



Investing in rural people

## Republic of the Philippines

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### **Rapid Food Production Enhancement Programme (RaFPEP)/ Irrigated Rice Production Enhancement Project (IRPEP) 1485-PH**

#### **Supervision report**

#### Main report and appendices

Mission Dates: 24 June 2015 – 08 July 2015  
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Asia and the Pacific Division  
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## Working Papers

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## Abbreviations and acronyms

ATI	Agricultural Training Institute
AWPB	Annual Work Plan and Budget
CDA	Cooperative Development Authority
CIS	Communal Irrigation System
COA	Commission on Audit
DA	Department of Agriculture
DA-RFO	Department of Agriculture-Regional Field Office
DBM	Department of Budget and Management
DOLE	Department of Labor and Employment
EU	European Union
FE	Farmers' Equity
FFS	Famer Field School
FIO	Farmer-Irrigator Organizer
FK	Farmers Kiosk
FSDC	Farm Systems Development Corporation
FUSA	Firmed-up Service Area
GPH	Government of the Philippines
HARP	Haiyan Agricultural Rehabilitation Programme
IA	Irrigators' Association
IACC	Irrigators Associations Coordination g Council
IDO	Institutional Development Officer
IMO	Irrigation Management Office
IRPEP	Irrigated Rice Production Enhancement Project
ISF	Irrigation Service Fee
LDC	Local Development Council
LGU	Local Government Unit
M&E	Monitoring and Evaluation
MTR	Mid-Term Review
NEDA	National Economic and Development Authority
NFA	National Food Authority
NGAS	New Government Accounting System
NGO	Non-Government Organization
NIA	National Irrigation Administration
NIA-CO	NIA Central Office
NIA-NPCU	NIA National Project Coordinating Unit
O&M	Operation and Maintenance
PCO	Project Coordinating Office

PCR	Project Completion Report
PDP	Philippine Development Plan
POW	Programs of Works
RaFPEP	Rapid Food Production Enhancement Programme
RaSSFIP	Rapid Seed Supply Financing Project
RAY	Reconstruction Assistance on Yolanda
RCT/RIO	Regional Coordinating Team/Regional Implementing Office
SDR	Special Drawing Rights
SEC	Securities and Exchange Commission
SMT	System Management Training
SOE	Statement of Expenditures
USD	US Dollar
WA	Withdrawal Application



## A. Introduction<sup>1</sup>

1. IFAD and the Government of the Philippines (GPH) through NEDA undertook the 6<sup>th</sup> supervision and implementation support mission to the Rapid Food Production Enhancement Programme (RaFPEP) from 24 June 2015 to 08 July 2015. The objectives of the mission were to (i) assess the progress of Project implementation, specifically **IRPEP**, in relation to its target outputs, outcomes and emerging impact; (ii) assess the readiness of the Programme to complete its activities by end of December 2015; (ii) identify implementation issues; and (iv) discuss and agree on a set of actions.

2. The goal of RaFPEP is to increase food production by farmers in clustered irrigated rice production systems on a sustainable basis. The Programme completion date is 31 December 2016 and the loan closing date is 30 June 2017. RaFPEP has two Projects: (i) the Rapid Seed Supply Financing Project (RaSSFIP) which ended on 31 December 2011; and (ii) the **Irrigated Rice Production Enhancement Project (IRPEP)**. IRPEP focuses on rehabilitating communal irrigation systems (CISs), strengthening of irrigators' associations (IAs) and provision of related support facilities and services in Regions VIII and X and in the province of Antique<sup>2</sup> in Region VI. IRPEP effectively started in 2010 in Regions VIII and X, and in 2012 in Antique of Region VI.

3. RaFPEP is financed by an IFAD loan of SDR 10.685 million (USD 15.9 million); a co-financing grant of EUR 10.00 million (USD 13.15 million) from the European Union (EU) which closed on 31 December 2012; and government counterpart funds (inclusive of LGU/IA) of USD 12.18 million. Additional funds were provided to RaFPEP from Farmer's Equity amounting to PHP 192 million (USD 4.47 million) and LGU/IA counterpart funds of PHP 58 million (USD 1.25 million) which were used to rehabilitate 60 CISs and strengthen 63 IAs in Antique (Region VI). The proposed grant of USD 1.0million (IFAD-0.5million, FAO-0.5million) was not realized. The top-up financing for IRPEP in the amount of USD 3.66 million was officially cancelled on 26 August 2014.

4. The mission started with a kick-off meeting at the DA Central Office on 24 June 2015. The mission members visited Bukidnon in Region X, Antique in Region VI, and Leyte and Western Samar in Region VIII. After a pre-wrap up meeting on 07 July 2015, the mission discussed the aide memoire at a wrap-up meeting on 08 July 2015 chaired by Atty. Emerson U. Palad, DA Undersecretary for Operations, Agribusiness and Marketing. The mission expresses its sincere thanks for the kind and high level assistance extended by the farmers met, Project management/staff, and their partners.

## B. Overall assessment of IRPEP implementation

5. **Overall implementation progress** of IRPEP is *satisfactory (5)*. The Project has completed most of its target outputs. It has organized and trained 112 irrigators' associations (IA), 100% accomplishment for component 1; maintained annually almost 72% of required buffer stocks of certified seeds and trained 4,299 farmers on palay check for component 2; rehabilitated and restored 9,347 has of irrigated rice lands, a 109% accomplishment for component 3; and almost completed the repair and retrofitting of post-harvest facilities and trained 2,091 famers for collective marketing for component 4. Overall, RaFPEP has utilised 91% of the IFAD loan of USD 15.90 million (IRPEP only 71% of the allocated USD 1.354 IFAD loan) and the Government of the Philippines (GPH) 81.0% of its committed counter funds of USD 14.01 million (IRPEP only 80.7% of the USD 13.78 million GPH counterpart). Total RaFPEP expenditures as of mission time amounted to USD 39.978 million<sup>3</sup> (IFAD-36%, EU-27%, GPH-28%, LGU-6%, IA-2%).

6. **Likelihood of achieving the development objectives** is *satisfactory (5)*. Despite some setbacks in Region X by Typhoon Washi (local: Sendong) in 2011, and in Regions VI and VIII by Typhoon Haiyan

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<sup>1</sup> Mission composition: Mr. Yolando Arban, IFAD Country Programme Officer and Team Leader; Ms. Jeszel Topacio, APR Programme Associate for the Philippines and Targeting, Gender and Impact Analyst, Engr. Clovis Ike Payumo, Rural Infrastructure Engineer and IA Institutional Analyst; Mr. Edilberto Cheng Angeles, Fiduciary Review Specialist; and Mr. Roberto Sario from the National Economic and Development Authority (NEDA), M&E and KM Analyst. Mr. Benoit Thierry, Country Programme Manager, reviewed the aide memoire and provided advice, guidance and comments. The RaFPEP PCO headed by Ms. Adamar Estrada and the NIA NPCU headed by Engr. Mariano Catan joined the field visits.

<sup>2</sup> IRPEP in Antique has only two components: a) Strengthening of IAs; and b) Rehabilitation of CISs.

<sup>3</sup> This includes the Farmers' Equity of PHP 192 million (USD 4.36million) which funded IRPEP activities in Antique.

(local: Yolanda) in 2013, Typhoon Hagupit (local: Ruby) and Typhoon Jangmi (local: Seniang) in 2014, the farmers in IRPEP areas are gradually recovering and showing positive changes in their paddy farming. Assistance outside of IRPEP such as the Haiyan Agricultural Rehabilitation Programme (HARP) and other interventions provided by the GPH under the Reconstruction Assistance on Yolanda (RAY), international donor agencies and non-government organizations (NGOs) helped revitalize paddy farming in areas hit by the typhoons. Farmers reported increase in rice yield by 26% from baseline of 3.44mt/ha, double cropping annually, increase in number of IA membership (86% membership from 14,189 actual farmers in IRPEP irrigation systems), increase in women participation as IA members (29% are women) and leaders (32% are women), and increase in irrigators' service fee collection rate (86%). These outcomes signify a strong likelihood of the Project to achieve its development objective. IRPEP is ready for an early completion by 31 December 2015 and loan closure by 30 June 2016. To prepare for a smooth Project completion and loan closure, the remaining six months in 2015 should focus on wrapping up activities to ensure that IAs will continue to operate and maintain their irrigation systems and organizations after Project life, and the conduct of the Project completion review process.

Agreed action	Responsibility	Agreed date
1) Revise the 2015 AWPB and procurement plan to reflect regional activities to sustain IAs, conduct of Project completion review and preparation of Project completion report. Submit the revised AWPB and procurement plan to IFAD for NOL.	PCO, NPCU and RCT	24 July 2015
2) Prepare sustainability plans for the maintenance of irrigation systems, continuity of IAs, maintenance of buffer stocking, and other support services to IAs.	PCO, NPCU and implementing partners	Until December 2015

### C. Outputs and outcomes

7. **Component 1: Strengthening Irrigators' Associations** is *satisfactory (5)*. The 112 IAs in 109 CISs are registered with GPH regulatory bodies (SEC, DOLE, CDA, FSDC). The total number of actual farmer beneficiaries (FBs) that benefitted from IRPEP interventions is now reported to be 14,189 out of which 12,147 are IA members translating to 85.61%, higher than the component's target of 80%.

8. Practically all trainings on IA strengthening have already been accomplished in the 3 regions. Region X has still to conduct training on Value Formation Seminar (4 batches) and Gender Sensitivity (G-Best: 1 batch) until the end of December 2015.

9. Of the 112 IAs, 109 were subjected to a functionality survey on May 2015 since 3 CISs in Antique, Region VI that sustained damages from the recent typhoons were non-operational. The survey result showed that 88.9% (97 IAs) of the total 109 IAs were rated from Satisfactory to Outstanding which is an improvement from the 77.68% of the previous year as well as surpassing the IRPEP target of 60%. This also translates to only 15 remaining IAs rated as fair or poor including the 3 IAs from the non-operational CIS in Antique, from the 25 IAs in the previous year. The old functionality survey tool was used since the revised one will be adopted by NIA nationwide in the next rating period.

10. The average ISF collection efficiency rates of the 22 and 63 IAs of Regions X and VI are 128.66% and 84.98% respectively which are higher than the project target of 80%. The efficiency rating of Region X has substantially increased from the previous year's rating of 82.58% while that of Antique of Region VI has maintained the figure with 85% last year. Antique has developed appropriate IEC materials in local dialect to further boost its ISF collection effort. Region VIII has the lowest average ISF collection efficiency rating at only 42%. It was reported that the IAs in Region VIII which were hit by four typhoons ("Yolanda" in 2013 and "Glenda", "Ruby" and "Seniang" in 2014) are still recovering from the effects of the typhoons and still have to prioritize expenses for their basic needs over that of paying the ISF.

11. It is apparent that the IRPEP capacity building interventions have substantially strengthened the IAs as observed during the field visits. The awareness on the IAs' responsibility to properly operate and maintain their completed facilities was instilled among the officers and members, the sense of ownership was developed and commitments were affirmed. Outcomes from these interventions are presented in the succeeding sections.



12. While all outcome indicators in IA strengthening were initially achieved right after the completion of their respective irrigation facilities, some have experienced set-backs caused by “Typhoon Yolanda” in November 2013 and aggravated by “Typhoon Glenda”, “Typhoon Ruby” and “Typhoon Seniang” in 2014 in Regions VI and VIII. Although some IAs in these regions used collective efforts (“bayanihan”) in restoring the damaged facilities to save their crops, government assistance would still be needed as these works were on a temporary basis and repairs requiring substantial funding could not possibly be done by themselves given their current status. The national government’s programme on RAY is yet to release the funds for DA and NIA by mid-2015 although NIA has started repairing some damaged facilities using its regular funds.

13. The current collection rate of ISF in most IAs is obviously not enough to maintain the irrigation facilities to an operational level as part of it (usually 50% to 60%) is intended to be remitted to NIA in payment of their previous amortization obligations. This current rate of ISF needs to be increased based on calculated budget for proper O&M as observed by IRPEP IAs in their field visits to advance IAs in other regions. This could be pursued by the IRPEP assisted CIS in a gradual manner by way of slowly inculcating the awareness to farmers that a little sacrifice through sharing part of their harvest will eventually result in a sustainable operating system for better harvest and increased income.

14. In line with the sustainability strategy of the IA operations, the 112 IAs have reportedly completed their respective O&M Manuals. However, most of these manuals are just compilation of the IA legal documents like the SEC registration and IA by-laws. In addition to these documents, the manual should also contain the O&M processes and procedures like irrigation water delivery and distribution schemes, system maintenance plan and policies, and procedures in undertaking repairs of damaged facilities (canals and structures) that can be done by the IA themselves among others. The hand-outs on System Management Training (SMT) and Water Savings Technology may also be incorporated in these manuals.

15. For further sustenance of IA operations, NIA has employed the radiation scheme of IDOs in Regions VI and X with the termination of some IDO and FIO services in consideration of the winding up of IRPEP implementation while Region VIII is still deploying 14 IDOs in the 27 IRPEP assisted CISs. In addition, Region X has affiliated the IAs to the provincial and regional IA federation while Region VI plans to establish the Irrigators Associations Coordinating Council (IACC) at the municipal level and Region VIII has accredited its IAs to the Local Development Councils (LDC).

16. The completed CISs will eventually require periodic assistance to address deterioration of facilities that are not within the capacity of the IAs due to wear and tear as well as damages inflicted by regular weather disturbances like typhoons and floods. The remaining months of IRPEP implementation may be utilized to further capacitate the IAs in mobilizing additional resources from on-going Projects of this nature and government and non-government organizations. Identification and dissemination of these possible sources to the IAs and coaching them on how to prepare documentary requirements to access funds will provide a higher chance for the IAs to acquire additional assistance from these sources. This is to ensure that the facilities are in good operational condition at all times.

Agreed action	Responsibility	Agreed date
3) Pursue the gradual increase in ISF rates for sufficient O&M funds.	All IAs with assistance from IDOs	Continuing even after IRPEP October 2015
4) Prepare a simplified and standardized O&M manual for IA use and submit a copy of the draft to NIA NPCU and PCO.	NIA Regions VI, VIII, X	
5) Further capacitate the IAs in mobilizing funding support when necessary from identified possible sources.	NIA Regions VI, VIII, X thru the IDOs	Continuing even after IRPEP

17. **Component 2: Provision of production inputs and related support services’** objective is to provide paddy farmers with improved buffer stocks (certified seeds) and rice technology extension services. Overall performance of this component which is handled by DA Regional Field Units (DA-RFO) and the Agricultural Training Institute (ATI) is still rated as satisfactory (5).

18. The sub-component on **seed buffer stocking** performed satisfactorily. As planned, this sub-component has to maintain 60,000 bags of certified seeds for a three-year period (2011-2013) in Regions VIII and X for timely rehabilitation of lost crops due to natural calamities. In 2012, after the successful piloting of buffer seed stocking in the two regions, DA adopted buffer stocking nationwide as part of its Rice

Programme. In 2014 and thereafter, DA-RFO fully funded the procurement and distribution of buffer stocks in the two regions and elsewhere in the country.

19. Over a period of four years (2010-2014), Regions VIII and X have maintained an average of 72.05% (59,531 bags of certified seeds from a target of 82,628 bags) of the required buffer seed stock. The targets represent 10% of the total seed requirements of the two regions for the period. Region VIII procured 40,892 bags (72% accomplishment) from a target of 56,426 bags. Region X procured 18,639 bags (71.14% accomplishment) from a target of 26,202 bags. The inability to procure 100% of the seed requirement is mainly caused by non-availability of certified seeds. In 2014, Region VIII procured only 41% of its required buffer stocks as there was scarcity of certified seeds from local seed growers and from seed growers in other regions. That year, local seed growers in Regions VI, VII and VIII were hit by Typhoon Haiyan and demand for certified seeds was very high resulting in increased cost of certified seeds per bag – from PhP 1,200.00 per bag (40 kilos per bag) to as much as PhP 1,500.00. In effect, DA issued an Administrative Order (AO No. 06) dated 19 May 2014 revising the buying and selling price of inbred rice seeds to a new price of PhP 34.00 per kilogram or equivalent to PhP 1,360 per bag. In Region X, the seed growers did not deliver their remaining commitment of 3,314 bags (53% of the region's buffer stock requirement) to DA-RFO as other seed buyers (including NGOs and other donor agencies) paid higher prices of certified seeds on cash basis. The insufficiency of certified seeds still lingered in the early part of 2015. From a target of 7,360 bags of certified seeds in Region VIII for 2015, none has been procured yet; and from a target of 5,648 bags of certified seeds in Region X for 2015, only 2,700 bags (48%) has been procured.

20. Total number of bags of certified seeds distributed up to the half of 2015 was 49,471 which reached 37,657 farmers (29,468 males and 8,189 females) who used these certified seeds as intended. Region X could not account the recipients of the 1,000 bags delivered to Region XI for the Typhoon Bhopa (local: Pablo) victims and the 1,475 bags to Region VIII for the Typhoon Haiyan victims. Out of the 49,471 bags delivered, 34,585 or 70% (21,216 bags in Region VIII, 13,369 bags in Region X) were used for early planting, rehabilitation and community seed banking; and 14,886 bags or 30% (13,886 for victims of Typhoon Haiyan, 1,000 for the victims of Typhoon Bhopa) for emergency purposes brought about by natural calamities. A total of 9,063 bags were converted into commercial rice as these seeds had germination rate below 85%. There were 826 bags totally damaged by Typhoon Haiyan in Region VIII. Another cause for the conversion of significant number of bags to commercial palay was the lack of cold storage facilities which could extend the life of certified seeds to at least a year. Under ambient temperature certified seeds can be stored between three to four months only.

21. Farmers interviewed were satisfied with the **training and extension services** on palay check; however, based on accomplishment for the period, the mission rates this sub-component as *moderately satisfactory*. For this period, there was a slight increase of farmers trained on palay check through the farmer field schools (FFS). Total numbers of farmers reported is 4,299 (86% from a target of 5,000) as compared to 4,279 in the 2014 mission. More than 90% of the farmers trained are from the IAs covered by IRPEP with women constituting 56%. The 2015 AWPB targeted monitoring of 22 (18 Region X, 4 in Region VIII) sites; however, only one site (Region X) has been reported accomplished for this period. As reported by the Agricultural Training Institute, they could not pursue the palay check training to the remaining 14% of the target farmers as they have already utilised their Project funds for 172 FFS training activities. Region VIII NIA regional office offered that they can support the training of FFSs from the savings generated in the rehabilitation of communal irrigation systems. Should this materialize, NIA Region VIII expects that the ATI will serve as the resource persons for the FFS training.

22. Training on palay check was always on the top of the list of the most significant training received by farmers. Farmers considered palay check as one of the contributory factors in the increase of their palay yield. Region VIII conducted a review of technology adoption and found that the following palay check technology has the following adoption: (a) variety and seed selection - 61% adoption, (b) land preparation - 80% adoption, (c) crop establishment-synchronous planting - 87% adoption, (d) crop establishment-sufficient number of healthy seedlings - 76% adoption, (e) nutrient establishment - 62% adoption, (f) water management - 70% adoption, (g) pest management - 65% adoption, and (h) harvest management - 90% adoption among its FFS respondents. As the adoption rate of most of the palay check technology is below 90%, the mission recommends that ATI should investigate further the reasons behind

the rate of adoption to further enhance its FFS training and to come up with strategies and approaches to achieve maximum adoption of the palay check technology by the farmers.

23. Further, ATI Region VIII report showed yield increase of 31% for farmers that adopted the palay check technology. From a baseline of 3.06MT, the yield increased to 4.01MT. For a better appreciation of the result, it is recommended that ATI will conduct a systematic review of the result of the three phases in Regions VIII and X using a more systematic approach, e.g. a panel interview of those FFS graduates that completed all phases of the training.

Agreed action	Responsibility	Agreed date
6) Consider in the DA programme the construction and proper maintenance of cold storage for seeds to maintain the required 10% buffer stock per region.	DA RFU with DA Operations	By 2016
7) Conduct FFS to Region VIII IA farmers with funds sourced from the savings of NIA Region VIII or from other sources.	ATI Region VIII in coordination with NIA Region VIII	2 <sup>nd</sup> sem of 2015
8) Systematically assess the result of the FFS training in Regions VIII and X as part of the Project completion review process.	ATI and PCO	Beginning August 2015

24. **Component 3: Rural Infrastructure Improvement.** Overall performance of this component is *satisfactory (5)*. Under IRPEP, the 22 communal irrigation systems (CIS) targeted in Region X were completed in March 2013 and the 27 CIS in Region VIII in April 2013. Under the Farmers' Equity (FE) fund in Region VI, the 60 CIS were completed with the last one in July 2013. About 5,126 hectares were rehabilitated and restored under IRPEP in Regions VIII and X against a target of 4,664<sup>4</sup> hectares, an accomplishment rating of 109.91%. Under the FE fund in Antique, Region VI, 4,221 hectares were rehabilitated and restored including the new generated area of 350 hectares over a target of 3,871 hectares, an accomplishment rating of 109.04%. The combined IRPEP and FE Funds accomplishment of 9,347 hectares over the final target of 8,535 hectares based on the amended financing agreement is therefore 109.51%.

25. There were 14 small scale warehouses and 14 solar dryers targeted under IRPEP in selected CIS in Region VIII. Out of these, 12 warehouses were completed while only 11 solar dryers were done. The MTR of 2013 noted that the budget for the other 2 sets of targets for the warehouse and solar dryer were re-allocated to CIS rehabilitation due to in-availability of LGU counterpart. The remaining 1 solar dryer in Rosario CIS, Northern Samar, still waiting for the LGU counterpart may no longer be feasible hence NIA recommended to have it completed using the remaining available funds from GOP savings under IRPEP until the end of December 2015. In Antique, 29 IA offices were constructed and one farmers' training centre is ongoing construction funded out of the savings from the contracts for CIS rehabilitation.

26. All 49 CISs in Regions VIII and X were already turned-over to the respective IAs while in Antique, Region VI; only 59 out of 60 were turned-over. The remaining CIS of Cairawan Lindero in the Municipality of Laua-an was not turned-over since the intake closed conduit was damaged by "Typhoon Yolanda" after its completion in 2013. It will be repaired under the DA RAY program, the funding of which will be released within the year and eventually turned-over to the IA.

27. The mission field visits to sample sites in the regions revealed some operational issues in the IRPEP assisted CIS particularly on the intake type of existing diversion head works which are not part of IRPEP scope of work. The teruvian dam of Bacusanon CIS in Pangantucan, Region X is fully silted and covered with large boulders while the intake structure in Casit-an CIS in Laua-an, Antique, Region VI is constantly silted with the water flow veering away from the intake inlet. These types of dams are expected to encounter these operational problems after a few years from completion due to the nature of the riverbed configuration characterized with steep gradient, high water velocity, and presence of gravel and boulders constantly rolling downstream and deposited at the dam sites. Periodic clearing of these deposits needs to be done by IAs, but sometimes these works need equipment support of which the IAs don't have, hence the need to seek assistance from the LGUs.

<sup>4</sup> This is the amended target based on the loan amendment letter dated 13 February 2012.

28. Other damages to irrigation facilities in IRPEP assisted CIS were brought about by the series of typhoons in 2013 and 2014 in Regions VI and VIII were reportedly addressed already by NIA through its regular fund and those that need further assistance to these damages including the 2 CISs in Region VI which are currently partially operational will be repaired within the year once the budget for NIA is released. Notwithstanding these CIS adversely affected by natural calamities, the rest of IRPEP assisted facilities visited in the field are in good condition and fully operational.

29. Majority of the IRPEP assistance was on concrete lining of the CIS canals as the main water distribution system. There is no doubt that this substantially improved the operations efficiency of these communal systems. It effectively addressed the perennial problem on scouring and seepage along the canal system improving the water distribution to rice paddies which is the most common source of conflict among farmer beneficiaries sometimes resulting to serious dis-integration of IAs. What is left now is for the IAs to undertake regular maintenance works to ensure that initial gains from IRPEP will be sustainable and achieve its purpose of improving the lives of farmer beneficiaries.

30. The discrepancies on the areas observed during the previous missions were already addressed and justified by NIA, hence the Firmed-Up Service Area (FUSA) of the 109 IRPEP assisted CISs has been relatively finalized since there are still instances that the reported service area of the IAs in the field is not consistent with the NIA database. It is apparent that the firming up of the FUSA will be a continuing process since changes will occur over time.

31. While IRPEP has irrigated more than the target areas, not all the FUSA in the IRPEP assisted CISs could be fully irrigated due to the limited funding available under the Project. Some irrigation canals and structures could not be included consequently limiting the delivery of irrigation water supply especially to those areas at the tail end. While NIA continues to close these gaps under its regular program, IAs with better financial standing can help in progressively extending these facilities to their members either through their own resources coupled with collective voluntary work ("bayanihan") or soliciting further assistance from possible sources like the LGUs, NGOs, and on-going national government Projects operating in their area. The recommendation on further capacitating the IAs in mobilizing funding support when necessary from identified possible sources will help.

32. **Component 4: Provision of Marketing and Post-Harvest Support Services.** The overall performance of this component which is managed by the National Food Authority (NFA) is rated as *moderately unsatisfactory (3)*. There was no significant accomplishment for this period except those reported in the 2014 mission, namely (a) 16 farmers' kiosks (FKs) established; (b) 6 warehouses repaired and repainted (4 in Region VIII and 2 in Region X); and (c) 6 mechanical dryers retrofitted, an increase of one (2 in Region VIII and 4 in Region X). The mechanical dryer in Catbalogan (Region VIII) is now operational while that of Catubig (Region VIII) was completed with the purchase of a transformer; however, it is not operational as there is an absence of electricity. There was also minimal use of the mechanical dryers by the farmers. Only three farmers were reported to use one mechanical dryer in Region X.

33. As already reported, farmers are not using the kiosks because they prefer the NFA TXT. Region VIII tracked 475 users of NFA TXT since 2013 and found that 6% of these users are farmers while 62% are retailers. To maximize the 16 kiosks, NFA are using the kiosk facilities for NFA IT database offices. In Region VIII, NFA reached out 2,560 farmers in its "Ugnayan Program" which provided information to farmers on prices of palay.

34. There was no reported increase in farmers trained in the use of FKs, postharvest facilities, and collective marketing system. As stated in the previous mission, 2,179 farmer beneficiaries were trained by NFA with 2,091 (57%) farmers trained in collective marketing from a target of 3,641. Upon further discussion with NFA and farmers, IA collective marketing is not working effectively in Region X. Bukidnon reported one IA which is into collective marketing but not selling its palay to NFA. IAs under IRPEP in Region X, did not sell their palay to NFA due to the following reasons: (a) traders buy farmers palay direct from the threshers (regardless of moisture content (MC) at PHP 19.00 to PHP 20.00 per kilo while NFA requires an MC of 14% and an effective buying rate of PHP 17.70 per kilo; and (b) traders are more accessible to farmers compared to NFA. In Region VIII, 18 IAs under IRPEP and 44 IAs in non-IRPEP areas have marketing contracts with NFA; however, delivery of palay by IAs to NFA is minimal and

diminishing. To illustrate, there were 2,819 bags sold to NFA in 2013, 320 bags in 2014, and 65 bags for the 1<sup>st</sup> half of 2015. One of the IAs visited in Region VIII sold their palay to traders at a lower price than those quoted by NFA. Likewise, farmers in Tanauan, Leyte sold palay to traders at a price lower pegged by NFA. Apparently, they were not informed of the simplified procurement processes by NFA.

35. As of 31 May 2015, the NFA Project bank balance amounted to PhP 2.5 million (USD 55,000). The mission recommends to utilize the funds to complete the repair of the two warehouses in Bukidnon, Region X and hire a consultant to study the IA collective marketing under NFA.

Agreed action	Responsibility	Agreed date
9) Review the IRPEP collective marketing experience and make policy recommendations to NFA	PCO and NFA	Beginning August 2015
10) Complete the repair of the two units of warehouses in Region X utilising NFA balance funds	NFA	By December 2015

#### D. IRPEP implementation progress

36. **Quality of Project management** in this period is *moderately unsatisfactory (3)*. Similar to the observation during the previous mission, the RCTs/RIOs in Regions VIII and X were not functioning. Previously, the RCT/RIO members in Regions VIII and X met to discuss compliance with the MTR agreed actions; however, this year implementing partners at the regional level did not meet at all to discuss the preparation of the 2015 AWPB as well as the 6<sup>th</sup> supervision and implementation support mission. The regional kick-off meetings showed uncoordinated presentations and data/information inconsistency. For example, ATI has different figures in the incremental increase of yield per ha as compared to the figures presented by NIA. This was already pointed out in the previous mission --- implementing agency presentations stood independently from each other and were not correlated to show how each intervention contributed to the overall development farmers in the IAs. The RCT/RIO were supposed to be a mechanism where all agencies participating in IRPEP converge and learn from the IRPEP experience to improve the delivery of agricultural services to paddy farmers in irrigated areas. The implementing partners missed this opportunity during the period of review.

37. It was also observed that there was less supervision and monitoring from the PCO to implementing agencies at the at all levels. This can be the result in the changes of PCO staffing in the first half of 2015. A new Project coordinator was appointed in the first quarter, and two staff left the PCO in the second quarter. Further, the PCO was also responsible for the implementation of Haiyan Agricultural Rehabilitation Programme (HARP) in Regions VI and VIII. The implementation of HARP in the second half of 2014 and first quarter of 2015 was very demanding.

38. There were no major changes in the NIA key staff at the national and regional levels. NIA regional and provincial offices with the support of NIA NPCU performed well in implementing components 1 and 3. They have started the Project review process of components 1 and 3 by themselves; however, the mission observed that there was no coordination with the PCO in the conduct of NIA's PCR except during the PCR orientation in February 2015. During the PCR orientation, it was suggested that RaFPEP/IRPEP create a composite team headed by PCO with membership from NIA, ATI, NFA and DA to conduct the Project completion review (PCR). The mission reiterates this recommendation and that RCTs/RIOs will be the implementing mechanism for the conduct of the PCR at the regional levels. The PCR coordinating team has to ensure that all implementing partners will learn from the IRPEP experience for better delivery of agricultural services to small holder farmers in irrigated areas.

39. **Performance of M&E** is *moderately satisfactory (4)*. A computerized M&E System was designed and developed at Project start up, but two years after it was launched, the system encountered some errors (computer bugs) which forced the system to stop operating. Since then, the various implementing agencies started using their current M&E systems in generating the required information requirements of the PCO and some oversight bodies. The individual M&E systems of the different implementing agencies at the local levels (regional and provincial) are working independently of each other and their respective databases are not shared at all but data/information can be provided to interested parties if needed. Staff

involved in collecting and updating the data on the Project at the regional and provincial levels were regular employees with added tasks.

40. The mission also observed data inconsistencies presented, e.g. ISF collection rate, the number of farmer-beneficiaries, etc. Further, minutes of RCT/RIO meetings and agreements reached were often missing or misplaced as there is no full-time secretariat to perform the above functions. In view of the remaining time of Project implementation which is less than six months, the following are recommended to improve the data collection, reporting and sharing of information at various levels of hierarchy: (a) use existing M&E systems of each agency in providing regular progress reports and other information requirements to the NPCO and RIOs; (b) for IA capability building activities still to be conducted in some regions such as Region VIII, NIA should share data on IAs in the areas where ATI will be conducting the trainings to ensure that the IAs will be given priority in the provision of trainings in the same area; (c) for Implementing Agencies in Regions VI, VIII, and X to continue updating and maintaining their databases on IAs, production areas and capacities, harvest or yield per hectare, ISF Collection Rates, trainings conducted for IA Officers and members, buffer seed stocking/warehousing/distribution, etc.; and (d) identify data types and possible sources that might be needed in the PCR preparation and writing such as: IFAD guidelines, data/reports needed at the region/province/municipality, and primary data to be collected at the local level.

41. **Coherence between AWPB & implementation.** Coherence between the 2015 AWPB and implementation is *moderately satisfactory (4)*. Though much has already been accomplished by the Project especially by Component 1 and 3 since the last IFAD supervision mission are still significant deliverables planned in 2015 that have not been accomplished. There are also activities that have to be included in the 2015 AWPB to ensure the sustainability of the IAs and gains already achieved thus, as already recommended, there is a need to revise the 2015 AWPB to include the deliverables in each region and provinces covered

42. **Gender focus** remains *highly satisfactory (6)*. The Project continues to significantly contribute to the increased participation of women in Project activities as demonstrated by higher female membership in the IAs from 1,915 in 2011 to 3,545 or 85% increase in 2014. As reported by the IA members during the focus group discussions, having more women officers/leaders would encourage more women beneficiaries to become IA member as in the case of *Pagsulhogan* CIS in Region VIII which was able to persuade all women beneficiaries to become IA members. As reported by the three regions, the number of women holding positions in the IAs continues to increase from 174 in 2011 to 383 in 2014.

43. In addition, the change in mind-set acknowledging women's role and participation in the irrigation activities also contributed to increased women participation. The result of mini-surveys<sup>5</sup> conducted by the mission revealed that men (42% of the respondents) perceived women's participation in Project activities important and satisfactory. Women respondents on the other hand considered their membership and participation to Project activities very favourable or highly satisfactory including their participation to "*bayanihan*" or collective efforts in the maintenance works for the irrigation canals. In addition, women farmers in Regions VI and VIII have been actively involved during the construction or rehabilitation of the irrigation canals as members of different committees, as labourers doing light physical works such as collecting sand and gravel, and selling of foods to labourers.

44. The Project has trained 7,303 women (41% from the target of 30%) out of 17,856 participants. This data will be revisited during the PCR for possible double counting. The FFS palay check training in Regions VIII and X accounted for 49% of the 4,299 farmers trained.

45. **Poverty focus** during implementation is *satisfactory (5)*. The Project's poverty focus is in line with the Updated Philippine Development Plan (PDP) 2011-2016 in terms of poverty reduction which categorized the provinces according to the "*extent of poor households, incidence of poverty and exposure to natural disasters*". Majority of the target provinces of RaFPEP/IRPEP from Regions VI (Iloilo,

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<sup>5</sup> The mission conducted a survey to nine IAs (three IAs per region). Methodology and results are presented in Annex 3.

Antique) and VIII (Leyte, Northern Samar) falls into more than one categories outlined in the updated PDP 2011-2016. Furthermore, the results of survey questionnaire reported that needs and priorities of farmer beneficiaries and IA members including women in terms of availability of irrigation water, better drainage facilities, access to certified seeds and post-harvest facilities, have been addressed by the Project as demonstrated by the overall satisfactory rating given by 93% of the respondents.

46. **Effectiveness of targeting approach** continues to be *satisfactory (5)*. The Project continues to follow the targeting approach set during the design with minor adjustments to include all farmers in the targeted CIS. In addition, the Project exceeded its outreach target of 80% to 86% of actual farmer beneficiaries who became IA members with 29% women membership and 32% women leadership. As of May 2015, there are 37,657 farmers of which 8,189 are women, who benefitted from certified seeds distributed by the Project,

47. **Innovation and learning** is *moderately satisfactory (4)*. Though there were good practices and learnings observed, sharing of these learning among the implementing partners is limited, as venues and mechanisms for sharing at the regional levels are not properly functioning. Among the more important learnings that mission has gathered were as follows: (a) There should be continuity in the government's programs and projects in the countryside such as the RaFPEP-IRPEP not only to increase the production of rice but also to address the food security; (b) The LGU provision of equity requirements has made it possible for CIS sub-projects to be implemented without the IAs incurring additional loan repayment obligations from NIA. However, as seen there was a need for the LGUs involvement in the provision of additional support to IAs during operation and maintenance of CISs; (c) The active participation and involvement of farmer beneficiaries and major stakeholders in the design and preparation, implementation and maintenance of the systems has improved long-term impact of the Project and has resulted in minimal issues and conflicts during Project implementation; (d) The conduct of capacity-building and specialized trainings for IA officers and members, women included, has improved the discharge of functions of said officers as well as the recording system of the IAs. In addition, the deployment of Farmer-Irrigator Organizers (FIOs) has facilitated IA strengthening activities; and (e) a strong interagency collaboration in Project implementation and generous sharing of information and resources among implementing agencies at the national, regional, provincial levels can reduce the number of implementation problems encountered by the Project and even accelerate Project completion. This should also result in the convergence of services to a focus group- the IA members and farmer-beneficiaries in the pre-selected area.

48. **Climate and environment focus** is *moderately satisfactory (4)*. All works done under IRPEP were rehabilitation of existing damaged facilities and concrete lining of the original earth canals hence have no adverse impact to the environment and immediate surroundings. A few strengthening works of some diversion dams were also done to protect these major structures during the occurrence of floods and these measures would likewise protect the river banks from scouring at the same time. However, occurrence of strong typhoons like "Yolanda" caused damages to some IRPEP assisted CIS but these were repaired by NIA through its regular program and some were done by the IAs themselves.

Agreed action	Responsibility	Agreed date
11) Create a composite PCR Team headed by PCO with membership from DA, NIA, ATI and NFA which will coordinate the conduct of Project completion reviews (e.g. plan the activities, prepare ToR for consultant, etc.)	PCO and NIA- NPCU	By July 2015
12) Engage consultant/s for the preparation of the PCR		15 August 2015

## E. Fiduciary aspects

49. **Financial management** is *moderately satisfactory (4)*. The financial transactions were properly documented, certified and approved, monitored through the Project's AWPB and recorded in accordance to New Government Accounting System (NGAS). The Project has sufficient number of accounting and finance staff to comply with the reporting requirements of the government and IFAD. Internal Auditors are

posted in the NIA Central Office (CO) who conducts periodic audit in the Region and Provinces, but there are no internal auditors in the regions nor in the provinces covered by IRPEP.

50. The mission noted that the DA PCO and NIA NPCU were not preparing the consolidated detailed AWPB with actual physical and financial accomplishments. The Provincial NIA Irrigation Management Offices (IMO) and Regional Offices, however, monitored actual expenditures against the 2014 AWPB. There were no 2015 AWPBs and procurement plan of IMOs in Regions VIII and X. In Catbalogan IMO, some expenditure for equipment and supplies were incurred in 2015 without reference to AWPB. The mission advised all regions and IMOs to submit a revised AWPB for 2015 which will cover all expenditure items for 2015 and the planned expenditure from July to December 2015 in order to maximize the utilization of unspent funds.

51. In Region X NIA, the DBM has issued in 2014 the SARO for IRPEP-Top Up in the amount of PHP79 million (USD 1.76 million) to cover expenditure for the Pulangi and Bubunawan Regional Irrigation System (RIS) totalling PHP76.5 million (USD 1.70 million) and PHP 2.5 million (USD 55 thousand) for IA Strengthening for Pulangi RIS. The Bukidnon IMO and the Region X NIA accounting offices have treated differently in the SOEs the expenditure as either regular IRPEP or Top Up Financing. There was no fund authorized for the Lanao del Norte IMO for 2014. All CIS sub-Projects in Lanao have been completed. , There are still some activities for IA strengthening in Lanao. NIACO should inform the DBM that the funds authorized for the rehabilitation of the Pulangi and Bubunawan RIS in the amount of PHP76.5 million should be for the regular operations of the NIA since there is no IRPEP Top Up financing. For the IA strengthening of PHP 2.5 million, the NIA CO/DA PCO should identify the amount that should finance the IRPEP IA strengthening activities and inform the Regions/IMOs accordingly.

52. For 2015 the DBM has issued PHP 22.8 million (USD 0.51 million) SARO to Region X NIA, and the Region is waiting for the corresponding funding check from NIA CO. The mission advised NIA NPCU to inform the Region X and IMO the amount for NIA operations covering the rehabilitation of the two RISs and for the IA Strengthening portion for the IRPEP regular. Further, the mission advised the NIA NPCU to expedite the release of the corresponding fund amount to Region X in order to meet payment commitments.

53. The mission reviewed disbursement vouchers and found the following: (a) Region X and Bukidnon IMO, Region VI and Antique IMO and Region VIII Leyte and Catbalogan IMOs were in order; (b) Region X NFA disbursement vouchers for repairs of post- harvest facilities and trainings of IAs were properly certified and approved, and supported with appropriate documents; (c) Region VI and Antique IMO have expenditures under the CIS sub-projects used to procure supplies, equipment and furniture. In the previous SIS missions, NIA was requested to submit to IFAD pertinent agency guidelines on the use of CIS funds for the disbursement of supplies, equipment and furniture. The current mission accepted the explanation of NIA that these acquisitions were allocated in the program of works (POW) and charged to the budget on the 2.85% provision for the General Engineering Supervision and Administration.

54. In Region VI, of the PHP 18 million (USD 400,000) the anticipated savings from CIS Projects, PHP 10 million (USD 221,000) was earmarked and included in the 2014 AWPB for construction of 30 offices for IAs and one Farmers Training Center. 29 IA offices were already constructed. The construction of the training center is on-going.

55. The Project was advised to update the fixed asset register at all levels of the Project, and a list of fixed assets inventory with location and identification number should be included in the Project Completion Report (PCR). The 2013 audit report observed a lack of subsidiary records of fixed assets.



56. **Disbursement** is rated *moderately satisfactory (4)*. As of 31 May 2015, the IFAD disbursements as reflected in the SOEs for IRPEP of USD 2.70 million is 67.2% of the total approved allocated of USD 4.02 million: IFAD loan USD 0.97 million or 71.5% and EU grant USD 1.73 or 64.8%<sup>6</sup>.

57. As noted in the last supervision mission, the funds released by IFAD by way of Loan for the RaSSFIP has a balance USD 1.01 million (for Agricultural Inputs under Category II) as certified by the Philippine Treasury. The mission agreed with the Project to explore the use of this amount for 2015 IRPEP activities including PCR winding up cost. The proposal should be included in the revised 2015 AWPB.

58. The balance of the IFAD advance for RAFPEP in the amount of SDR 0.84 million (USD 1.32 million) could be accounted with the amount of deposit balance in the Designated Account and pending WA for the SOEs. The Project will liquidate its advance through final WA and return any fund balance to IFAD before the closing date of 30 June 2016. Details of IFAD disbursements and Project actual expenditure are in Appendix 5.

59. **Counterpart funds disbursement** is rated *satisfactory (5)*. As reflected in Appendix 5, the total expenditure of the Government including LGU and IA funding the IRPEP was USD 14.3 million or 80% of the USD 17.9 million allocated funds.

60. **Compliance with loan covenants** is rated *satisfactory (5)*. Almost all provisions of the Financing Agreement are complied with. The 2013 audit report due on 30 June 2014 was submitted to IFAD in September 2014. The 2014 audit report due on 30 June 2015 has yet to be submitted to IFAD. The mission advised DA/NIA to follow up with COA the audit report.

61. **Procurement** is rated *moderately satisfactory (4)*. Procurements documentations were found to be in order with request for quotations (RFQ), abstract of bids/quotations and recommendation from the Bids and Awards Committee and approval by the responsible Director of the Region and Manager of the IMO. There were procurements in 2015 that were made without reference to the AWPB. There were also no procurement plans in some regions and IMOs. The mission emphasized to include regional/IMO procurement plans in their revised 2015 AWPB.

62. **Quality and Timeliness of Audit** is rated *moderately unsatisfactory (3)*. The Project consolidated audit report for 2013 due on 30 June 2014 was submitted to IFAD on 15 September 2014. The audit for the 2014 financial statements which is due on 30 June 2015 is on-going and the mission advised the PCO/NPCU to follow with COA submission of the audit report the soonest.

63. The 2013 audit report provided a qualified opinion showing inconsistencies/discrepancies with the supporting statements, schedules and reports. While expenditures for 2013 were funded by GPH. The observations noted by the COA in its management letter have yet to be responded by DA/NIA. COA needs to agree with the responses and actions taken (Please refer to Audit Log in Annex 1).

64. In May 2014, the Presidential Assistant for Food Security and Agricultural Modernization (PAFSAM) under the Office of the President took oversight responsibilities over NIA and NFA which were previously under the purview of DA, were thus, the mission agreed that the audit reports of DA/ATI, NIA and NFA will be submitted to IFAD by DA instead of one consolidated audit report for IRPEP.

65. **Fiduciary Risk Assessment.** The IRPEP has in some areas weak internal control. The submission of financial and audit reports were delayed. In line with the Government policy, internal auditors are posted only in the DA/CONIA CO where periodic audit is undertaken in the Regions and Provincial IMOs.

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<sup>6</sup> The EU IRPEP and RaSSFIP funds were closed in 2012 and an independent EU audit was conducted in the last quarter of 2014 to the first half of 2015. There was an audit exception which DA responded to and provided with the documents required in the audit. DA expects to be informed on the independent EU audit result.

66. Two items in the agreed actions of the last SIS mission for the Fiduciary Aspects particularly for IRPEP Project were not complied with such maintenance and/or updating fixed asset register and the change of deadline to 30 April for the submission of audit certificate and management letter from COA Region/IMO to COACO. However, a letter was sent to COA DA on 17 November 2014 for such change and COA has to signify its agreement and advise the COA regions and IMOs accordingly.

Agreed action	Responsibility	Agreed date
13) Submit the 2014 audit reports of DA/ATI, NIA, NFA	DA/PCO, NIA, NFA, ATI	31 August 2015
14) Maintain/update fixed asset register for all the IMOs and regional offices, with asset tag number for each item, and prepare a list of fixed asset inventory with information on asset identification number, location and remarks for operational or non-operational for inclusion in the PCR	CONIA CO/Province/Region	until 31 December 2015

## F. Sustainability

67. **Institution building** is still *satisfactory (5)*. All the 112 IRPEP assisted IAs are now registered giving them the legal personality to enter into contract with any government or non-government entities for development related endeavours. All the IAs have formulated their by-laws and policies related to the operation and maintenance as well as membership requirements and these are compiled by each IA. IAs are collecting ISF from their members and the trend of collection efficiency is gradually increasing although some IAs suffered temporary set-backs due to the occurrence of several typhoons (“Yolanda, Glenda, Ruby, and Seniang”) in 2013 and 2014. Some of these IAs were able to repair the damages by themselves through collective efforts (bayanihan) which is an indication of self-sustaining organization. However, these IAs still need to be provided with government assistance in restoring other facilities with major damage. Further capacity building assistance in mobilizing resources from government and non-government institutions through the guidance of NIA is therefore imperative.

68. **Empowerment** performance is *satisfactory (5)*. IA members have participated in all capacity building interventions provided by the Project ranging from basic orientations to technical trainings in rice production and marketing and irrigation system operation and maintenance. These capacity building interventions provided them with the necessary knowledge, skills, and proper attitude in rice farming and in their effort of improving their living standards. They can now articulate their ideas across with relatively higher confidence and are fully aware of their responsibilities in sustaining the initial gains generated by IRPEP. Apparently, a higher sense of ownership of the Project interventions has been achieved.

69. **Quality of beneficiary participation** is *satisfactory (5)*. The Project has reached 14,189 farmer beneficiaries of which 12,147 or 86% are IA members (29% are women). Men and women members and officers actively participate in Project activities from the start of construction works sometimes as labourers or members of committees, particularly during maintenance works usually executed through “*pintakas*” or “*pahina*” (collective efforts) by all members. Furthermore, the members participation to ISF collection has also improved in Regions VI, VIII and X from 77%, 6% and 53% in 2011 to 85%, 42% and 129% in 2014 respectively. As reported during the focus group discussions, the main factors that contributed in the improvement of ISF collection efficiency are the benefits gained by the members such as increased in yield and regular cropping intensity from better irrigation systems. In addition, 98% of the respondents from the mini-survey perceived that the members’ participation to Project activities is satisfactory.

70. **Responsiveness of service providers** is not applicable at this period. Service providers have completed their civil works in 2014 and their performance was reported in the 2014 supervision and implementation support mission.

71. Preparation of **exit strategy** is *moderately satisfactory (4)* as sustainability plans are now being developed. Capacity building interventions on how to manage the O and M of irrigation facilities have been completed and attended by all IAs. Aside from this, NIA needs to prepare a simplified and standardized manual on O&M processes and procedures like irrigation water delivery and distribution

schemes and procedures in undertaking repairs of damaged facilities (canals and structures) that can be done by the IA themselves among others. The hand-outs on System Management Training (SMT) and Water Savings Technology are also necessary to be incorporated in these manuals to properly guide the IAs in the daily operation of their completed systems. NIA has already employed the radiation scheme of IDOs in Regions VI and X with the termination of some IDO and FIO services while Region VIII is still deploying 14 IDOs in the 27 IRPEP assisted CISs. In addition, Region X has affiliated the IAs to the provincial and regional IA federation while Region VI plans to establish the Irrigators Associations Coordinating Council (IACC) at the municipal level and Region VIII has accredited its IAs with the Local Development Councils (LDC). There is also a need to further capacitate the IAs in mobilizing additional resources from all possible fund sources for the IAs to acquire additional assistance to ensure that facilities are kept in good operational condition at all times.

72. **Potential for scaling up and replication** is satisfactory (5). Some strategies and approaches in IRPEP have already been scaled up by the implementing agencies. The buffer stocking piloted in Regions VIII and X are now implemented nationwide. The new indicators in the IA functionality survey introduced under IRPEP have been adopted by NIA and the revised IA functionality survey will take effect in the 2015 functionality survey. There are other good practices and innovations mentioned in Section D that have to be further studied for scaling up and replication. Project learning and innovations will be incorporated in the PCR.

## G. Other

73. **Physical/financial assets** are rated satisfactory (5). The irrigation facilities that were constructed and provided under IRPEP were turned-over to the IAs and are now under their full control as part of their physical assets, and their proper use and maintenance will make these sustainably operational and hopefully translate to increase in production and consequently income of the farmer beneficiaries. In addition, results of the mini-survey revealed that 85% of the respondents perceived that they have sufficient access to post-harvest facilities and 95% felt that irrigation and drainage facilities are sufficient to support the needs of the IA members.

74. **Improved food security** is satisfactory (5). The complementarity of Project activities have contributed to the improved food security in the beneficiaries' households. Region VI has reported 14% increase in yield from 3.75 mt/ha in 2011 to 4.28 mt/ha in 2014 while Region VIII increased by 17% from 3.43 mt/ha to 4.0 mt/ha. Region X has an increase of 47% from 3.15mt/ha to 4.64mt/ha. Ninety-seven percent of the beneficiaries who participated in the mini-surveys reported an increase in their incomes. The *Bacusanon* IA in Region X reported that the increase in their household income has helped them secured more food. Beneficiaries also reported that increase in yield has secured their food for the family and the community through selling, and has changed the variety of their food consumption from corn to rice and fish, and sometimes meat or chicken. Furthermore, 97% of the respondents reported that they are food secure and 92% reported diversified food consumption from two types of food groups to three to four types now.

75. **Quality of natural asset improvement and climate resilience** rating is moderately satisfactory (4). The construction of irrigation facilities under IRPEP was according to acceptable engineering standards and specification, hence still in good operational condition. Given the abnormal occurrence of heavy rains due to climate change, it is imperative for the IAs with technical and financial assistance from NIA and LGU to progressively improve the protection works on flood-prone facilities to make these more resilient to erosion and scouring. A good example is the construction of grouted riprap scour protection works at the upstream right bank of the dam in Pagsulhogon CIS in Sta. Rita, Western Samar and planting of "mahogany" trees along the left river bank. Adoption of bio-engineering methods like the use of "coconets" and planting of vetiver grass for erosion control along steep slopes is highly recommended.

## H. Conclusion

76. The satisfactory delivery of the Project's major outputs especially on the rehabilitation and restoration of communal irrigation systems, the strengthening of irrigators' associations, and resulting positive outcome of improved productivity of paddy farms indicate that IRPEP is ready to have an early completion by 31 December 2015 from the original schedule of 31 December 2016. Notwithstanding the damages to irrigation systems, post-harvest facilities and some paddy fields caused by five major typhoons in 2011, 2013 and 2014, paddy farmers are recovering and displaying resilience. Farmers showed increase in rice yield, IAs reported expansion in their membership and increasing irrigators' service fee collection rate, and women voiced their increasing participation and leadership in the management of the IAs and irrigation systems. These durable outcomes provide basic foundation for the sustainability of IAs.

77. To uphold the paddy farmers' fervour and sustain the gains they have achieved, for the next six months (July to December 2015), the Project has to focus on the following: (a) improve the capacity of irrigator's association (IA) to mobilize outside resources for irrigation system repairs beyond their capacity, and to access relevant services and programmes from government and private organizations especially those related to livelihoods; (b) strengthen the IA entrepreneurial skills for them to venture in other services that will benefit their members; (c) enhance the IA O&M manuals to guide them in the operation and maintenance of their irrigation systems; and (d) review the policy and operational issues on procurement of certified seeds, storage of buffer stocks, collective marketing of palay with NFA, and NIA's supporting the maintenance activities of CISs outside the capacity of IAs, for government action even beyond IRPEP.

78. Finally, to learn from the Project's experience for the implementation of similar projects and for the design of similar future projects, the Project has to start immediately the project completion review (PCR) process guided by the IFAD guidelines on project completion.

79. IFAD and the Government of the Philippines endorse the findings of the supervision mission.

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**Yolando C. Arban**  
Mission Team Leader  
Country Programme Officer  
IFAD

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Date

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**Atty. Emerson U. Palad**  
*Undersecretary for Operations,  
Agribusiness and Marketing  
Department of Agriculture*

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Date

## Appendix 1: Summary of Project status and ratings

### Basic Facts

Country	Philippines	Project ID	1485 [1100001485]	Loan/DSF/Grant/ASAP FI No.	1000003241, 1000003507
Project	Rapid Food Production Enhancement Programme			Top-up Loan/DSF/Grant/ASAP FI No.	
Date of Update	08 July 2015				
Supervising Inst.	IFAD				
No. of Supervisions	5	No. of Supervision and Implementation Support Mission	5		
Last Supervision	08-Jul-2015	Last Supervision and Implementation Support Mission	5-18 August 2014		

				USD million	Disb. rate %
Approval	17-Dec-2008			Total financing	47.17 87.5
Agreement	02-Sep-2009	Effectiveness lag	10.9	IFAD Total	15.90 90.9
Entry into force	09-Nov-2009	PAR value	-----	IFAD loan	15.90 90.9
First disbursement	19-Jan-2010			DSF grant	0.00
MTR	02-Oct-2013	Last amendment	20-Jul-2011	IFAD grant	0.00
Original completion	31-Dec-2016	Last audit	September 2014	ASAP grant	0.00
Current completion	31-Dec-2015			Domestic Total	18.12 80.0
Current closing	30-Jun-2016			Beneficiaries	0.97 75.7
No. of extensions	30-Jun-2016			National Govern	14.01 81.0
				Local Gov	3.14 77.1
				External Cofinancing Total	13.15 83.7
				EC	13.15 83.7
				FAO	0.00
				TBD	0.00

### Project Performance Ratings

B.1 Fiduciary Aspects	Last	Current	B.2 Project implementation progress	Last	Current
1. Quality of financial management	4	4	1. Quality of Project management	4	3
2. Acceptable disbursement rate	5	6	2. Performance of M&E	4	4
3. Counterpart funds	5	5	3. Coherence between AWPB & implementation	4	4
4. Compliance with financing covenants	5	5	4. Gender focus	6	6
5. Compliance with procurement	4	4	5. Poverty focus	5	5
6. Quality and timeliness of audits	3	3	6. Effectiveness of targeting approach	5	5
			7. Innovation and learning	5	4
			8. Climate and environment focus	4	4
B.3 Outputs and outcomes	Last	Current	B.4 Sustainability	Last	Current
1. Strengthening IAs	5	5	1. Institution building (organizations,	5	5

			etc.)		
2. Inputs and services	5	5	2. Empowerment	5	5
3. Infrastructure	5	5	3. Quality of beneficiary participation	5	5
4. Marketing and Post Harvest Facilities	4	3	4. Responsiveness of service providers	5	NA (service providers were operational until 2013)
			5. Exit strategy (readiness and quality)	4	4
			6. Potential for scaling up and replication	5	5

#### B.5 Justification of ratings.

The ratings reflect satisfactory delivery of the Project's major outputs especially on the rehabilitation and restoration of communal irrigation systems, the strengthening of irrigators' associations, and resulting positive outcome of improved productivity of paddy farms. The ratings also reflect that IRPEP is ahead of its project completion by one year. The provision of extension services during this period remains moderately satisfactory as the Project was not able to fully accomplish its FFS training targets for the year. Farmers who attended FFS training reported higher yield compared to those who did not join FFS training; thus, to achieve a more positive outcome on the increase of production yield, it is recommended that ATI should complete the conduct FFS training especially in Region VIII. NFA has also to work on doable strategies in assisting the farmers in the marketing of their palays to further achieve the improvement of the paddy farmers' livelihood.

### Overall Assessment and Risk Profile

	Last	Current
C.1 Physical/financial assets	5	5
C.2 Food security	5	5
C.3 Quality of natural asset improvement and climate resilience	4	4
C.4 Overall <b>implementation progress</b> (Sections B1 and B2)	5	5

#### Rationale for implementation progress rating.

Most of the ratings in this section are maintained. The results of the mini survey and focus group discussions confirmed the strong participation of women in the affairs of the IA and in the operation and maintenance of the CISs. During this period the regional implementing offices (RIOs) and regional coordinating teams (RCTs) are not functioning as intended. Implementing agencies conduct IRPEP activities with minimal or no coordination at all. Supervision and monitoring by PCO was also less.

C.5 Likelihood of achieving the development objectives (section B3 and B4)	5	5
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#### Rationale for development objectives rating.

There is a strong likelihood of achieving the Project's objectives. Despite the natural calamities that hit most of the IAs in the target regions, they were able to show increase in paddy production and able to come together and strengthen their IAs. These are strong signs that by the end of the project, the objective of increasing food production in the target areas will be realized.

#### C.6 **Risks** Short description of major risks for each section and their impact on achievement of development objectives and sustainability

Fiduciary aspects	The main fiduciary issue that the Project is facing right now is the submission of 2014 audit report before 30 September 2015. The deadline of 30 June 2015 has passed, but there are no COA audit yet of IRPEP funds implemented by DA, NFA, ATI, NIA. In the light that NFA and NIA are no longer under the purview of DA, the mission agreed for a submission of separate audits by implementing agencies.
Project implementation progress	As the project is about complete and there is a need for substantive project completion review (PCR) it is imperative that the PCO shall take the lead in the PCR process making the RIOs/RCTs operational at the regional level. This is so important so that all implementing partners will collectively review the Project and learn from its implementation to improve the implementation mainstreamed activities as well as to draw out policy and operation issues that need action by DA, ATI, NIA and NFA.
Outputs and outcomes	Though buffer stocking has been scaled up and mainstreamed by DA in its Rice Programme, the agency is faced by maintaining the required buffer stocks as there is a lack of supply of certified seeds and proper storage. This is one of the policy and operational issues that have to be acted upon by DA considering that the country is a path of several typhoons that destroys the agriculture.
Sustainability	While the Project has adequately prepared the IAs to continue beyond the Project, there are policy and operational issues that affect sustainability of the IAs and the Project gains. As mentioned, these include the procurement of certified seeds, storage of buffer stocks, collective marketing of palay with NFA, and NIA's supporting the maintenance activities of CISs outside the capacity of IAs for government action even beyond IRPEP. These issues will be further studied in the PCR with recommendations for action.

### Proposed Follow-up

Issue / Problem	Recommended Action	Timing
Project completion	Revise 2015 AWPB and procurement plan to reflect	24 July 2015

	activities that will sustain the IAs	
	Conduct FFS to Region VIII with funds sources from the savings of NIA Region VIII or from other sources	July-December 2015
	Complete the repair of the two units of warehouses in Region X	By December 2015
	Create a composite PCR Team to coordinate the conduct of PCR	By July 2015
Sustainability of IAs beyond Project life	Prepare sustainability plans for each IA	Until December 2015
	Prepare a simplified and standardized O&M manual for IA use	October 2015
Fiduciary ( Submission of 2014 Audit)	Submit the audit of IRPEP under DA, NIA, NFA, ATI	31 August 2015
Learning/Policy Guidance	Systematically assess the result of the FFS training	Beginning August 2015
	Review IRPEP collective marketing experience	Beginning August 2015





## Appendix 2: Updated logical framework: Progress against objectives, outcomes and outputs

Narrative Summary	Key Performance Indicators	Cumulative Progress as of 31 May 2015	Means of Verification	Assumptions (A) / Risks (R)
<b>Goal:</b>				
Increased food production by farmers on clustered irrigated rice production systems on a sustainable basis, thus contributing to rural poverty reduction.	<ul style="list-style-type: none"> <li>• 5% reduction of poverty incidence in targeted focus provinces under RSSP from an average of 30.4%</li> <li>• 25% reduction in prevalence of severely malnourished children among the communities directly benefiting from the Programme</li> <li>• 30% of households directly benefiting from the Programme achieve improved assets ownership index</li> <li>▪ 50% decrease in number of households experiencing lean months</li> </ul>		<i>data will be available upon conduct of the PCR/ RIMS survey</i>	<ul style="list-style-type: none"> <li>• RaFPEP household survey</li> <li>• Poverty Incidence and Threshold Survey of National Statistical Coordination</li> <li>• RIMS Survey</li> </ul>
<b>Project Purpose (RaSSFIP and IRPEP)</b>				
<b>RaSSFIP</b>				
Secured the supply of paddy seeds for CISs in the RaSSFIP areas.	10% increase in paddy production of about 803,750 hectares, based on 2008 production.		BAS Report	

Narrative Summary	Key Performance Indicators	Cumulative Progress as of 31 May 2015	Means of Verification	Assumptions (A) / Risks (R)
<b>IRPEP</b>				
Improved productivity & production of irrigated paddy on selected irrigation schemes in IRPEP area, by strengthening IAs, the rehabilitation of irrigation schemes, the provision of farm inputs, marketing and processing facilities.	<ul style="list-style-type: none"> <li>• 5% increase in real household income from farming of paddy farmers</li> <li>• At least 10 % increase in overall rice production</li> <li>• At least 10% increase in rice yield per hectare</li> </ul>	<ul style="list-style-type: none"> <li>• Average increase of 26.02% in yield<sup>7</sup></li> </ul>	data will be available upon conduct of the PCR/ RIMS survey	
<b>IRPEP Component Outcomes</b>				
<b>Outcome 1:</b> Improved IA capacity to: <b>a.</b> Operate and maintain their irrigation system; and <b>b.</b> sustain their organizational functionality	<ul style="list-style-type: none"> <li>• 60% of IAs in the CISs are rated at least satisfactory in terms of functionality.</li> <li>• 80% of potential farmer members or about 12,600 farmers in the irrigation systems joined the IAs</li> <li>• At least 30% of the IA leadership are women</li> <li>• At least 80% ISF collection rate among IAs in CISs</li> </ul>	<ul style="list-style-type: none"> <li>▪ 87.5% of the IAs are rated at least satisfactory in terms of functionality</li> <li>▪ 85.6% of potential farmer members joined the IAs - (12,147 IA members over 14,189 potential FBs )</li> <li>▪ 32% of the IA leadership are women</li> <li>▪ 85.21% ISF collection rate</li> </ul>	<ul style="list-style-type: none"> <li>• IA Functionality Survey</li> <li>• Minutes of IA meetings</li> <li>• IA financial, O&amp;M, training records</li> <li>▪ NIA IMO/Regional reports</li> </ul>	
<b>Outputs:</b> 1.1. IAs in the target CISs organized/ reorganized. 1.2. IAs capacitated to operate and maintain their irrigation systems and manage their organization.	<ul style="list-style-type: none"> <li>▪ 112 IAs in CISs registered in SEC/activated their SEC registration.</li> <li>▪ 112 IAs in CISs trained on capacity-building trainings on CIS operation and maintenance and organizational management.</li> <li>▪ 112 IAs in CISs prepared their</li> </ul>	<ul style="list-style-type: none"> <li>▪ 112 IAs in CISs registered in SEC/ activated their SEC registration</li> <li>▪ 112 IAs in CISs trained on capacity-building trainings on CIS operation and maintenance and organizational management.</li> <li>▪ 112 IAs in CISs prepared their</li> </ul>	<ul style="list-style-type: none"> <li>• NIA IMO report</li> <li>• Project Monitoring report</li> </ul>	

<sup>7</sup> Based on the NIA report (Form 6, IA O&M Performance Report which also reports on average palay yield per ha.) Meanwhile, based on ATI report, there is an average increase of 31% on palay yield.

Narrative Summary	Key Performance Indicators	Cumulative Progress as of 31 May 2015	Means of Verification	Assumptions (A) / Risks (R)
	action plans (organizational O&M and financial plans).	action plans (organizational O&M and financial plans).		
<b>Outcome 2:</b> Increased water-use efficiency of rehabilitated irrigation systems.	<ul style="list-style-type: none"> <li>▪ 100% of rehabilitated and restored areas in the CISs are receiving irrigation water</li> <li>▪ 13,228 has of rehabilitated CISs have double cropping annually.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 93.61% of rehabilitated and restored areas in the CISs are receiving irrigation water.</li> <li>▪ 100%</li> </ul>	<ul style="list-style-type: none"> <li>▪ IA Seasonal O&amp;M performance result.</li> <li>▪ List of irrigated and planted area</li> </ul>	
<b>Outputs:</b> 2.1 CISs rehabilitated/ restored.	109 CISs have 8,535 hectares of irrigated rice lands with improved irrigation facilities and some restored areas	9,347 hectares out of the 8,535 ha or 109% irrigated rice lands with rehabilitated irrigation facilities, restored and generated new areas Area rehab – 3,944 ha Area restored – 5,053 ha Area generated – 350 ha		
2.2 Solar dryers and small warehouses constructed	14 solar dryers with small warehouses constructed	12 small warehouse, 11 solar dryers		
<b>Outcome 3:</b> Improved access of paddy farmers to buffer stocks (certified inbred seeds) and rice technology extension services	60 000 bags* (40 kg each) of certified inbred seeds in good quality regularly maintained for a 3-year period starting in 2011 as buffer stock by DA-RFUs in Region VIII (40,000 bags for Region VIII; and 20,000 for Region X) and X, timely rehabilitation of lost crops due to natural calamities.	2011 - 93% (16,727/18,000); 2012 - 54% (9,777/18,000); 2013 - 47% (11,231/24,000) 2014 - 96% (21,796/22,628) 2015 - 21% (2,700/13,008)  Total bags distributed (bags) Region 8: a) Within region - 21,216 b) Outside region - 0  Region 10: a) Within region - 13,369 b) Outside region- 2,475	Planting records and distribution; production and crop yield reports of LGUS and DA-RFUs.	

Narrative Summary	Key Performance Indicators	Cumulative Progress as of 31 May 2015	Means of Verification	Assumptions (A) / Risks (R)
	75% of the targeted 5,000 farmer participants in the FFS applied the Palay Check system	4,299 farmers applied palay check system which is more than the targeted 3,750 farmers or 75% of the 5,000 farmer.	<ul style="list-style-type: none"> <li>● Farmers' adoption checklist</li> <li>● ATI Report</li> </ul>	
<b>Outputs:</b> 3.1 Buffer stocking of certified inbred seeds established.	12,000 bags and 6,000 bags of buffer certified inbred seeds regularly maintained annually for 3 years (2011-2013) by the DA RFU 8 and 10, respectively	Average of 63% of target buffer stock level maintained annually for 2011-2013	<ul style="list-style-type: none"> <li>▪ DA-RFU Report</li> <li>▪ Project monitoring report</li> </ul>	
3.2 Paddy farmers and extension workers equipped with knowledge on rice production technologies	<ul style="list-style-type: none"> <li>▪ 6 TOTs conducted with 180 participants</li> <li>▪ 5,000 farmers of the 49 IAs trained on the Palay Check System</li> </ul>	<ul style="list-style-type: none"> <li>▪ 6 TOTs with 166 ( 92%) participants</li> <li>▪ 4,299 (86%) farmers trained on the Palay Check System</li> </ul>	<ul style="list-style-type: none"> <li>▪ ATI Report</li> <li>▪ Project monitoring report</li> </ul>	
<b>Outcome 4:</b> Improved marketing efficiency of Irrigators Associations (IAs).	<ul style="list-style-type: none"> <li>▪ 50% of the farmers in 49 IAs in Regions 8 and 10 sell collectively through NFA's IPP and/or private businessmen</li> <li>▪ 50% of farmer members' rice production are sold through the IAs</li> <li>▪ 25 registered IAs have increased their sales</li> <li>▪ Number of farmers in 49 IAs in Regions VIII and X that have accessed NFA's postharvest facilities and market information facilities and services</li> </ul>	<ul style="list-style-type: none"> <li>▪ 14.29% (7 IAs in Region 8)</li> <li>▪ 0.385 tons out of 872.5 tons estimated production were sold to NFA in Region VIII</li> <li>▪ 16 farmers accessed mechanical dryers in Region X. The 3 farmers who accessed the mechanical dryers in 2014 are from Lala, Lanao Del Norte</li> </ul> <p>45 farmers in 10 IAs accessed farmer's kiosks in Region VIII. These IAs are Burabod Astoria IA in Northern Leyte; Bayo Pilar IA, Camaruboan ISA, Quinabut-an IA,</p>	<p><i>data will be available upon conduct of the PCR/ RIMS survey</i></p>	

Narrative Summary	Key Performance Indicators	Cumulative Progress as of 31 May 2015	Means of Verification	Assumptions (A) / Risks (R)
		<p>Calapi ISA, Loog IA, and Pagsulhogon BIDA in Western Samar; and Hibubullao ISA, Rosario IA, and Gengarog IA in Northern Samar.</p> <p>NFA TXT  Region 8: Type of customers: farmers, retailers, consumers, others:  2013 - 207  2014 – 185  2015 – 83</p> <p>Total farmers: 30  Total retailers – 296</p> <p>Region 10: estimate of 25 text messages per month</p> <p>UGNAYAN: Region 8: In the NFA Ugnayan Program, NFA VIII was able to reach out to 2,560 farmers. These farmers include municipalities and barangays covered by IRPEP.</p>		
<b>Outputs:</b> 4.1 Existing post-harvest facilities improved.	8 Storage facilities within the IRPEP areas repaired.	6 storage facilities (75%) within the IRPEP areas repaired.	NFA report	
4.2 Paddy farmers equipped with information on market practices and technologies	<ul style="list-style-type: none"> <li>▪ 6 Mechanical dryers retrofitted with biomass furnace</li> <li>▪ 16 Farmers' Kiosks established</li> <li>▪ 3,641 Farmers trained on collective marketing</li> <li>▪ 49 IAs registered under NFA's IPP.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 6 Mechanical dryers (100%) retrofitted with biomass furnace</li> <li>▪ 16 Farmers' Kiosks established</li> <li>▪ 2,091 (57%) farmers were trained on collective marketing</li> <li>▪ 27 IAs registered under NFA's IPP</li> </ul>	Project monitoring reports	
<b>Outcome 5:</b> Enacted favourable policies of DA,	Policies on grains stabilization,	The approved amendment of MC	<ul style="list-style-type: none"> <li>▪ Resolutions, policy</li> </ul>	

Narrative Summary	Key Performance Indicators	Cumulative Progress as of 31 May 2015	Means of Verification	Assumptions (A) / Risks (R)
<p>NIA and NFA for farmers in irrigated areas.</p>	<p>irrigation amortization, and food subsidy are promulgated and adopted complementary and supplementary to the government's Food Staples Sufficiency Programme.</p>	<p>27, Series 1991, "Cost Recovery Schemes and Other Pertinent Guidelines for Communal Irrigation Projects" as a result of the policy dialogue under IRPEP is now being adopted.</p> <p>For the NFA policy dialogues, the proposed policy reforms were presented to the Economic Managers and President Aquino as included in the DA-NFA Roadmap/s (<i>File attachments A, B, C</i>). The last presentation/ submission to the President was in the form of a memo original-signed by Secretary Alcala in March 2014 (<i>File attachment D</i>), before NFA was transferred under the Office of the Presidential Assistant for Food Security and Agricultural Modernization (OPAFSAM).</p>	<p>briefs</p> <ul style="list-style-type: none"> <li>▪ MCs showing amendments to existing policies</li> </ul>	
<p><b>Outputs:</b> 5.1 . Policy dialogues initiated</p>	<p>Conducted at least 1 dialogue with stakeholders on each of the following: CIS Amortization, Grains Stabilization, Food Subsidy.</p>	<p>4 policy dialogues conducted.</p>	<ul style="list-style-type: none"> <li>• minutes/proceedings</li> <li>• project monitoring reports</li> </ul>	

### Appendix 3: Status of Agreed Actions

AGREED ACTION	AGREED DATE	STATUS
<b>PCO</b>		
Undertake project completion review activities: a) impact study. b) project completion report.	Start July 2015 By 4 <sup>th</sup> Q 2015 By 4 <sup>th</sup> Q 2015	PCR Orientation- Feb10,2015 Component 1 and 3 PCR writeshop and M&E Form Consolidation- October 2015
Report on the (financially correlated) overall weighted physical accomplishment and correct computations in the quarterly progress report with guidance from NEDA.	October 2014	2015 first quarter report already included the overall weighted physical accomplishment
Report project progress as of 30 June 2014 against the RIMS indicators as part of Appendix 4 of the 2014 SIS Mission Report.	September 2014	Done
Replace the official website of RaFPEP. Enhance it to allow sharing of lessons learned.	December 2014	New website already operational. url: rafpep.da.gov.ph
Involve all implementing partners (DA, DA-RFOs, NIA, ATI, NFA, LGUs and IAs) in assessing the overall performance of IRPEP drawing lessons from the experience for better delivery of agricultural services to small holder farmers.	By 2015	The PCO and RIO VI have started documenting good practices and lessons learned through field visits (interview with implementers and farmers). Success stories are also being documented.
Follow-up the rehabilitation of CISs damaged by Typhoon Haiyan using the RAY programme funds;	Mid-2015	Majority of the CISs with minimal damages were rehabilitated through NIA's regular funds. The DBM will issue SARO this June 2015 to rehabilitate those CISs with huge damages.
<b>DA-CO, DA-RFOs, ATI and NFA</b>		
Maintain the required number of CS bags for buffer stocking in each region for timely disposal when needed.	continuing	For 2015, the "level maintained at any given time of the year" is 12,538 for Regions VIII and X. As of May 2015, there are still 12,469 bags in the storage facilities.
Review the documentation requirements and processes of payments to seed growers and effect a more speedy payments once certified seeds are delivered.	By 31 August 2014	Complied. Memorandum sent on August 20, 2014. RFOs are aware of the process, however there are instances that it exceeds the usual days due to lacking documents submitted by the seed growers.

Coordinate with COA for the change of deadline to 30 April for submission of audit certificate and management letter from COA Region/IMO to COA HQ	31 August 2014	Letter sent to COA DA 17 Nov 2015. cc ATI, NFA, and NIA Central Office Auditors. COA has to reply to its acceptance on this request and to advise the COA regions and IMOs accordingly.
Assess the FFS modules (differentiating the impacts of the different phases) in view of the farmers' attendance and feedback.	By 31 December 2014	Conduct of FGDs were completed in December 2014. Final report submitted to PCO by first quarter of 2015
Facilitate installation of transformer and supply of lacking spare parts for Catubig Mechanical Dryer.	31 August 2014	Done. Completed November 2014
Continue improving the capacity of IAs to analyse market information, to bargain and to be a strategic and competitive supplier in the market.	Continuing	On-going
<b>NIA, NPCU and Regions</b>		
Progressively close the gaps between FUSA and Irrigated area for IRPEP assisted CIS through NIA regular program.	Continuing	While NIA continues to address this under its regular program, IAs which are more advanced can help in extending these facilities through their own resources or resorting to voluntary work or soliciting from LGUs, NGOs and other national agencies operating in their area.
Prepare supporting documents for changes in FUSA, Targets and Accomplishments.	31 August 2014	Complied. Emailed to IFAD on 5 September
Continue preparing and complete the CIS executive summary report for attachment to the PCR.	31 August 2014	Done
Submit 2013 audit report	15 September 2014	Complied. Advance copy emailed to IFAD on 15 September. Hard copy mailed to IFAD on 18 September
NIA will find ways to fund IRPEP IA strengthening activities in 2014, including meeting DBM to request for the utilisation of the unobligated CY 2012 IRPEP funds in the amount of Php 5.4million for the IA strengthening activities of IRPEP in Region X.	15 September 2014	The ASA was released to the region by June 2015.
Undertake remedial measures to restore the operation of Inasagan CIS.	September 2014	The ASA was released to the region by June 2015



Update Fixed Asset Register for all the IMOs and Regional Offices, provide fixed asset tag number for each equipment and furniture item.	31 October 2014	Not complied. Included in the current SIS mission for updating of fixed asset register and completion of list of fixed assets with location and asset ID to be included in PCR.
Appoint Internal Auditors at the Region and IMO levels of NIA	31 October 2014	Internal Auditors are existing in NIA CO and conducting audit of the project at the regions and IMOs
Pursue accreditation of IAs to Local Development Councils for better linkage on future assistance.	Starting last Q of 2014	R8: 21 out of 27 IAs were accredited by the Local Development Council (LDC). the remaining are still on process.
Pursue the establishment of higher level IA. Committees/Councils to serve as overall coordinating body of individual IAs	Starting last Q of 2014	R8: on process R10 – Done.
Pursue the site investigation and prepare the plans for protective works on the intakes of the 2 CISs (Bugos and Zaragosa) in Antique.	Within last Q of 2014	To be included in 2015 NIA regular funding.
Formulate strategies for the exit plans and start transitional turn-over of responsibilities of IDOs/FIOs to IAs.	By 31 December 2014	Plans prepared and activities shall be implemented on 2015 AWPB
Pilot test the possibility of encouraging better performing IAs to gradually increase the ISF rate to cope with required funding support for regular maintenance works.	Within 2015	Partly complied. Some of the more advanced IAs visited by the team have adopted this strategy. The other IAs should also be encouraged to follow suit as sharing part of their harvest should lead to a more sustainable use of the system in the long run.
Adopt the revised IA functionality survey tool by the next rating period	By 1st Q of 2015	Done. Functionality Survey on the IAs was conducted last May 2015.
Pursue NIA's plan to undertake FS for Bulod CIS	Within 2015	POW already done but still awaiting for the release of GAA funds
Continue assisting IAs on periodic basis through the regular IDO radiation program of NIA	After IRPEP completion	Starting 2016 and beyond.



## Appendix 4: Physical progress measured against AWP&B, including RIMS indicators

Component/Outputs	Indicators	1 January 2015 to 31 May 2015			Cumulative Actual	Appraisal Target	%
		AWP&B (2015)	Actual	%			
<b>Component 1. Strengthening of Irrigators' Association</b>							
<b>Output 1.1. IA Organized/Reorganized</b>	No. of orientation conducted						
1.1.1. Re-organization/reactivation of IAs	No. of IAs				112	112	100%
1.1.2. Turn-over	No. of CIS				108	109	96%
<b>Output 1.2. Irrigation Stewards Trained</b>							
1.2.1. Conduct of NIA Staff Training	No. of batches				68	77	88%
1.2.1.1. IA Training manual workshop	No. of batches	2	-				
1.2.1.2. IEC materials WS	No. of batches	1	-				
1.2.1.3. TOT on Business creation	No. of batches	1	-				
1.2.1.4. Job Enrichment Training	No. of batches	-					
1.2.1.5. Review and Planning Workshop	No. of batches	5	1	20%			
1.2.1.6. Others (Refresher course on Geo-tagging/Paddy mapping and GIS)		6	-				
1.2.1.7. PCR writeshop	No. of batches	3	1	33%			
1.2.2. Conduct of IA Training					428	447	96%
1.2.2.1 Organizational management training	No. of batches	6	-				
1.2.2.2. Water Saving Technology/AWD	No. of batches	4	1	25%			
1.2.2.3. Enterprise Development Course	No. of batches	18	-				
1.2.2.4. VFS/WAVE	No. of batches	17	-				
1.2.2.5. Climate change awareness	No. of batches	60	-				
1.2.2.6. Visit to advance IAs	No. of batches	6	-				
1.2.2.7. Others (Meetings, Strengthening of Federation, IA Supervisory Training)	No. of batches	4	9	225%			
1.2.2.8. Development of IA Plan		63	63	100%			
1.2.2.8.1 Organizational		63	63	100%			
1.2.2.8.2 O&M		63	63	100%			

1.2.2.8.3 Financial		63	63	100%			
1.2.2.8.4 Agri-Support Services		63	30	48%			
1.2.2.9. Technology knowledge training	No. of batches	1	1	100%			
1.2.2.10. Resource identificationworkshop for IA entrepreneurial Activity	No. of batches	15	-				
1.2.2.11. Monitoring if IA M&E form	No. of batches	63	63	100%			
1.2.2.12. Assisstance to financial reports	No. of batches	63	61	97%			
1.2.2.13. IA Chairman enhancement	No. of batches	27	-				
1.2.2.14. IA Secretaries & Auditor sessions	No. of batches	27	-				
1.2.2.15. Officers session in LIPA	No. of batches	27	-				
1.2.2.16. IA Based RPS	No. of IA	27	-				
1.2.2.17. Agripreneurial Activities of IAs beyond Irrigation		22	-				
1.2.2.18. SMC Establishment		27	-				
<b>Output 1.3. Organizational Strengthening</b>							
1.3.1. Linkages/Networking							
1.3.1.1 Installation of IACC/SMC	No. of LGUs	10	-				
1.3.1.2 IACC/SMC Meeting	No. of meetings	10	-				
1.3.2. IA Functionality Survey	No. of IAs	112	88	79%			
1.3.3. Training/Writeshop on Agripreneurial Project		1	-				
<b>1.3.3. O &amp; M Phase</b>							
1.3.3.1. Conduct of NIA-IA O & M Conferences		8	2	25%			
1.3.3.2. IA Meetings & Assessment of IA Plans	No. of meetings	134	249	186%			
1.3.3.3. Policy ratification by members	No. of meetings	10	4	40%			
1.3.3.4. Development of IA O&M Manual Plan/Plan	No. of IAs				112	112	100%
<b>Output 1.4. Program Management &amp; Supervision</b>							
<b>Regional</b>							
1.4.1 Project Validation, Monitoring & Supervision	No. of field visits	72	19	26%			
1.4.2 Regional - IMO Staff Coordination Meetings(TEV, Meetings/Conferences)	No. of Meetings	35	8	23%			
1.4.3 IEC materials distribution	No. of copies	1,890	3,300	175%			
1.4.4 Personal Services							
1.4.4.1 IDOs	No. of IDOs	69	22	32%			
<b>Provincial</b>							
1.4.9. IA Field Visit & validation	No. of field visits	-					

1.4.10. Regional Planning Workshop	No. Of workshop	3	3	100%			
1.4.11. IDO Supervisory Meeting	No. of Meetings	36	8	22%			
<b>TOTAL BUDGET FOR COMPONENT 1</b>							
<b>TOTAL BUDGET FOR COMPONENT 1 (excluding Regions VI and VII)1</b>							
<b>Component 2. Provision of Production Inputs and Related Support Services</b>							
<b>Sub-component 2a. CS Buffer Stocking</b>							
Output 2a.1. Operationalized and maintained storage facilities for buffer stock		4	4	100%			
Output 2a.2. CS procured		13,008	2,700	21%	62,231	95,636	65%
Output 2a.3. CS stored and maintained	No. of bags	13,008	2,700	21%	62,231	95,636	65%
<b>Sub-component 2b. Extension Support Services2</b>							
<b>Output 2b.1. Conducted FFS1</b>							
Activity 2b.1.2. Conduct of FFS Batch 1 Phase 3	No. of Sites	2					
Activity 2b.1.3. Conduct of FFS Batch 2 Phase 3	No. of Sites	13					
Activity 2b.1.4. Conduct of FFS Batch 3 Phase 2	No. of Sites	3					
Activity 2b.1.5. Conduct of FFS Batch 3 Phase 3	No. of Sites	4	1	25%			
<b>TOTAL BUDGET FOR SUB-COMPONENT 2b</b>							
<b>TOTAL BUDGET FOR SUB-COMPONENT 2</b>							
<b>Component 3. Rural Infrastructure Improvement2</b>							
<b>Output 3.1 CIS rehabilitation/restoration</b>							
Activity 3.1.1 Construction/modification of turn-outs with control gates		12	-				
<b>Output 3.2. Construction/repair of IA offices and bodegas</b>							
Activity 3.2.1. Construction/repair of IA offices and bodega		30	29	97%			
Activity 3.2.1. Construction of IA Training Center		1	-	ongoing			
<b>TOTAL BUDGET FOR SUB-COMPONENT 3</b>							
<b>Component 4. Provision of Marketing and Post-harvest Facilities2</b>							
<b>Output 4.1. Trainings Conducted</b>							
Activity 4.1.1. Trainings on NFA Marketing programs/systems and use of FKs	No. of trainings conducted	8	-	0%	39 <sup>2</sup>	56	700%
	No. of IA Marketing groups formed and/or strengthened (IPP)	12	-	0%	19	49	39%

<b>Output 4.1. Retrofitting of mechanical dryers</b>						6	6	100%
<b>TOTAL BUDGET FOR SUB-COMPONENT 4</b>								
<b>Component 5. Programme Management and Policy Dialogue</b>								
<b>Output 5.1. Conduct meetings, trainings, and assessment workshops</b>								
Activity 5.1.1. Conduct regular meeting re project implementation (IRPEP - NPCU/PCO)	No. of meeting conducted	24	10	42%				
Activity 5.1.2. Conduct of quarterly NPSC meeting	No. of NPSC meeting conducted	4	-	-	15	24	63%	
Activity 5.1.3. Conduct of Annual Programme Review	No. of annual review conducted	1	-	-				
Activity 5.1.4. Conduct of Midyear Review	No. of midyear review conducted	1	-	-				
Activity 5.1.5. Preparation of Annual Workplan and Budget	No. of AWPB prepared	1	-					
Activity 5.1.6. Preparation of Project Completion Review								
Activity 5.1. 6.1 Participation in the NIA Regional PCR workshop	No. of workshop conducted	1	1	100%				
Activity 5.1. 6.2 Participation in the NIA National PCR workshop	No. of workshop conducted	1						
Activity 5.1. 6.3 Conduct Project Completion workshop	No. of workshop conducted	1						
Activity 5.1.7. Conduct of COA exit conference		1		0%				
Activity 5.1.8. Participation in the IFAD Country Programme Quarterly Meeting	No. of meetings conducted	4						
Activity 5.1.9. Participation in the IFAD Annual Country Programme Review	No. of meetings conducted	1	1	100%				
Activity 5.1.10. Participation in the Paddy Mapping Training	No. of trainings conducted	1						
Activity 5.1.11. Participation in the IA Training Manual Writeshop	No. of trainings conducted	1						
Activity 5.1.12. Conduct of Assessment Review	No. of assessment review conducted	1						
<b>Output 5.2. Conduct impact study</b>	No. of completion report prepared	1						
<b>Output 5.3. Assist in the conduct of IFAD Supervision and Implementation Support Mission</b>		1						

<b>Output 5.4. IRPEP M&amp;E and KM Strengthening</b>							
<b>Activity 5.4.1 Monitoring and Evaluation</b>							
Activity 5.4.1.1 M&E Assessment and Planning Workshop	Workshop	2	1	50%	5	6	83%
Activity 5.4.1.2 IRPEP Database Maintenance	Database maintained/ Updated	1					
Activity 5.4.1.3 Conduct of annual outcome survey		1	-				
<b>Activity 5.4.2. Knowledge Management</b>							
Activity 5.4.2.1. Operation and Updating of website	No. of website operated	1	1	100%			
Activity 5.4.2.2. Production and publication of Project's documentation			-				
Activity 5.4.2.2.1. Consultancy for video documentor and magazine editor		1	-				
Activity 5.4.2.2.1 Video and magazine production and publication of documentation of project, good practices, success stories	No. of copies of videos and magazines prepared	300	-				
Activity 5.4.2.3 Participation to IFAD KLM	No. of KLM participated	1					
<b>Output 5.4. Conduct Field Monitoring and validation</b>	Field Visit	36	12	33%	102	144	71%
<b>Output 5.5. Preparation of reports, documentation and other publications</b>							
Activity 5.5.1. Preparation of monthly reports	No. of monthly reports prepared	12	5	42%			
Activity 5.5.2. Preparation of Quarterly reports	No. of quarterly reports prepared	4	1	25%			
Activity 5.5.3. Preparation of Annual Report	No. of annual reports prepared	1	1	100%			
Activity 5.5.4. Preparation of other Special Reports	No. of special reports prepared	4	2	50%			
<b>Output 5.6. Conduct of Policy Dialogue and Reviews</b>	No. of policy dialogue conducted	1	1	100%	4	3	133%
<b>Output 5.7. Project Coordination Office Maintained</b>							
Activity 5.7.1. Provision of wages of contractual employees and allowances/incentives of personnel involved in the implementation of the project							

<sup>1</sup> Target under Extension Support Services for 2015 are monitoring for the conducted trainings in Phase 1

<sup>2</sup> Changes in the accomplishment were due to the reconciliation of data

## Appendix 5: Financial: Actual financial performance by financier; by component and disbursements by category

**Table 5A: Financial Performance by Financier as at 31 May 2015**

(In '000)

Financier - RaFPEP (in '000)	Approval (In Original Currency per Financing Agreement)	Approval (USD as Implemented)	Disbursements (USD )	Per cent disbursed	Remarks
IFAD loan	SDR10.685	15,900	15,765.52	99.15	
Co-financier (EC Grant)	EUR 9,596	13,149	11,010.79	83.73	includes advances made by IFAD; exclusive of US\$ 19,326.32 pending withdrawal application already finished in CY 2011
Government	USD 9,821	14,001	11,340.78	81.00	
LGU	USD 1,973	3,142	2,421.00	77.05	
Beneficiary	USD 395	979	741.00	75.68	
<b>Total</b>		<b>47,172</b>	<b>41,279.10</b>	<b>87.51</b>	



**Table 5B Actual Expenditure by Financier as 31 May 2015 in USD**

(in '000 USD)	IFAD loan			Co-financier (EC Grant)			Government			LGU Counterpart			IA Counterpart			Total		
	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%
<b>A. RaSSFIP</b>	14,547	13,497	92.78	10,482	9,281	88.54	218	224	102.77	-	-		-	-		25,247	23,002	91.11
Procurement and Distribution of Seeds	14,540	13,491	92.79	9,362	9,215	98.43	-		0.00							23,902	22,706	95.00
Coordination & Management	7	6	84.74	1,120	66	5.92	218	224	102.77							1,345	296	22.04
<b>B. IRPEP</b>	1,354	968	71.50	2,667	1,729	64.85	13,783		80.66	3,142	2,421	77.05	979	741	75.69	21,924	16,976	77.43
Strengthening of IAs	402	402	100.00	163	148	90.76	1,484	752	50.70							2,048	1,301	63.54
Provision of Production Inputs & Related Support Service	520	400	76.89	1,459	712	48.78	2,119	1,260	59.47							4,098	2,372	57.88
Irrigation & Rural Infra Improvement	-		0.00	646	647	100.15	9,074	8,453	93.16	3,142	2,421	77.05	979	741	75.69	13,841	12,262	88.59
Marketing & Post-Harvest Dev't	190	77	40.40	54	-	0.00	165	18.44	11.14							409	95	23.24
Programme Mgmt & Policy Dialogues	242	90	37.06	346	224	64.65	941	633	67.27							1,529	946	61.89
<b>SUBTOTAL</b>	<b>15,900</b>	<b>14,465</b>	<b>90.97</b>	<b>13,149</b>	<b>11,011</b>	<b>83.74</b>	<b>14,001</b>	<b>11,341</b>	<b>81.00</b>	<b>3,142</b>	<b>2,421</b>	<b>77.05</b>	<b>979</b>	<b>741</b>	<b>75.69</b>	<b>47,172</b>	<b>39,978</b>	<b>84.75</b>
<b>Add: Advances Made by IFAD</b>		<b>1,301</b>														-	1,301	
<b>TOTAL</b>	<b>15,900</b>	<b>15,766</b>		<b>13,149</b>	<b>11,011</b>		<b>14,001</b>	<b>11,341</b>	<b>81.00</b>	<b>3,142</b>	<b>2,421</b>		<b>979</b>	<b>741</b>		<b>47,029</b>	<b>41,279</b>	<b>87.51</b>

Note: this pertains to original cost allocation; IFAD loan is exclusive US\$ 19,326.32 pending withdrawal application

**Table 5C: IFAD Loan Disbursement (SDR) as on 31 May 2015**

RAPID FOOD PRODUCTION ENHANCEMENT PROGRAMME (RaFPEP) in SDR

Category	Category description	Original Allocation	Revised Allocation	Disbursement (WA)	W/A pending	Balance	Per cent disbursed
I	Civil Works	36,500		13,176.68		23,323.32	36.10%
II	Agricultural Production Inputs	9,976,500		8,690,332.22		1,286,167.78	87.11%
III	Equipment, Materials & Vehicles	29,000		28,374.20	625.80	-	100.00%
IV	Training & Studies & Advisory Services	574,500		453,710.70	11,936.96	108,852.34	81.05%
V	Salaries and/or Allowances	13,000		12,626.24		373.76	97.12%
VI	Operations and Maintenance	55,500		21,667.61	2,803.54	31,028.85	44.09%
	Initial deposit			842,506.57		(842,506.57)	
	Total	10,685,000		10,062,394.22	15,366.29	607,239.49	94.32%

Note: Project Cost is exclusive of Top-up Financing amounting to SDR 1,553,000 ; conversion of pending WA is based on last WA submitted (SDR = US\$1.54884)

## Appendix 6: Compliance with legal covenants: Status of implementation

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
Section 5.02 (d)	The DA Central Office shall submit to the IFAD audit report within 6 months after end of the year	within 6 months of the end of each year	2014 Audit not yet submitted	



## Appendix 7: Knowledge management: Learning and Innovation

### A. What works well in the project:

- With the IRPEP Project, the NIA Provincial Office in Antique was able to construct and rehabilitate 60 CIS, something that they could not do in 5 or even 10 years with their regular budget allocation;
- To ensure transparency and easier monitoring of projects, all the IRPEP subprojects were geo-tagged by NIA;
- Creation of construction committees at the local levels provided job opportunities and additional income to IA members;
- Collection efficiencies of IAs in the IRPEP areas in Regions VI and X increased considerably while in Region VIII the collection efficiency increased to 42% despite encountering Typhoons Yolanda, Ruby, and Seniang would imply that the IA strengthening activities and specialized trainings provided to IA members must have improved the way they manage and operate their respective IAs.

### B. What does not work well in the project:

- FB Kiosks – low appeal to farmer-beneficiaries
- Project Management at the Regional Level - Inter-Agency Collaboration at this level is weak. Implementing Agencies at this level should meet often to discuss possible inter-agency collaboration in service delivery as well as in work complementation.
- The project's M & E System at the regional and field levels is not working. Data is not shared and there are even discrepancies in the data presented and what is in their respective data bases of concerned Implementing Agencies at this level. Reports produced are not even standardized making it more difficult for the NPCO to consolidate them at the national level. The Implementing Agencies also need to discuss how to harmonize their data sets so they can focus on a particular set of farmer beneficiaries or IAs or areas to converge their assistance.

### C. Lessons Learned:

- Working with various agencies has its advantages and challenges. However, collective effort of all the stakeholders involved is key to resolve bottlenecks that impede project implementation;
- Counterpart funding promotes responsibility, ownership and commitment of support among stakeholders on project implementation;
- Active participation of beneficiaries and other stakeholders in project identification and preparation improves long-term impact;
- Experiential learning activities provide a better and deeper understanding and appreciation of the technologies being thought to improve production;
- There should be continuity in current programs and projects such as IRPEP not only to increase the production of rice in those areas but also to address the food security in the same areas.
- Deployment of Farmers' Irrigator's Officers (FIOs) hastened the conduct of IA strengthening activities;
- Participation of women in IA leadership has improved the recording system of the IAs;
- Conduct of specialized trainings has capacitated the IA Offices in discharging their functions;
- Listing of farmers per turn out has established the actual number of farmers and area within the system;
- Conduct of pre-construction meetings before project implementation resulted to minimal issues and conflicts during construction.