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Enabling poor rural people
to overcome poverty

President's report

Proposed loan to the Republic of the Philippines for the

Rapid Food Production Enhancement Programme

Executive Board — Ninety-fifth Session
Rome, 15-17 December 2008

For: **Approval**

Note to Executive Board Directors

This document is submitted for approval by the Executive Board.

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Abbreviations and acronyms

CIS	communal irrigation system
EC	Commission of the European Communities
FAO	Food and Agriculture Organization of the United Nations
IRPEP	Irrigated Rice Production Enhancement Project
NFA	National Food Authority
NIA	National Irrigation Administration
PMO	programme management office
RaFPEP	Rapid Food Production Enhancement Programme
RaSSFIP	Rapid Seed Supply Financing Project
RIMS	Results and Impact Management System

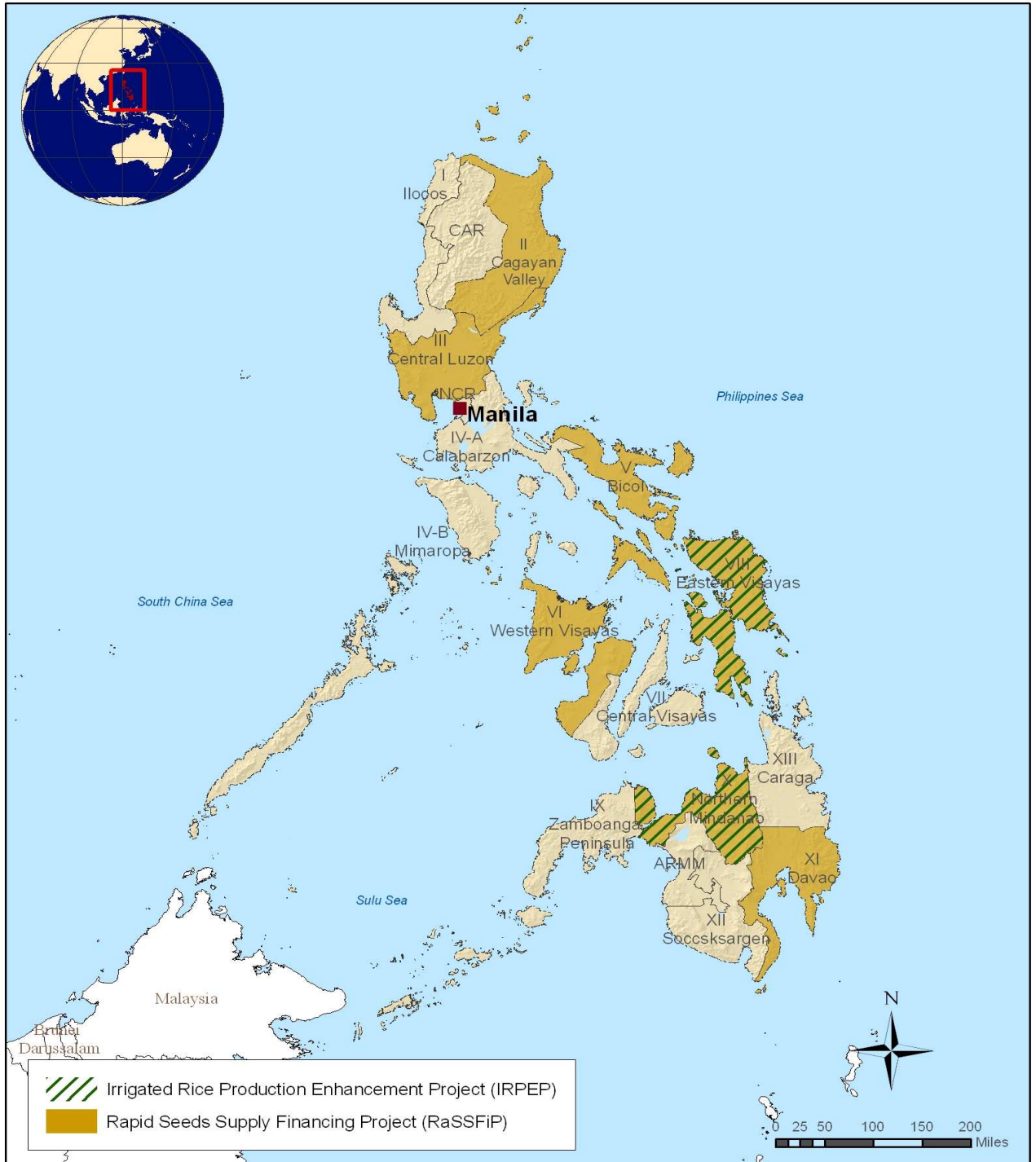
Recommendation for approval

The Executive Board is invited to approve the recommendation for the proposed loan to the Republic of the Philippines for the Rapid Food Production Enhancement Programme, as contained in paragraph 36.

Map of the programme area

Philippines

Rapid Food Production Enhancement Programme



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.

Map compiled by IFAD

Republic of the Philippines

Rapid Food Production Enhancement Programme

Loan summary

Initiating institution:	IFAD
Borrower:	Republic of the Philippines
Executing agency:	Department of Agriculture
Total programme cost:	US\$42.24 million
Amount of IFAD loan:	SDR 10,685,000 (equivalent to approximately US\$15.90 million)
Terms of IFAD loan:	20 years, including a grace period of 5 years, with an interest rate of one half of the reference interest rate per annum as determined by the Fund annually
Cofinanciers:	European Community represented by the Commission of the European Communities (EC) Food and Agriculture Organization of the United Nations (FAO) Other
Amount of cofinancing:	EC: EUR 10.00 million (equivalent to approximately US\$13.15 million) FAO: US\$0.50 million Other: US\$0.50 million
Terms of cofinancing:	Grants
Contribution of borrower:	US\$11.79 million
Contribution of beneficiaries:	US\$0.40 million
Appraising institution:	IFAD
Cooperating institution:	Directly supervised by IFAD

Proposed loan to the Republic of the Philippines for the Rapid Food Production Enhancement Programme

I. The programme

A. Main development opportunity addressed by the programme

1. The Philippines is at the epicentre of the soaring food prices that emerged in 2008 as a major global crisis. Once self-sufficient in rice, the country has been the world's biggest importer of milled rice since 2007, ahead of Nigeria, Indonesia and Bangladesh. Commodity experts argue that demand from the Philippines, combined with export bans by exporting countries, helped to push up international rice prices. The Government has taken up the challenge of regaining rice self-sufficiency and controlling soaring food prices by putting together the 2009-2013 Rice Self-Sufficiency Plan. The proposed Rapid Food Production Enhancement Programme (RaFPEP) is intended to contribute to the Rice Self-Sufficiency Plan by focusing on two key aspects of the plan, namely secure good quality seed supply and irrigation rehabilitation and development.

B. Proposed financing

Terms and conditions

2. It is proposed that IFAD provide a loan to the Republic of the Philippines in the amount of SDR 10,685,000 (equivalent to approximately US\$15.90 million) on intermediate terms to help finance the Rapid Food Production Enhancement Programme. The loan will have a term of 20 years, including a grace period of 5 years, with an interest rate of one half of the reference interest rate per annum as determined by the Fund semi-annually.

Relationship to the IFAD performance-based allocation system (PBAS)

3. The estimated remaining allocation for the Philippines under the 2007-2009 PBAS allocation cycle is US\$15.90 million. The Rapid Seed Supply Financing Project (RaSSFIP), costing US\$16.56 million, will be implemented in 2009, to be followed by the Irrigated Rice Production Enhancement Project (IRPEP) during the next six years from 2010 to 2015. It is hereby requested that the Executive Board approve a loan in the amount of US\$15.90 million. The Commission of the European Communities (EC) has provided the amount of US\$13.15 million as a grant. The remaining funding requirement of US\$0.5 million will be sought under the next PBAS cycle of 2010-2012, subject to Board approval.

Relationship to national sector-wide approaches or other joint funding instruments

4. The programme represents IFAD's contribution to the Rice Self-Sufficiency Plan, which is to be funded through the PHP 43 billion (approximately US\$1.0 billion) FIELDS programme (Fertilizer, Irrigation, Education and training of farmers, Loans, Dryers and other post-harvest facilities, and Seeds of high-yielding hybrid varieties).

Country debt burden and absorptive capacity of the State

5. The total external debt outstanding in April 2007 was US\$54.0 billion or 40 per cent of GDP, dropping from 73 per cent in 2002. Debt service charges in April 2007 were 11 per cent of the value of exports, dropping from 17 per cent in 2002.

Flow of funds

6. Funds will be disbursed into an advance account denominated in United States dollars, to be operated by the programme management office (PMO) on the basis of approved annual workplans and budgets, and related procurement plans. Programme accounts, to be operated by the PMO, will be opened by the Department of Agriculture in Philippine pesos (PHP) to receive loan proceeds from the advance account. The National Food Authority (NFA) and the National Irrigation Administration (NIA) will each open programme accounts respectively for RaSSFIP

(in 2009) and IRPEP (2010 to 2015) to receive loan proceeds in PHP from the Department of Agriculture's programme account, on the basis of their approved annual workplan and budget. Counterpart funds will be transferred into these programme and project accounts in local currency.

Supervision arrangements

7. IFAD will directly supervise the programme. There will be two detailed supervision missions during the first programme year (2009/2010) for RaSSFIP. Thereafter, one supervision mission and one follow-up mission will be fielded each year for IRPEP.

Exceptions to IFAD General Conditions for Agricultural Development Financing and operational policies

8. Certified inbred paddy seeds will be procured under the criterion of quality, rather than cost, competitiveness because the price of seeds is fixed by the Department of Agriculture. All IRPEP procurement will take place in accordance with IFAD procurement guidelines.

Governance

9. The following governance enhancement measures are foreseen: (i) a detailed memorandum of agreement will be negotiated between the Department of Agriculture and NFA and approved by IFAD; (ii) implementation of the subprogrammes will be decentralized to the regional units of the Department of Agriculture, NFA, and NIA, while oversight functions will be decentralized to the regional coordination teams; (iii) a national programme steering committee will be established to give policy direction; (iv) seed acquisition and distribution will be transparent; (v) procurement will be transparent and competitive; (vi) regular participatory reviews and impact surveys will be undertaken; and (vii) programme accounts will be audited annually.

C. Target group and participation

Target group

10. RaSSFIP will target poor paddy farmers in regions 5, 6, 8 and 10, which will otherwise have a deficit in certified inbred seeds for the dry season of 2009. To minimize transaction costs, the seeds will be acquired in the same regions, and only if there is a deficit will more be acquired from growers in regions 2, 3 and 11. IRPEP will target irrigators' associations working on not less than 5,000 hectares of communal irrigation systems selected from the focus provinces of the 2009-2013 Rice Self-Sufficiency Plan, including but not limited to regions 8 and 10, that requested system rehabilitation and mobilized counterpart funds.

Targeting approach

11. The targeting approach is in accordance with the IFAD Policy on Targeting. The farmers receiving seeds under RaSSFIP are selected based on their poverty levels, exposure to natural calamities, and the likelihood of them encountering seed deficits for the 2009 wet season. The selection criteria for the CISs to be covered under IRPEP gave priority to: (i) the poorest irrigators' associations; (ii) local government units and irrigators' associations prepared to provide detailed rehabilitation plans for their CISs and contribute counterpart resources; (iii) CISs that provide opportunities for consolidating previous investments; and (iv) focus provinces identified under the Rice Self-Sufficiency Plan.

Participation

12. Grass-roots organizations of the target groups will be strengthened to promote their sustainable livelihoods, productive capacities, and negotiating power. The irrigators' associations and local government units will cofinance and participate actively in the rehabilitation and construction works of the CISs and post-harvest processing facilities. Subsequently, they will be in charge of their operation and maintenance.

D. Development objectives

Key programme objectives

13. The overall goal of RaFPEP is sustainable food security for paddy farming households in targeted provinces. The objective of RaSSFIP is increased paddy production in targeted provinces of regions 5, 6, 8 and 10, and other provinces under the 2009-2013 Rice Self-Sufficiency Plan, during the 2009/2010 cropping seasons. And the objective of IRPEP is to improve irrigated paddy productivity and production on selected CISs in the focus provinces under the Rice Self-Sufficiency Plan.

Policy and institutional objectives

14. The programme will support the Government in implementing the Rice Self-Sufficiency Plan and achieving its objective by 2013 (revised from 2010). RaSSFIP is an emergency lending programme designed to contribute to the Plan's success. IRPEP supports the Plan by strengthening irrigators' associations to manage their CISs once rehabilitated. It will also strengthen the existing national information networks to promote close market linkages for paddy farmers. The programme's decentralized development approach will promote greater participation by irrigators' associations and local government units in both subprogrammes, and strengthen the capacities of the regional field units of the NIA, NFA, and the Department of Agriculture. The programme will further facilitate policy dialogue on NFA's paddy and rice pricing policy, the CIS amortization policy and the farm input subsidy policy.

IFAD policy and strategy alignment

15. By increasing the productivity of paddy farming on CISs, the programme supports IFAD's mandate to reduce food insecurity among the rural poor. Its efforts to distribute certified paddy seeds to farmers, improve irrigation systems for CISs, experiment with new small-scale water impounding schemes with assistance from the Food and Agriculture Organization of the United Nations (FAO), and promote improved market linkages for paddy farmers all support IFAD's strategic objective of promoting better access to improved agricultural technologies and remunerative markets. Moreover, the programme strategy of rehabilitating CISs to promote the efficient use of water and land supports IFAD's strategic objective of sustainable natural resources management as set out in the IFAD Strategic Framework 2007-2010.

E. Harmonization and alignment

Alignment with national priorities

16. The programme is aligned with the agribusiness thrust of the Medium-Term Philippines Development Plan, 2004-2010, which aims to increase production by minimizing post-harvest losses and improving market competitiveness. Also, it directly supports the improved food security policy under the Rice Self-Sufficiency Plan.

Harmonization with development partners

17. Several donors are providing support for the Government's response to the food price crisis, in addition to the present programme. The World Bank will reportedly provide budget support to sustain the social safety net. FAO will cofinance RaFPEP by providing technical assistance and agricultural inputs. And, at a Special Philippines Development Forum¹ meeting on 20 August 2008, attended by the Government and development partners, support was given for the Government's efforts to protect the poor from the impact of higher food prices while maintaining progress made on macroeconomic stability and fiscal consolidation. In particular, participants supported efforts to boost farmers' income and productivity, including

¹ Participants included the Secretaries of Finance, Agriculture, Budget and Management, and Undersecretaries of Social Welfare, Trade and Industry, and Economic Development, plus representatives from the Asian Development Bank, Australia, Austria, Canada, European Commission, France, Germany, International Monetary Fund, Japan, the Republic of Korea, Spain, New Zealand, United States, United Nations Country Team (representing IFAD also), and the World Bank Group.

through selected subsidies (e.g. for seeds) and by focusing on irrigation rehabilitation.

F. Components and expenditure categories

Main components

18. The programme consists of two separate, but mutually dependent, subprogrammes: the Rapid Seed Supply Financing Project (RaSSFiP) and the Irrigated Rice Production Enhancement Project (IRPEP). RaSSFiP has two components: (i) the acquisition and distribution of 803,750 bags (40 kg each) of certified inbred paddy seeds for the 2009/2010 cropping seasons; and (ii) programme management. IRPEP has five components: (i) strengthening of irrigation associations; (ii) provision of production inputs and related support services; (iii) irrigation and rural infrastructure development and maintenance; (iv) marketing and post-harvest development; and (v) programme management and policy dialogue.

Expenditure categories

19. There are seven expenditure categories: (i) civil works (19.6 per cent of total costs); (ii) equipment, materials and vehicles (0.7 per cent); (iii) training and studies (9.2 per cent); (iv) advisory services (5.0 per cent); (v) agricultural production inputs (61.4 per cent); (vi) salaries and allowances (3.2 per cent); and (vii) operation and maintenance (0.9 per cent).

G. Management, implementation responsibilities and partnerships

Key implementing partners

20. Overall responsibility for the programme will reside with the Department of Agriculture and its agencies, as well as with local government units. The NFA will implement RaSSFiP in close collaboration with the Bureau of Plant Industries, the Department of Agriculture's regional field units and the local government units. For IRPEP, a national programme steering committee will be established to provide policy direction. It will be chaired by the Secretary of the Department of Agriculture, with the NIA Administrator as the vice-chair, the PMO as the secretariat, and members including representatives from NFA, the National Economic Development Authority (NEDA), the Department of Finance and the Department of Budget and Management. The steering committee will meet every semester. The two regional coordination teams, whose members include the Department of Agriculture Regional Director (as chair), the NIA Regional Irrigation Management Officer (as vice-chair), the NFA Regional Manager and an elected representative each from local government units and irrigators' associations, will meet on a quarterly basis.

Implementation responsibilities

21. The NFA will implement the seed acquisition and distribution under RaSSFiP using its national logistical capability and warehouses in all provinces. The Bureau of Plant Industries will be in charge of seed certification through seed inspectors and seed coordinators in the Department of Agriculture's regional field units. The NFA will acquire already certified seeds and transport them to drop-off points closer to the farmers. The regional field units and local government units will work together closely to identify the farmer-beneficiaries. IRPEP will be managed by a project implementation unit under NIA. The CIS rehabilitation designs will be prepared by NIA, while the works and related services will be contracted to private contractors under competitive bidding. The contractors will use community labour for field work to the extent possible.

Role of technical assistance

22. Technical assistance will be provided for preparing and setting up operating and accounting manuals, the baseline study, Results and Impact Management System (RIMS) surveys, monitoring and management information systems, and manuals as part of building the capacity of irrigators' associations. Production improvement technologies will also be introduced by technical assistance.

Status of key implementation agreements

23. The programme will be supervised by IFAD. A memorandum of agreement between NFA and the Department of Agriculture on RaSSFiP has been drafted and will be signed prior to loan effectiveness. During the implementation of IRPEP, the PMO will enter into tripartite memorandums of understanding for the rehabilitation of the CISs specifying co-sharing arrangements, and partnership agreements with service providers.

Key financing partners and amounts committed

24. The programme cost is US\$42.24 million over seven years. It will be financed by an IFAD loan of US\$15.90 million (about 37.6 per cent of the programme cost); an EC grant of US\$13.15 million equivalent (31.1 per cent); a financier to be identified for US\$0.5 million (1.2 per cent); a FAO technical assistance grant of US\$0.50 million (1.2 per cent); a Government contribution of US\$9.82 million (23.3 per cent); contributions from local government units of US\$1.97 million (4.7 per cent); and an in-kind beneficiary contribution of US\$0.40 million (0.9 per cent).

H. Benefits and economic and financial justification

Main categories of benefits generated

25. The direct benefit of the RaSSFiP is to increase paddy seed supply, which will increase paddy production by an estimated 385,800 tonnes for the 2009/2010 cropping seasons, and for two or three seasons thereafter. Thus, about 1,116,319 households (about 5.6 million people) will benefit from the certified inbred seeds. The IRPEP will improve irrigation facilities on about 4,664 hectares in the focus provinces of the Rice Self-Sufficiency Plan, benefiting about 6,477 farmers (32,000 people) per season for a period of about 10 years. Its main quantifiable benefits will be higher farm incomes through increased crop production, and higher quality products fetching higher prices. The seed buffer stock will also provide risk-minimizing benefits at all levels.

Economic and financial viability

26. The economic value of the incremental paddy production (385,800 tonnes of paddy or 243,054 tonnes of milled rice), as a result of the certified inbred paddy seed distribution under RaSSFiP, is PHP 7,624.5 million or US\$165.75 million. This represents a saving in rice imports of US\$165.75 million. The return to labour will increase from PHP 470 per man-day per season to PHP 501 with the rehabilitation of CISs under the IRPEP. The programme's overall economic internal rate of return is estimated at 16 per cent for the base case. Cost increases of 10 per cent and 20 per cent would reduce the rate of return to about 14 per cent and 12 per cent, respectively.

I. Knowledge management, innovation and scaling up

Knowledge management arrangements

27. The programme is an innovative hybrid combining emergency assistance with a development project. Since the IFAD loan resources, following rapid disbursement under the first subprogramme, will have to be replenished to implement the second subprogramme, a great deal of transparency will be required. To this end, the programme will develop a mutually acceptable results-based monitoring and tracking system to show that resources needed for IRPEP are in fact being mobilized as agreed. Hence efforts will be made to: (i) establish integrated monitoring and evaluation and knowledge management systems; (ii) undertake impact and baseline studies, best practice documentation and dissemination, knowledge management workshops and website development. Furthermore, IRPEP will carry out annual knowledge and learning markets.

Development innovations that the programme will promote

28. The programme has several innovative features. First, it packages an urgent response to prevent an emergency by supplying seeds rapidly to increase paddy production immediately, with a medium-term irrigation rehabilitation effort for increased and sustained food production. Second, the financial package enables IFAD funds for the urgent phase to be replenished by the Government and the local government units through the normal annual general appropriation act and other relevant budget processes, and re-used for the second phase. Thus, IFAD will finance the urgent phase and play a catalytic role in funding its follow-up. Third, the programme supports a Government sector-wide programme, thereby enabling both IFAD and Government to fast-track processing in a manner that could serve as a model.

Scaling-up approach

29. The RaSSFIP will demonstrate the efficiency of seed producers in producing certified inbred seeds. The EC made available up to EUR 10.0 million to scale it up. The experience of IRPEP in rehabilitation of CIS, management of CIS by irrigators' associations, and the resulting production enhancement will be documented for future scaling up. It will also demonstrate the benefits of providing better post-harvest facilities to improve the market competitiveness of paddy growers.

J. Main risks**Main risks and mitigation measures**

30. The programme faces three sets of risks: (i) policy risks include price distortions for inputs and farm products, the unsustainability of subsidies for inputs, policy reversals on development priorities by future governments, and external market shocks; (ii) natural calamities, especially in region 8, due to typhoons, floods and landslides; and (iii) budgetary risks, where the financing of the six-year IRPEP may be jeopardized if the Government fails to commit needed funds. Mitigating measures include: (i) a degree of flexibility is built into the programme to allow it to adapt; (ii) programme resources may be used for emergency repairs of infrastructure and support livelihoods; and (iii) a set of appropriate remedies, including the acceleration of RaSSFIP loan repayment, will be included in the loan agreement to encourage the Government to honour its commitments to IRPEP.

Environmental classification

31. No environmental assessment was carried out for RaFPEP. However, since it deals only with seeds and irrigation rehabilitation, it is considered to be in Category B (not likely to have any significant negative environmental impact).

K. Sustainability

32. As an urgent intervention, RaSSFIP was not designed for sustainability. Nevertheless, it enables beneficiaries to replenish their seed stock. IRPEP's approach is to build and improve on age-old irrigation systems, and paddy production and processing know-how. These, coupled with increasing demand for rice, ensure the programme's sustainability. Also, IRPEP will initiate a national seed buffer stock which should subsequently reduce the need for further seed subsidies.

II. Legal instruments and authority

33. A programme loan agreement between the Republic of the Philippines and IFAD will constitute the legal instrument for extending the proposed loan to the borrower. Important assurances included in the negotiated agreement are attached as an annex.
34. The Republic of the Philippines is empowered under its laws to borrow from IFAD.
35. I am satisfied that the proposed loan will comply with the Agreement Establishing IFAD.

III. Recommendation

36. I recommend that the Executive Board approve the proposed loan in terms of the following resolution:

RESOLVED: that the Fund shall make a loan to the Republic of the Philippines in various currencies in an amount equivalent to ten million six hundred and eighty-five thousand special drawing rights (SDR 10,685,000) to mature on or prior to 15 October 2028 and to bear an interest rate of one half of the reference interest rate per annum as determined by the Fund annually, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board herein.

Lennart Båge
President

Important assurances included in the initialled programme loan agreement (Consultations and negotiations were held between December 2008 and August 2009)

(Agreed in Manila, Philippines, on 13 December 2008)

Monitoring

1. The Programme will maintain its own monitoring system to be able to properly evaluate Programme implementation, including the socio-economic and environmental impact thereof. The Lead Programme Agency will ensure that the criteria established and required by IFAD in furtherance and under its Results and Impact Monitoring System (RIMS), as communicated by IFAD to the Government of the Republic of the Philippines (hereinafter the "Government"), will be incorporated into and form part of the Programme's monitoring.

Pest management practices

2. As part of maintaining sound environmental practices, the Government will maintain appropriate pest management practices under the Programme.

Resource protection

3. The Government will take all reasonable measures to ensure that existing laws are enforced to safeguard natural resources in the Programme Area. The Government will take all measures to ensure sustainability of the objectives of the Programme without any detriment to the environment, promoting local participation during Programme Implementation which is essential for environment sustainability.

Insurance

4. The Government will insure Programme personnel against health and accident risks in accordance with its customary practice in respect of its national civil service.

Fraud and corruption

5. The Government will promptly bring to the attention of IFAD any allegations or concerns of fraud and/or corruption in relation to the implementation of the Programme of which it has knowledge or becomes aware.

Suspension

6. (a) IFAD may suspend, in whole or in part, the right of the Government to request withdrawals from the loan account and/or grant account upon the occurrence of any of the following events:
 - (i) The designated National Programme Co-ordinator has been removed from the Programme without cause and the Lead Programme Agency has failed to replace him/her within three (3) months of his/her removal;
 - (ii) IFAD has determined that the material benefits of the Programme are not reaching the Target Group, or are benefiting persons outside the Target Group, and no remedial action has been taken by the Government within the subsequent 180 days;
 - (iii) IFAD has given notice to the Government that credible allegations of corrupt or fraudulent practices in connection with the Programme have come to the attention of IFAD and the Government has failed to investigate the matter fully and promptly to the satisfaction of IFAD; or thereafter, based on the conclusions of the aforesaid investigation and any other information available to it, IFAD, in consultation with the Government, determines that such practices have occurred, and the Government has failed to take timely and appropriate action to remedy the matter to the satisfaction of IFAD; and

- (iv) Procurement has not been or is not being carried out in accordance with the programme financing agreement.
- (b) IFAD will suspend, in whole or in part, the right of the Government to request withdrawals from the loan account and/or grant account if the Audit Report(s) has/have not been satisfactorily completed within twelve (12) months after the end of the Fiscal Year.

Conditions precedent to effectiveness

- 7. The programme financing agreement will become effective subject to the fulfilment of the following conditions precedent:
 - (a) The Memorandum of Agreement including the implementation guidelines annexed thereto, in form and substance acceptable to IFAD, have been duly executed by the Department of Agriculture and the National Food Authority; in accordance with the provisions of the programme financing agreement;
 - (b) the special account(s) A1 and A2 have been duly opened in accordance with the programme financing agreement;
 - (c) the programme financing agreement has been duly signed, and the signature and performance thereof by the Government have been duly authorised and ratified by all necessary administrative and governmental action; and
 - (d) a favourable legal opinion, issued by the Secretary of Justice of the Government in respect of the matters set forth in the programme financing agreement and in form and substance acceptable to IFAD, has been delivered by the Government to IFAD.

Conditions precedent to disbursement

- 8. No disbursement will be made: (a) in respect of the Irrigated Rice Production Enhancement Project (IRPEP) until the special accounts B1 and B2 have been duly opened in accordance with the programme financing agreement; (b) in respect of expenditures under all categories (except Category II – Agricultural Production Inputs and category VI – Operations and Maintenance) of the allocation table set forth in the programme financing agreement, until each of the National Irrigation Administration, National Food Authority and Department of Agriculture IRPEP project accounts have been duly opened in accordance with the programme financing agreement.

Key reference documents

Country reference documents

- NEDA (2004) Medium-Term Philippine Development Plan 2004-2010;
- Rice Self Sufficiency Plan (2009-2013)
- NEDA (2003) Guiding Principles and NG-LGU Cost Sharing Policy in the Evaluation of Projects Involving Devolved Activities;
- NSCB (2005) Estimation of Local Poverty in the Philippines, NSCB;

IFAD reference documents

- Draft COSOP (2010-2015)
- 1999 COSOP for the Philippines.
- Administrative Procedures on Environmental Assessment

Logical framework

Narrative Summary	Verifiable Indicators	Means of Verifications	Assumptions / Risks
Goal			
Sustainable food security of paddy farming households in targeted provinces achieved.	By 2015, in Regions 8 and 10 (baseline 2006) -5% reduction of poverty incidence from 48.5% in Region 8 and 43.1% in Region 10 -25% reduction in prevalence of severely malnourished children -30% of households with improved assets ownership index	-Poverty Incidence and Threshold Survey of National Statistical Coordination Board (NSCB) -RIMS survey	
Purpose			
Increased production of paddy farmers in communal irrigation systems (CISs) and surrounding rain fed areas in targeted provinces.	By 2015, in target provinces in Regions 8 and 10 (baseline 2006) -50% decrease in number of households experiencing lean months -5% increase in real household income of paddy farmers -10% increase in regional paddy production	-RIMS survey data - Irrigators Association records -Household surveys -RFU data	-Extreme weather conditions will not prevail. -No major disruption in rice market.
Project/Component Outputs			
<p>RaSSFIP Secured supply of certified inbred paddy seeds for farmers in 2009.</p> <p>IRPEP <u>Component 1:</u> Improved capacity of irrigators' associations (IAs) to manage their organizations and communal irrigation systems (CIS).</p> <p><u>Component 2:</u> Increased production efficiency of communal irrigation systems (CIS).</p> <p><u>Component 3:</u> Improved buffer stocking of certified inbred seeds and provision of extension services to farmers in irrigated areas.</p> <p><u>Component 4:</u> Improved marketing efficiency of Irrigators Associations (IAs).</p> <p><u>Component 5:</u> Enacted favourable policies of DA , NIA and NFA for farmers in irrigated areas.</p>	<p>By 2010, in Regions 5,6,8 and 10 -550,000 hectares of paddy farms receive certified inbred seeds</p> <p>By 2015, in target provinces in Regions 8 and 10 -365 registered IAs increased collection of irrigation fees by 20%; -365 IAs have production, processing, & marketing plans; -365 registered IAs have at least 30% of women officers;</p> <p>-30% of-4,664 has. of rehabilitated CIS have double cropping; -4,664 has of rehabilitated CIS are fully cropped every season; -4,664 has of rehabilitated CIS increase their yields by 15%;</p> <p>-17,000 bags of buffer certified inbred seeds regularly maintained annually for 3 years (2010-2012) by NFA for regions 8 and 10; -365 registered IAs receive technical services from MAOs/CAOs/PAOs every cropping season;</p> <p>-255 registered IAs have market contracts; - 292 registered IAs have 40% increased in paddy volumes sold to market with correct moisture content;</p> <p>-NIA amortization policy is reviewed and rationalized; -Correct pricing signals provided by DA/NFA to paddy farmers;</p>	-Annual reports from LGUs and DA RFUs - Project documents -IA annual financial statements -IA annual reports to the general assembly -NIA annual report -NFA records in Regions 8 and 10 -FI records -NIA/DA/NFA memoranda/orders -Market news	-Supportive local government units (LGUs) to distribute seeds to intended farmer-beneficiaries. -Regional level markets are favourable to paddy farmers. -Minimum or no natural damages to irrigation structures. -No rapid change in DA and attached agencies and LGU priorities. -Adequate technical capacities from the LGU MAOs/CAOs/PAOs. -Safety nets on rice importation are in place and observed. -No rapid change in Government of the Philippines priorities and policies.

