements.

2) Budgeting

DAR will comply with national government budget guidelines and procedures issued by the Department of Budget and Management (DBM) and shall obtain annual budget authorization for IFAD loan and GOP counterpart fund requirements of VISTA through the General Appropriations Act (GAA).

DAR has rolled out eBudget in all field offices but is not integrated with the electronic New Government Accounting System (eNGAS). Also, budget will be executed by implementing units and collaborating agencies with varying absorptive capacity. DAR Central Office will be responsible in consolidating project budget proposals, managing project budget cover, and releasing sub-allotment to regional offices. Allocations to collaborating agencies will be released as advances based on signed Memorandum of Agreements. Consolidated AWPBs to be submitted to IFAD for prior review and approval no later than 60 days before the start of the covered budget period.

3) Disbursement Arrangements and Flow of Funds

IFAD will transfer loan proceeds to the project through revolving fund mechanism in accordance with IFAD's handbook for Financial Management and Financial Control and FMFC letter. DAR

CPMO will be responsible for submitting in the IFAD Client Portal (ICP) the required consolidated Interim Financial Reports (IFRs) and Withdrawal Application (WA) for cash forecast requirements of the Project for a six-month period.

COA accounting and audit rules will govern fund transfers (including liquidation and reporting) from and to national government agencies (NGAs), operating units, and LGUs.

The Bureau of Treasury (BTr) through DAR will maintain a Designated Account (DA) for receipt of loan proceeds from IFAD. The loan proceeds will then be transferred to DAR project account in Philippine Pesos upon receipt of Notice of Cash Allocation (NCA) from the DBM.

Separate project bank accounts in Philippine Pesos will be maintained by all sub-recipients for the receipt of project funds from all sources. DAR CPMO will transfer project funds to R/PPMOs and DA Central Office. DAR PPMOs will manage fund transfers to the LGUs while DA Central Office will be responsible in further downloading project funds to its regional implementing units concerned.

4) Internal Controls and Internal audit arrangements

DAR management, as required under the Government Accounting Manual (GAM), maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized. The GAM will be used by the Project in conjunction with the Project Implementation Manual (PIM) in implementing adequate and effective internal control procedures over project expenditures, including segregation of duties, reconciliations, procurement, payment authorization, and safeguarding of project funds and assets.

An Internal Audit Service at DAR Central Office also exists. DAR will be in discussion with its IAS to establish internal audit activities covering project implementation at all levels.

5) Accounting Systems and Financial Reporting mechanisms

DAR conforms to the Government Accounting Manual (GAM), which contains the basic accounting policies and principles in accordance with the Philippine Public Sector Accounting Standards (PPSAS) and includes the accounting procedures, books, registries, records, forms, reports, and financial statements. However, DAR has yet to receive an unqualified audit opinion on its financial statements due to various unadjusted accounting errors/omissions as cited by the auditors. Separate project books of accounts will be maintained using the Electronic National Government Accounting System (e-NGAS) to record IFAD loan and GoP counterpart expenditures. Separate records will also be maintained at implementing units and collaborating agencies.

While the eNGAS has been rolled out to DAR field offices, it is not integrated and capable to generate consolidated financial reports. DAR Central Office will be responsible in consolidating project financial reports and interim financial reports (IFAD) to be submitted to IFAD. Also, the e-NGAs will be enhanced to allow the recording and reporting of project financial transactions by component and categories and comply with IFAD reporting requirements.

6) External Audit

The Commission on Audit (COA), the country's Supreme Audit Institution (SAI), performs the external audit of DAR's financial reports. COA is an independent office which was given the mandate under the Philippine Constitution to audit all accounts pertaining to government revenues and expenditures, uses of government resources and to prescribe accounting and auditing rules.

DAR CPMO will prepare the consolidated annual financial statements and submit to IFAD the audited consolidated project financial statements, in compliance with IFAD Handbook for Financial Reporting and Auditing of IFAD-financed Projects, together with Management Letter within six months after the end of each calendar year (i.e., January 1 December 31).

COA will conduct the annual audit of project accounts in accordance with the International Standards of Supreme Audit Institutions (ISSAI). The audit shall cover all project levels. The COA resident auditor at DAR Central Office will consolidate Regional Consolidated Annual Audit Reports (CAAR) to be issued by COA Regional Offices in its conduct of regional and provincial audits.

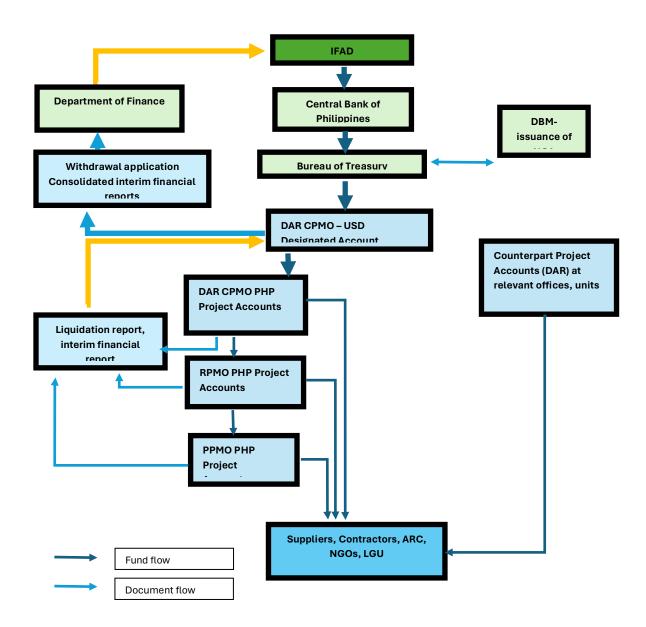
Implementation Readiness

	Action	Responsible Party / Person	Target Date / Covenants
1	Preparation and submission to IFAD for No Objection of AWPB for the first reporting period.	DAR Central Office	Disbursement condition
2	Delegation of government FM officers and staff and hiring of FM contracted personnel at the central level.	DAR Central Office	Disbursement condition
3	Configuration of e-NGAs to meet IFAD project financial reporting requirements.	DAR Central Office	Disbursement condition
4	Start-up training on IFAD procedures, financial reporting and ICP will be conducted to project staff.	IFAD and DAR Central Office	Upon project entry into force.

Table 3: FM Actions Summary: The actions needed to mitigate FM risks are summarised below:

FM Supervision plan

FMD will participate in supervision and implementation support (SIS) missions beginning PY1.



Appendix 1: Flow of Funds Chart