



## Philippine Rural Development Project (P132317)

EAST ASIA AND PACIFIC | Philippines | Agriculture Global Practice |  
IBRD/IDA | Investment Project Financing | FY 2015 | Seq No: 3 | ARCHIVED on 11-Dec-2015 | ISR21452 |

Implementing Agencies: Department of Agriculture

### Key Dates

#### Key Project Dates

Bank Approval Date:29-Aug-2014

Effectiveness Date:03-Dec-2014

Planned Mid Term Review Date:15-Feb-2017

Actual Mid-Term Review Date:--

Original Closing Date:31-May-2021

Revised Closing Date:31-May-2021

### Project Development Objectives

#### Philippine Rural Development Project (P132317)

Project Development Objective (from Project Appraisal Document)

The PRDP aims to increase rural incomes and enhance farm and fishery productivity in the targeted areas by supporting smallholders and fisher folk to increase their marketable surpluses, and their access to markets. This will be achieved through: (a) supporting changes in agricultural and fisheries planning, resource programming and implementation practices; and (b) financing priority local investments in rural infrastructure and enterprise development derived from agricultural and fisheries modernization plans, using a value chain approach, and through stakeholder consultations. The results indicators for the Project are: (a) at least five (5) percent increase per year in real household annual incomes of farmer and fisherfolk beneficiaries; (b) thirty (30) percent increase in incomes for targeted beneficiaries involved in enterprise development; (c) seven (7) percent increase in value of annual marketed output; and (d) twenty (20) percent increase in the number of farmers and fisherfolk with improved access to Department of Agriculture services.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

#### Philippine Rural Development Project (P132424)

Global Environmental Objective (from Project Appraisal Document)

The Global Environment Objective (GEO) is to strengthen the conservation of the coastal and marine resource base in targeted project areas. This will be achieved through (a) enhancing institutional and planning capacities of local governments and communities; (b) providing support to marine protected areas with global biodiversity significance and select fishery co-management arrangements; and (c) sharing of knowledge and best practices.

Has the Global Environmental Objective been changed since Board Approval of the Project Objective?

No

### Components



## Name

---

Component 1: Local and National Level Planning:(Cost \$19.27 M)

---

Component 2: Infrastructure Development:(Cost \$452.13 M)

---

Component 3. Enterprise Development:(Cost \$168.94 M)

---

Component 4: Project Implementation Support:(Cost \$29.99 M)

---

## Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Satisfactory	● Satisfactory
Progress towards achievement of GEO	● Satisfactory	● Moderately Satisfactory
Overall Implementation Progress (IP)	● Satisfactory	● Satisfactory
Overall Risk Rating	● Moderate	● Moderate

## Implementation Status and Key Decisions

The project has been started-up strongly and LGUs demonstrate a high level of enthusiasm to participate in the project. Systems are in place and being refined to enable effective oversight and management of the significant institutional and governance reforms under the project, as well as of the extensive investment program supporting rural infrastructure and enterprise development. The uptake of infrastructure sub-projects is faster than expected, this applies particularly to farm-to-market roads (FMR). Approximately 180 FMR sub-projects are in various stages of procurement and execution, amounting to around US\$ 244 million (or 69 percent) of the amount allocated for all infrastructure development. It is also apparent that more for infrastructure sub-projects exists in the provinces. Activities under the enterprise component are also progressing, with around 100 sub-projects being in various stages of reviews and approvals. Small livelihood support projects are also being currently reviewed benefitting areas that were severely damaged in natural disasters, particularly typhoon Yolanda.

## Risks



### Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	● Substantial	● Substantial
Macroeconomic	--	● Moderate	● Moderate
Sector Strategies and Policies	--	● Moderate	● Moderate
Technical Design of Project or Program	--	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	--	● Moderate	● Moderate
Fiduciary	--	● Substantial	● Substantial
Environment and Social	--	● Moderate	● Moderate
Stakeholders	--	● Moderate	● Moderate
Other	--	● Substantial	● Moderate
Overall	--	● Moderate	● Moderate

### Results

#### Project Development Objective Indicators

► At least 5% increase per year in real household incomes of farmer and fisher folk beneficiaries; (% real increase) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
	Real Household Incomes			
Value	Beneficiary Communities: PhP144,585.00 (Avg./HH)  Control Group: PhP134,275.00 (Avg./HH)	No measurements yet	No measurements yet	Cumulative real increase; YR3: 15% YR6: 30%
Date	31-Dec-2014	--	31-Oct-2015	31-Dec-2020

#### Comments

PRDP baseline was conducted by Sustainable Development Solutions (2014) commissioned by DA. HH incomes are planned to be measured again at mid-term.

► Increased income of beneficiaries involved in enterprise development: (% real increase) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Income Agri-Based Enterprises:	No need to measure yet	No need to measure yet	Cumulative real increase: YR3: 10%



	Beneficiary Communities: PhP69,228 (Avg./HH)			YR6: 30%
	Control Group: PhP81,070 (Avg./HH)			
Date	31-Dec-2014	--	31-Oct-2015	31-Dec-2020

## Comments

Will be measured at mid-term.

► Increase in value of annual marketed output (% increase) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Marketable Output: Beneficiary Communities: PhP79,213 (Avg./HH) Control Group: PhP61,966 (Avg./HH)	No need to measure yet	No need to measure yet	Cumulative increase Yr 1: 7% Yr 2: 14 % Yr 3: 21% Yr 4: 28% Yr 5: 35% Yr 6: 41%
Date	31-Dec-2014	--	31-Oct-2015	31-Dec-2020

► Increase in number of farmers and fisher folk with improved access to Department of Agriculture services (% increase)(Core) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Number of fisher folk and farmers reporting improved access to services: Beneficiary Communities: Of the 2,000 HHs surveyed, 45% (891) mentioned awareness and 35% (696) reported access to DA services Control Group: Of the 2,000 HHs surveyed, 41% (816) mentioned awareness and 31% (612) reported access to DA services	No need to measure yet	No need to measure yet	Cumulative increase YR3: 10% YR6: 20%
Date	31-Dec-2014	--	31-Oct-2015	31-Dec-2020



## Overall Comments

## Global Environmental Objective Indicators

► Increase in MPA management effectiveness in selected sites in GEF target areas (MPA scorecard) (Core) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	<p>There are 2 grading systems to measure MPA effectiveness.</p> <p>A. METT Grading System:</p> <p>YR1: Sites are currently graded by three (3) METT categories:</p> <ul style="list-style-type: none"> <li>• 15% - 40%</li> <li>• 41% - 65%</li> <li>• 66% - 85%</li> </ul> <p>B. MEAT Grading System:</p> <p>YR1: Sites are currently graded by three (4) MEAT categories:</p> <ul style="list-style-type: none"> <li>• Level 1</li> <li>• Level 2</li> <li>• Level 3</li> <li>• Level 4</li> </ul>	No need to measure yet	No need to measure yet	<p>MPA Effectiveness:</p> <p>METT Grading System:</p> <p>YR3: Based on YR1 METT Categories:</p> <ul style="list-style-type: none"> <li>• For 15%-40% METT &gt; 10% increase</li> <li>• For 41%-65% METT &gt; 8% increase</li> <li>• For 66%-85% METT &gt; 2% increase</li> </ul> <p>YR6: Based on YR1 METT Categories:</p> <ul style="list-style-type: none"> <li>• For 15%-40% METT &gt; 20% increase</li> <li>• For 41%-65% METT &gt; 15% increase</li> <li>• For 66%-85% METT &gt; 5% increase</li> </ul> <p>MEAT Grading System:</p> <p>YR3: Based on YR1 MEAT Categories:</p> <ul style="list-style-type: none"> <li>• Level 1 &gt; Level 2 increase</li> <li>• Level 2 &gt; Level 3 increase</li> <li>• Level 3 &gt; Level 4 increase</li> <li>• Level 4 &gt; Level 4</li> </ul>



maintained

YR6: Based on YR1  
MEAT Categories:

- Level 1 >Level 3 increase
- Level 2 >Level 3 increase
- Level 3 >Level 4 maintained
- Level 4 >Level 4 maintained

Date	31-Dec-2014	--	18-Aug-2015	31-Dec-2020
------	-------------	----	-------------	-------------

## Comments

Two (2) GEF-funded sites in Negros Occidental and Bohol out of the seven (7) sites have taken biodiversity and coastal resource management into account in the PCIPs.

## Overall Comments

## Intermediate Results Indicators

► Provincial Commodity Investment Plans (PCIPs) agreed based on regional AFMPs (No. of provinces) (Core) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0	29	58	Cumulative Number. YR1: 20 YR2: 50 YR3: 60 YR4: 80 YR5: 80 YR6: 80
Date	31-Dec-2014	25-Nov-2014	18-Aug-2015	31-Dec-2020

## Comments

58 PCIPs have been validated and are being used as the basis of preparing and approving investment sub-projects, exceeding the target of 20 for YR1.



► PCIP interventions being supported through effective technical backstopping (No. of provinces) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0	No need to measure yet	No need to measure yet	Cumulative Number. YR1: 20 YR2: 50 YR3: 60 YR4: 80 YR5: 80 YR6: 80
Date	31-Dec-2014	--	31-Oct-2015	31-Dec-2020

Comments

Feedback suggests PCIPs being used by DA-Regional offices (RFOs) as a means to coordinate technical back-stopping for DA and other agencies. NPCO/ PSOs reinforcing with RFOs their need to give attention to this.

► Enhanced Planning Programming & Budget Guidelines being effectively mainstreamed (across Department of Agriculture programs) - (Part A: No of Regions (RFOs) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0	No need to measure yet	No need to measure yet	Cumulative No of RFOs mainstreaming guidelines YR1: 0 YR2: 4 YR3: 8 YR4: 12 YR5: 16 YR6: 16
Date	31-Dec-2014	--	31-Oct-2015	31-Dec-2020

Comments

Terms of Reference under preparation for DA-wide Manuals on Planning and Budgeting, Investment Planning and M&E. FY 2016 Planning and Budgeting Guidelines issued that require DA units, bureaus and attached agencies to use PCIPs as a basis for planning their technical support.



► Enhanced Planning Programming & Budget Guidelines being effectively mainstreamed (across Department of Agriculture programs) (Part B: No of DA agencies) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0	No need to measure yet	No need to measure yet	Cumulative No of Agencies undertaking joint planning with RFOs: YR1: 0 YR2: 2 YR3: 5 YR4: 10 YR5: 20 YR6: 27
Date	--	--	31-Oct-2015	31-Dec-2020

Comments

Mainstreaming of Procurement procedures for infrastructure development in partnership with LGUs already in process of being mainstreamed across the DA.

► Biodiversity conservation and coastal resources co-management features incorporated in the PCIPs (No of provinces)(Core) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0	0	2	YR1 thru YR6: 8
Date	31-Dec-2014	--	18-Aug-2015	31-Dec-2020

► Improved road networks linking production areas with markets, leading to reduction in travel time by at least 30% at end of the project (% reduction) (Core) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Baseline Travel Time: Beneficiary Communities: 10.30 min/km (5.8 km/hr) Control Group (non-PRDP communities): 11.39 min/km (5.3 km/hr)	No need to measure yet	No need to measure yet	Cumulative reduction YR3: 10% (9.27 min/km) YR6: 30% (7.21 min/km)
Date	31-Dec-2014	--	31-Oct-2015	30-Jun-2020

Comments





There has been a faster than expected uptake of infrastructure sub-projects, mainly farm-to market roads (FMRs). Already, some 124 infrastructure sub-projects amounting to PhP 8,020 billion (US\$178 million) have been approved for procurement (NOL1), 16 sub-projects worth PhP 616.8M (US\$13.7 million) have been issued NOL 2 allowing contracting and 44 infrastructure sub-projects worth PhP 2.325 billion (US\$ 52 million) are under implementation.

► Producers satisfied with adequacy of access to post-harvest services and facilities (% increase)(Core) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	<p>% Increase in the number of satisfied producers:</p> <p>Beneficiary Communities: 22% (441 of the 2,000 HHs surveyed) expressed satisfaction on access to post harvest services and facilities</p> <p>Control Group (non-PRDP communities): 16% (329 of the 2,000 HHs surveyed) expressed satisfaction on access to post harvest services and facilities</p>	No need to measure yet	No measurement yet	Cumulative increase YR3: 8% YR6: 20%
Date	31-Dec-2014	--	31-Oct-2015	31-Dec-2020

Comments

Three rural roads under construction directly supporting the operation of three enterprise development sub-projects (Calamansi Trading Post at the Province of Mindoro, Cassava Granules at the Province of South Cotabato, and Coco-Geonet at the Province of Albay). Evaluation of this indicator planned for mid-term.

► Area provided with irrigation and drainage services (ha) (Core) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	<p>Area provided with irrigation and drainage services (ha):</p> <p>534,402</p>	50 Ha underway	50 Ha	Cumulative increase in irrigated area YR3: 10% (21,433ha) YR6: 30% (64,031ha)



Date	31-Dec-2014	--	31-Oct-2015	31-Dec-2020
------	-------------	----	-------------	-------------

## Comments

One Communal Irrigation System sub-project undergoing procurement and will cover 50 hectares. Increased attention to be given to this (i.e., non FMRs) in 2016.

► Increased Producer Groups participating in vertically linked commodity value chain clusters (Part A: % increase & overall number) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
	% Increase in the number of producer groups operating viable enterprises:			Cumulative increase in Producer Groups vertically linked
Value	Project Areas: 47.4%	No need to measure yet	No measurement yet	YR3: 15%
	Non-Project Areas: 61.5%			YR6: 50% (target 1500)
Date	31-Dec-2014	--	31-Oct-2015	31-Dec-2020

## Comments

Ten enterprises supported involving 7,454 direct beneficiaries (another 10 enterprises are pending NOL 2). The 10 enterprises are: 1) Calamansi Trading Center in Oriental Mindoro; 2) Coco-Geonets Manufacturing in Albay; 3) Coco Geonet Production Project in Camarines Norte; 4) Camarines Sur Coco Sap Sugar Processing; 5) Production of Cassava Granules in South Cotabato; 6) Integrated Abaca Enhancement Enterprises for Agusan del Norte; and four small livelihood projects (SLPs) in the Visayas Cluster which would benefit some producer groups in the areas hit by Typhoon Yolanda in 2013.

► Increased Producer Groups participating in vertically linked commodity value chain clusters (Part B: % increase in number of women directly benefiting from enterprise development) (% increase) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
	% Increase in number of women directly benefiting from enterprise development:			Cumulative increase in Women directly benefiting:
Value	Beneficiary Communities: 56%	No need to measure yet	No need to measure yet	YR3: 15%
	Control Group: 50%			YR6: 50%



Date	31-Dec-2014	--	31-Oct-2015	31-Dec-2020
------	-------------	----	-------------	-------------

## Comments

The limited enterprises so far developed have some 7,454 direct beneficiaries of whom 32% are women.

► Producer productivity enhanced through arrangements for marketing and /or technical services (% increase) (Core) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	% Of producers having formalized arrangement for marketing and/or technical services:  Project Area: 3.2%  Control Group: 2.1%	No need to measure yet	No need to measure yet	Cumulative increase: YR3: 20% YR6: 50%
Date	31-Dec-2014	--	31-Oct-2015	31-Dec-2020

## Comments

Baseline from the PRDP Baseline Survey conducted by Sustainable Development Solutions (2014) commissioned by DA. The figure is a proxy indicator where the baseline figures report on 37 of the 1,159 (24 of the 1,164) farmers surveyed who were pursuing livestock and poultry production were engaged in contract growing in program (non-program) areas.

► Increased producer groups and fisher folk resilience to climate change and adverse weather conditions (% increase) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Awareness, Access and Use of Climate-Smart Technologies*  Beneficiary Communities Adopting Climate Smart Technologies in Program Areas: 32.8%  Control Group (non-PRDP Program Areas): 30.85%	No need to measure yet	No need to measure yet	Cumulative increase: YR3: 10% YR6: 25%
Date	31-Dec-2014	--	31-Oct-2015	31-Dec-2020



## Comments

Baseline from the PRDP Baseline Survey conducted by Sustainable Development Solutions (2014) commissioned by DA. Climate-smart technologies include the following: (1) low energy, fuel efficient fishing practices; (2) aquaculture zoning; (3) manure management; (4) improved animal feeding; (5) variety of seeds that flood and draught tolerant resistant; (6) sloping agriculture land technology (SALT) and other soil and water conservation practices; (7) integrated farming; (8) intercropping; and (9) mulching.

- Productivity in globally significant fish biodiversity sites enhanced through improved resource management, biodiversity conservation, co-management arrangements, and knowledge sharing ( % increase) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Baseline pending	No need to measure yet	No need to measure yet	Cumulative increase in fish stocks YR3: 5% YR6: 10%
Date	31-Dec-2014	--	31-Oct-2015	31-Dec-2020

## Comments

Baseline for fish productivity of the 34 MPAs is under collection and expected to be completed by Q4 2015. The 34 GEF-supported MPAs under the project are encompassed by 7 provinces. The most advanced is the Province of Roxas which covers 7 of the MPAs where the first enterprise on seaweed production (Johnson Is) is in final stages of approval. Special efforts are being given to expedite this aspect of the project.

- Harmonized Operational Manuals mainstreamed for Local Planning & Program Support, Infrastructure, and Enterprise Development (No. of Manuals mainstreamed) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	PRDP Manuals available for: Planning, Procurement, Financial Management, Infrastructure Support, Enterprise Development and M&E	Harmonized Manual for Infrastructure issued	Harmonized Manual for Infrastructure issued	Harmonized Operational Manuals being mainstreamed across all DA programs
Date	31-Dec-2014	--	31-Oct-2015	31-Dec-2020

## Comments

PRDP Manuals are available for: Planning, Procurement, Financial Management, Infrastructure Support, Enterprise Development and M&E. A harmonized manual for Infrastructure support in partnership with LGUs is already being. Additional tools developed for mainstreaming planning and program support are: i) Document Tracking System: A web based system that enables implementing agencies and units to track the processing status of documents. Effective July 2015, ii) Grievance Redress: A mechanism enabling SMS, email, postal service and social media stakeholder feedback is operational but undergoing refinement iii) Project Baseline: The baseline for the project was established in December 2014 and encompasses all parameters in the Results Framework. A contract for updating the METT and MEAT



baseline for GEF sites is pending with the work due to be completed by Dec 2105, and iv) Geo-Tagging; Use of this tool has been institutionalized and is systematically being recorded for all subprojects. The innovation has been now being adopted by the Commission on Audit building on the mechanism developed under the project. The MIS system is expected to be operational by January 2016.

► Efficient Program implementation, reporting and loan utilization (timely Quarterly reporting and six-monthly updating of Results matrix) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0	First Report issued	First Report issued	Quarterly reporting by NPCO to DA Mgt & six-monthly updating of Results Framework
Date	31-Dec-2014	--	18-Aug-2015	31-Dec-2020

Comments

Comprehensive Progress Report (August 2015) provided by the DA (see Annex 1 of Aide Memoire) .

Overall Comments

## Data on Financial Performance

### Disbursements (by loan)

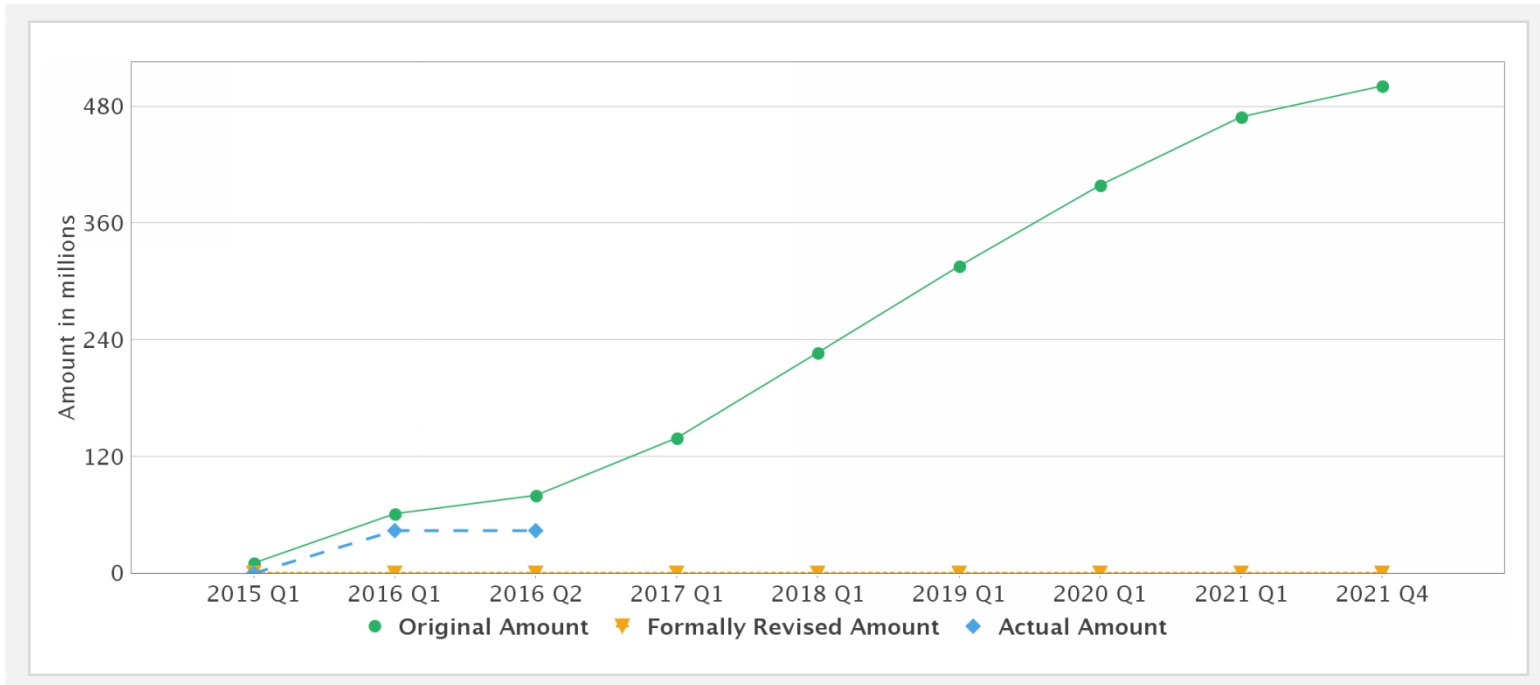
Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P132317	IBRD-84210	Effective	USD	501.25	501.25	0.00	45.09	456.16	9%
P132424	TF-17788	Effective	USD	7.00	7.00	0.00	0.00	7.00	0%

### Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P132317	IBRD-84210	Effective	29-Aug-2014	08-Sep-2014	03-Dec-2014	31-May-2021	31-May-2021
P132424	TF-17788	Effective	08-Sep-2014	08-Sep-2014	03-Dec-2014	31-May-2021	31-May-2021



## Cumulative Disbursements



## Restructuring History

There has been no restructuring to date.

## Related Project(s)

P132424-Philippine Rural Development Project