



Philippines: Agrarian Reform Communities Project II

Project Name	Agrarian Reform Communities Project II
Project Number	37749-013
Country	Philippines
Project Status	Active
Project Type / Modality of Assistance	Loan
Source of Funding / Amount	Loan 2465-PHI: Agrarian Reform Communities Project II Ordinary capital resources US\$ 70.00 million
Strategic Agendas	Inclusive economic growth
Drivers of Change	Partnerships
Sector / Subsector	Agriculture, natural resources and rural development - Agricultural production - Irrigation - Rural flood protection - Rural market infrastructure - Rural water policy, institutional and capacity development - Rural water supply services
Gender Equity and Mainstreaming	Some gender elements
Description	
Project Rationale and Linkage to Country/Regional Strategy	
Impact	

Project Outcome

Description of Outcome	
Progress Toward Outcome	<p>Under the productivity improvement subcomponent, the executing agency had the following agri-enterprise development (AED) activities: (i) advisory services in the formulation and design of identified AED that were incorporated in the ARC cluster development plans; (ii) follow through of the systems for rice intensification program in some ARCs; and (iii) engagement of the high value vegetable production firm to carry out its operations for these crops.</p> <p>Market linkages were established with private sector groups for AED for value-added activities in ginger, seaweed, organic rice, dried tomato, dried fish, cacao, coffee, coconut, and rubber production towards the development of existing products with high market potentials. Training and dialogues with community-based organizations engaged in value-adding enterprises and irrigators association officers assisted by the Project to ensure sustainability of project interventions.</p> <p>Procurement of survey firms for land tenure improvement is still ongoing for the remaining target of the Project of 17,534.76 ha.</p>

Implementation Progress

Description of Project Outputs	
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<p>Status of Implementation Progress (Outputs, Activities, and Issues)</p>	<p>The Project has approved 598 subprojects, of which 121 were delisted/withdrawn. Total number of subprojects is 477, of which 266 are rural access infrastructure with a total length of 936.37 km. 119 of access infrastructure SPs were constructed covering an estimated 370.89 km of farm-to-market roads.</p> <p>6 irrigation SPs with a total service area of 2,080 has. were successfully rehabilitated and constructed; 8 SPs have ongoing construction with a total service area of 2,942.75 has.</p> <p>Ongoing civil works construction activities:</p> <p>147 access infrastructure, with a total length of 565.47 km</p> <p>6 irrigation subprojects with a total service area of 2,080 has. and 8 units of level II potable water system (PWS).</p> <p>Ongoing activities:</p> <p>construction of 8 small-scale irrigation with a total service area of 2,942.75 has.; and 8 units of level II PWS</p> <p>35 post-harvest facilities covering 45 units and 173 social infrastructure subprojects, consisting of 135 classrooms and 106 units of other social infrastructure such as multi-purpose centers/buildings, and health centers.</p> <p>22 barangay health station SPs covering 22 units were successfully completed ; 5 SPs covering 5 units are being constructed.</p> <p>21 day care centers SPs covering 21 units were successfully completed; 1 SP covering 1 unit is being constructed</p> <p>20 multipurpose building SPs covering 20 units successfully completed construction; 17 SPs covering 17 units have ongoing construction.</p> <p>Being assessed.</p> <p>437 trainings and development plans were implemented.</p> <p>152 ARC and 11 ARC clusters have detailed ARC development plans and were mainstreamed into the LGUs' annual investment plan. The 11 ARC cluster development plans are now integrated with the provincial development framework plans and provincial investment plans.</p> <p>214 agrarian reform clusters (ARCs) were mobilized.</p> <p>152 ARC working groups and rural infrastructure teams were formed and organized</p> <p>152 ARC and 11 ARC clusters have detailed ARC development plans and were mainstreamed into the LGUs' annual investment plan.</p> <p>458 self-help groups (SHGs) and people's organizations (POs) were formed; 152 agrarian reform cluster working groups (ARCWGs) and rural infrastructure teams formed and organized.</p> <p>152 ARCDPs mainstreamed in AIP and Medium-term Development Plans for LGUs</p> <p>437 training and development plans implemented; 148 functional organizations engaged in sustainable agri-enterprise</p> <p>445 trainings conducted for LGUs and DAR; 152 functional community-based M&E installed</p> <p>96 techno farms established for various crops; 155 technical training on natural farming systems conducted</p> <p>96 techno farms established for various crops; 33 technical training on agro-forestry conducted;</p> <p>19 technical training on plantation development conducted</p> <p>96 techno farms established for various crops.</p> <p>On-going value chain development of 18 enterprises in 18 priority ARCs located in 17 provinces</p> <p>4,293.84 has. have been distributed with individual titles benefiting 2,733 ARBs</p> <p>13,664.78 has. with approved survey plans</p> <p>The Agri-enterprise Credit and Agri-finance Service (Agri-CASH) accomplished a total of 8,717 ARB and non-ARB borrowers to enable access to credit. Another window for credit initiated by DAR was the Agrarian Production Credit Program (APCP), wherein about P8.9 million was accessed by the ARBOs in the ARCP II areas.</p> <p>For the rural finance subcomponent, 25,664 beneficiaries have availed of financial assistance extended by the project through the AGRICASH program of DAR.</p> <p>96 techno farms established for various crops;</p> <p>155 technical training on natural farming systems were conducted</p> <p>33 technical training on agro-forestry were conducted</p> <p>77 technical training on high value crops were conducted</p> <p>19 technical training on plantation development were conducted</p> <p>36 technical training on fishery and livestock were conducted.</p> <p>4,293.84 has. have been distributed with individual titles benefiting 2,733 ARBs</p> <p>13,664.78 has. with approved survey plans</p> <p>31,869.72 has. completed procurement.</p> <p>14 microfinance institutions assisted for micro-agri loan products in the ARCs.</p> <p>26 project offices were established (1 national, 6 regional, 19 provincial)</p> <p>152 local project offices were established</p> <p>40 national subproject approval committee meetings were conducted.</p> <p>The Special Management Team for ARMM contract was signed on 29 June 2011 and its assignment ended on 3 July 2014. Land tenure improvement survey services were engaged.</p> <p>Engaged a quality assurance firm.</p> <p>Procured 26 vehicles (vans, pick-ups), 137 motorcycles; procured 100 units of computers.</p>
<p>Geographical Location</p>	<p>Eighteen (18) provinces in Southern Philippines</p>

Summary of Environmental and Social Aspects

Environmental Aspects	132 ESS compliance certificates were issued to 132 subprojects as a requirement for the first tranche of loan proceeds. ADB conducted a safeguards review mission in February 2016 to check on potential deficits of the environmental and social safeguards (ESS) and monitoring system. An action plan was developed on how to ensure safeguards compliance with the remaining timeframe of the project, and to improve monitoring and quality of reporting in preparation for project completion.
Involuntary Resettlement	The following are being maintained by the local government units : (i) inventory of project-affected persons (PAPs), (ii) short resettlement plans, (iii) summary of affected assets, and (iv) legal documents executed by the PAPs.
Indigenous Peoples	Project areas with indigenous peoples are in Palawan and Basilan.

Stakeholder Communication, Participation, and Consultation

During Project Design	Target area selection was based on both poverty and identifiable economic potential-based criteria. At the provincial level, the lesson of ARCP to keep the geographical spread manageable was kept in mind. Poverty assessments showed that three quarters of the poor are in the Mindanao and the Visayan regions. Targeting these regions is essential to address resource inequalities as well as provision of necessary infrastructure and support services for the rural poor. As agreed by DAR and ADB and in consultation with the DAR regional and provincial officials, the selection of the eligible provinces was based on the following criteria: (i) Provinces with the highest rural poverty incidence, (ii) Provinces in the southern half of the Philippines that are included in the ADB Country Strategy Paper and Program (2005 2007), (iii) Provinces with at least four ARCs that have not received financial assistance for infrastructure from foreign-assisted projects of DAR, and (iv) LGUs' willingness to cooperate with the ARCs and assurances of inter-LGU cooperation.
During Project Implementation	LGU representatives in all 152 ARCs undergo training on area of development planning, including preparation of LGU investment plan in support of ARC development. Enhanced Participatory Area Planning (E-PAP) teams were formed and operational in about 137 ARCs covering all project provinces except Basilan, Sulu and Tawi-Tawi. The Performance Based Grant System (PBGs) for ARCP 2 has been approved by the PBGS Technical Committee. Formed 86 agriculture and enterprise development (AED) committees at municipal level in eleven (11) provinces. These committees are the frontlines for the ARCP 2 AED activities at the municipal and ARC levels. These are further sub-divided into smaller sub-committees to tackle specific factors that apply at the municipal and ARC level e.g. crops, livestock, fishery, agro-forestry, marketing and other non-farm activities.

Business Opportunities

Consulting Services	An estimated 1,812 person months (pm) of consulting services, comprising 36 pm of international consultants and 1,776 pm of national consulting services, will be recruited in order to assist the national government agencies, LGUs at municipal and provincial levels, and local communities, in Project implementation. Consultants will be recruited in accordance with ADB's Guidelines on the Use of Consultants by Asian Development Bank and its Borrowers. The following specialists will be required (i) Project Management Adviser; (ii) Senior Economist; (iii) National Safeguards Specialist; (iv) Planning and Monitoring Specialist; (v) Community Driven Specialist; and (vi) Senior Rural Infrastructure Engineer. All consulting services will be procured through firm using QCBS procedure.
Procurement	All goods and services to be financed partly or wholly by ADB will be procured under ADB's Procurement Guidelines. Procurement of small works will be through shopping. All civil works contracts exceeding \$100,000 and less than \$500,000 will be procured through the national competitive bidding procedure. Procurement of goods valued at less than \$100,000 will be done through shopping. All equipments valued at more than \$500,000 will be procured under the international competitive bidding procedure. The procurement plan is being updated.

Responsible Staff

Responsible ADB Officer	Leung, Leonard H.
Responsible ADB Department	Southeast Asia Department
Responsible ADB Division	Environment, Natural Resources & Agriculture Division, SERD
Executing Agencies	<i>Department of Agrarian Reform Director Homer P. Tobias Elliptical Road, Diliman, Quezon City Municipal Dev'l Fund Office-(Implementing Agency) Ms. Helen Habulan Roxas Boulevard corner Pablo Ocampo, Sr. Street, Manila 1004</i>

Timetable

Concept Clearance	-
Fact Finding	-

MRM	-
Approval	-
Last Review Mission	-
PDS Creation Date	26 Apr 2006
Last PDS Update	30 Mar 2017

Loan 2465-PHI

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
27 Oct 2008	08 Dec 2008	04 Mar 2009	30 Jun 2015	30 Jun 2018	-

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	178.40	Cumulative Contract Awards			
ADB	70.00	27 Oct 2008	46.13	0.00	69%
Counterpart	108.40	Cumulative Disbursements			
Cofinancing	0.00	27 Oct 2008	35.63	0.00	53%

Status of Covenants						
Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	-	Satisfactory	Satisfactory	Satisfactory	-	Satisfactory

Loan 8238-PHI

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
04 Dec 2007	17 Dec 2008	04 May 2009	31 Dec 2013	30 Jun 2018	-

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	0.00	Cumulative Contract Awards			
ADB	0.00	04 Dec 2007	0.00	12.55	58%
Counterpart	0.00	Cumulative Disbursements			
Cofinancing	0.00	04 Dec 2007	0.00	5.87	27%

Project Page	https://www.adb.org/projects/37749-013/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=37749-013
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