

Philippines: Northern Mindanao Community Initiatives and Resource Management Project

Item	Assessment Remarks	Rating
Country & Project Name	Philippines: Northern Mindanao Community Initiatives and Resource Management Project (NMCIREMP)	
Loan No.	577-PH	
Project Id.	1137	
Board Date	6 Dec 2001	
Effectiveness Date	1 Apr 2002	
Original Closing Date	31 Dec 2009	
Final Closing Date	31 June 2009	
Total Project Cost USD(M)	USD 21.57	
IFAD loan USD (M)	USD 14.80	
Cofinanciers (if any)	USD 3.3 million from GOP; USD 2.2 million from Local Government Units (LGU); USD 1.26 from beneficiaries.	
Implementing Agency	Department of Agrarian Reform (DAR)	
Principal Components	Project's overall goal is to reduce the vulnerability and enhance food security of 58 500 hhs (310 000 people) of indigenous peoples, coastal and lake fishermen, agrarian reform beneficiaries and upland farmers in Northern Mindanao. Project specific objectives are: i) promote/strengthen community institutions making them self-reliant and capable of undertake their own development activities; ii) promote the conservation and improvement of their natural resource base; iii) improve village infrastructure; iv) facilitate the representation of indigenous people in local councils and the issuance of certificates of ancestral land titles/domain titles to them; v) enhance the responsiveness of Local Government Units (LGUs) another partners to the diversified needs of the community institutions. Project's components were: i) Community Institutions and Participatory Development (CIDP); ii) Community Investments (CI); iii) Natural Resource Management (NRM); iv) Support Services and Studies (SSS); v) Support to Indigenous Peoples (SIP); vi) Programme Management (PM).	
Project Performance		
Relevance	At project appraisal, the objective and the implementation strategies of the project were consistent with IFAD's Country Strategy and Opportunities Paper (COSOP) for the Philippines. The project was also relevant at appraisal and completion because it was also in line with the national strategy and relevant in supporting the Gov't Medium Term Philippine Development Plan (MTPDP) and the Medium Term Public Investment Plan (MTPIP). The project's focus was on providing a mechanism for community-level decision making and strengthening community capability for management of its own development. The components and sub-components were generally appropriate. The project design was sound because the components complemented and supported each other. The management systems and structures of the project were highly localized and decentralized at the municipal LGUs and the communities.	6
Effectiveness	The project was successful in achieving many satisfactory results. There were 47 131 people that benefitted directly from project's interventions, of whom 50% are women. In particular, project's interventions have: i) helped rural people to uplift their social status, confidence and self-reliance especially in the indigenous people; ii) pioneered participatory processes to forge and foster groups and community development actions; iii) empowered communities to plan and prioritize their community infrastructure needs and then to contribute to cost effective and timely construction and subsequent organization of their O&M. However, the PAF sub-projects are at various levels of economic development, with some weaker ones still struggling for existence. The majority of the PAF sub-projects are still to increase the scale of production, quality and value addition for which continued assistance would be required. Almost all lack sufficient working capital for expansion. In addition, the project fell short in achieving the objective of promoting the conservation and improvement of community natural resource base. The progress of the NRM component is lagging behind and it reports low overall accomplishment of global targets.	5
Efficiency	In assessing project's efficiency, several factors have been taken into account. The average time lapse between loan approval and loan effectiveness was 12 months which is slightly lower than the IFAD average of 14.5 months but slightly higher than the regional average of 11.4 months reported in EVEREST (IFAD Regional Strategy in Asia). Time overruns have not been experienced, since the project has been completed on time. Except rare case, all the key staff of the project remained engaged almost to the finishing time. The overall costs per beneficiary family with a size of 5 amount to USD 400 that is deemed satisfactory when compared to similar projects. The area where there has been marked efficiency is of project operations is in the execution of social investments. This is evident where communities control planning, implementation, monitoring, and maintenance of these investments. Under the project, these efficiency vary from 94% for farm to market roads; while for potable water supply schemes it was 30%. In the construction of irrigation structures the unit cost per	5

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	hectare was five times lower than appraisal thereby showing 461% efficiency which last led to substantial savings in total costs. The crucial factor in the overall and long run efficiency of the project is the quantum and likely continuity of benefits from the level of costs incurred. The economic internal rate of return (EIRR) at project completion was found to be 34% which is considered as satisfactory.	
Project Performance		5
Partner Performance		
IFAD	IFAD has provided guidelines and support on organisation management, roles of partners and procedures of project implementation. In most cases, IFAD has had a strong commitment and good support for the implementation of the project from regional Governments. However, IFAD's non-resident status precluded proper participation in supervision missions, but since July 2007, with the introduction of the Country facilitation Office (CFO), this situation has been rectified and the project was supervised directly by the CFO in the Philippines.	5
Cooperating Institution	UNOPS was the cooperating institution until 2007. From January 2008, IFAD directly supervised the project. UNOPS provided effective supervision of process aspects, but did not follow up sufficiently, particularly on technical issues. Although UNOPS did a satisfactory job of identifying problems (particularly relating to process), it did not take sufficient interest in the substantive aspects of the project and was not able to provide effective follow-up in resolving technical issues and timely follow actions were somewhat limited. In addition, UNOPS staff turnover was too high, which affected the continuity and quality of advice received during the annual visits.	4
Government	Government of Philippines has supported the project by contributing financial support from national and LGU budgets. Department of Agrarian Reform (DAR) was the anchor organisation for the project on behalf of the Govt. DAR has taken the major role in leading the project in active participation both at the National level and also up to the Municipal levels. It provided valuable support to all supervisions and reviews conducted by the missions, and encouraged in an open and transparent dialogue focusing on lessons learning that can lead to better results on the ground. The Municipalities at the local level by setting up of Municipal Project Offices have given the most required technical support to the project. Regional, provincial and municipal governments have showed a strong commitment in the project's management.	6
NGO/Other	The NGOs facilitated the community institution-building process and nurtured a vision for the long-term development of the community. They contributed to building peoples institutions and their guidance which empowered the community; they also promoted income generating activities of PAF. The NGOs role was appreciated by the beneficiaries. The performance of the CIs and SHGs has been impressive especially given the innovative features of such groups and their role in poverty alleviation.	6
Cofinancier(s)		
Combined Partner Performance	<i>The relationship among the project's stakeholders seems to have been good. DAR as IFAD's main partner agency in the national government had maintained a long and close dialogue and co-operation with the IFAD management.</i>	
Household Income and Net Assets	According to the PCR, project's interventions have successfully narrowed down the gap between the poverty threshold and the annual per capita income levels of the project beneficiaries. The PCR also mentions that livestock sub-projects have the highest contribution at 39%, followed by crop production. As reported by RIMS study, 1510 households in CADC and 10737 in non-CADC have improved/acquired hhs assets such as radios, televisions, bicycles or motor-cycles, livestock, etc. In addition, the PCR states that the moderate savings culture that has taken strong roots among the members of the SHGs have partially eradicated the presence of the money lenders. On the other hand, the PCR also states the project fell short in increasing households' incomes through activities funded by a poverty alleviation fund (PAF). The majority of the PAF sub-projects are still to increase the scale of production, quality and value addition for which continued assistance would be required. Almost all lack sufficient working capital for expansion.	5
Food Security	The PCR states that as a result of the project on the aggregate, food security has improved, with a complimentary share being contributed from sustained livelihood activities such as PAF sub-projects, followed by agricultural production. The rural infrastructure sub-projects also played an important role in enhancing food security by supporting agricultural productivity and providing access to markets. In addition, proportion of undernourished children (0-5 years old) experienced a reduction by 3% from 30% (2005 RIMS survey) to 27% (2009 RIMS survey).	5

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Ag. Productivity	Project's impact within this domain does not seem to have been impressive. This is mainly due to the fact that project's achievements within this domain have been linked to the NRM, whose stipulated outcome was the sustainable increase of agricultural and fisheries production and productivity. However, the NRM component has lagged behind during project's implementation. Some results have been achieved through community investments, such as irrigation structures which led to increased irrigated land. In addition, the project introduced new technology for the farming and fisher folks, which was quite productive. In addition, the project introduced on-farm adaptive research, as well as it promoted training to extension service providers both in agriculture and fisheries; it established learning sites such as the demonstration farms, training of para-technicians, dissemination of information.	3
Food Security and Agriculture Productivity		4
Natural Resources and Environment	The NRM subprojects were only implemented after the 2006 MTR, with many of the sub-projects still in its early phase of implementation when the project closed in 2009. Nevertheless, some goods results have already been achieved. For example, the establishment of fish sanctuaries and marine protected areas in some areas have already resulted in increase of fish stocks. The likelihood of improved resource base and beneficial environmental impact is increased with the formulation and development of watershed management plans and the integration of NRM in local development plans as well as the training of community members as para technicians and the introduction of innovative farming techniques and land-use management approaches. However, on the macro scale (watershed), the sizes and spatial location and distribution of the sub-projects may have limited overall impact unless they are integrated with each other in the context of contributing to improving water resources and reducing soil erosion.	4
Human and Social Capital and Empowerment	The project tremendously enhanced the social capital of beneficiaries by supporting the formation of the people's organizations. The project was able to strengthen 226 Community Institutions (CI) and formed 841 new Self-Help Groups (SHG). The SHGs and the CIs served as a strong foundation for the project to build up the activities of the other components. As a result of the adopted bottom up approach of planning, the CBOs have been involved in all the barangay level activities. Thus, the CIs, SHGs and the tribal councils won representations in the decisions and policy making bodies such as the Barangay Council, the Municipal Councils and the Provincial Councils; this guarantee that they can participate and influence the flow of allocations to their respective barangays. In terms of human capital, the project was successful too, particularly by contributing towards the physical development of the communities through the Community Investment Fund. The 33 units of potable water decreased the incidence of water borne diseases especially among children. The 42 units of classrooms, health centres, and multipurpose buildings significantly contributed towards the education of the children and enlivened community life.	6
Institutions & Policies	The major policy impacts that have been supported by the project includes: i) establishing land tenure rights in IP communities through conversion of CADC to CADT; ii) supporting the coalition building among tribal groups and creating an awareness of their advantages; iii) supporting alliance building among institutions for NRM; iv) facilitating the process of IP leaders becoming members of local government units; v) facilitating the integration of Ancestral Domain Sustainable Development and Protection Plans and the policies therein into the local development plans. The project support extended to the issuance of the Certificates of Ancestral Domains Titles (CADT) was highly effective. It achieved 100% of its targets. 14 ancestral domains were converted to CADTs with a total land area of about 300 000 has that benefitted 12035 hhs.	5
Markets	The PCR did not assess project's impact on market access. However, its main impact has been through the construction of farm to market roads (177 km versus targeted 164 Km) which contributed to reduce transport costs. With regard to the PAF sub-projects, the majority of them are harmed by low availability of inputs; low quality of products; weak marketing linkages; lack of value addition; low technology usage and high labour input.	4
Rural Project Impact		5
Other Performance Criteria		
Innovation	The project has pioneered the participatory community development approach and the empowerment and enhanced involvement of the LGUs in development planning and implementation through the CIPD component. The CIPD component promoted the concept of forming self-help groups composed of around 20 hhs. However, when the Indigenous People (IP) perspective on self-governance was brought into light, promoting self-help groups as how the implementation manual defined it, would disrupt	5

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	and distort natural tribal systems on self-governance in IP communities. Hence, the project innovated some changes in the strategy of forming SHGs. Another innovation was the survey of the rural poor hhs which systematized the categorization of the rural poor complete with hhs names at barangay levels. This resulted to a much efficient and effective approach in targeting the poor and was adopted as major change for the project in targeting the hhs. Another innovation was the creation of the Caraga Health Forum, with the objective of creating a health network among donors and health resource providers to prevent duplication of efforts and work on towards more complementation of efforts for the health sector. Finally, the Municipal Stakeholders' Committee (MSC) established by the project was an innovation on the approval of NGOs selected for procurement and sub-projects to be allocated for financial assistance.	
Replicability and Scaling-up	The project activities were found replicable in the farming and fishery sectors of the Philippines setting and can be adapted in the design of similar interventions. The project supported the formulation of the Ancestral Domain Sustainable Development and Protection Plans (ADSDPP) which are intricately linked with land tenure processes for Indigenous Communities. This is now being promoted as a national model in Indigenous land tenure processes. These processes have found replication and scaling up in majority of the development projects country wide. In addition, given the good performance of the O&M system, replicability of similar arrangements in others need to be further pursued.	5
Innovation, Replicability and Scaling-up		5
Sustainability and Ownership	The presence of a majority of the people's organizations with a proven track record of managing their organizations, implementing their projects and improving their financial assets has a satisfactory potential for the sustainability. The good performance of the communities dealing with O&M is the direct result of social empowerment of the beneficiaries who have acquired ownership of such activities and are prepared to maintain them in future. The 160 established at the barangay level Community-based Operation and Maintenance Monitoring and Evaluation Teams (COMMET) formed are still functional and operational. This is critical for the proper sustainability of infrastructure sub-projects. In addition, majority of the LGUs have already taken steps to adopt resolutions to provide O&M funds. In terms of institutional sustainability, the Gov'ts at national, regional, provincial and municipal levels had taken ownership of the project and have showed a strong commitment and good support in the project's management. At this regard, the DAR Regional Office has already mainstreamed PFO functions into their regular work. On the less positive side, the sustainability of the PAF sub-projects is at risk, mainly due to lack of working capital and cash flow problems as well as their continue dependence on grants from Gov't institutions. In addition, the majority of the CIs and SHGs are actively developing and for the most part sustainability is not yet assured, as reliable linkages with financial and technical institutions have not taken place properly.	5
Targeting	Project interventions were in two of the priority regions, with a consistent percentage of people living below poverty line. The project had a highly targeted approach limiting direct investment to the population made up of primarily small, subsistence families and fisher folks for whom food sufficiency was a challenge. The components, especially the Community Initiatives and Participatory Development (CIPD), aimed to strengthen targeting procedures to reach poor hhs and enhance beneficiary formation into mutually compatible and relatively homogeneous social groups. This was achieved through an improved community selection procedure, rigorous application of a revised eligibility survey, and participatory group formation procedures. Later, during the project implementation, a validation exercise was carried out to ascertain the graduation of the Self Help Groups (SHGs).	6
Gender Equality and Women's empowerment	The project adopted a gender oriented approach. The role of women was given importance by ensuring their involvement and participation in all the aspects of project implementation. Women were seen as active partners together with men in the development process. The project fostered an improved and more balanced gender relations in the home, as women are more able to influence decisions in matters related to income generating activities as well as use of income. The project's interventions have been very effective in addressing women's special needs and economic growth by raising women's access to economic gains such as involvement in PAF sub-projects, promotion of vegetable and herbal backyard gardens. Finally, thanks to their participation to trainings and project-relevant activities, women gained representation and involvement in management of community initiatives. For example, by participating in the SHGs, women not only were provided with social space to share their concerns and mutual support to solve problems, but they also carved a place for them in public as well.	6

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Overall Performance		5
Estimated number of beneficiaries		
PCR Quality		
Scope	The PCR is fully in line with guidelines. All sections are covered and all annexes are included.	6
Quality	The PCR is well written and comprehensive.	6
Lessons	More effort should have put into the analysis of lessons learned	5
Candour	The report is overall objective and self-critical.	6