



Enabling poor rural people
to overcome poverty

Independent Office of Evaluation

Republic of The Philippines

Northern Mindanao Community Initiatives and
Resource Management Project

P R O J E C T P E R F O R M A N C E A S S E S S M E N T



November 2012



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**Northern Mindanao Community Initiatives and
Resource Management Project**

Project Performance Assessment

November 2012

Report No. 2751-PH

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Photos of activities supported by the Northern Mindanao Community Initiatives and Resource Management Project

Front cover: Protected coastal area in Mabahin Cortes. Activities undertaken by the project included mangrove reforestation and the establishment of fish sanctuaries.

Back cover: Funds were provided under the project's Poverty Alleviation Fund for commercial ventures, including textiles (left); Community group meeting in Kitamban (right).

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The designations employed and the presentation of material in this publication do not imply the expression of any opinion whatsoever on the part of IFAD concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries. The designations "developed" and "developing" countries are intended for statistical convenience and do not necessarily express a judgement about the stage reached by a particular country or area in the development process.

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Preface

The IFAD-supported Northern Mindanao Community Initiatives and Resource Management Project achieved positive results, having overcome a slow start-up and initial difficulties with the flow of funds. The project met - and in some instances surpassed - its output targets towards establishing and strengthening community institutions and self-help groups, participatory planning, infrastructure improvements, support to indigenous populations, and policy and institutional development. It also had a positive impact on women's mainstreaming and supported a wide range of initiatives of benefit to women. Moreover, the Poverty Alleviation Fund established by the project proved to be an effective tool for supporting local development priorities.

At the same time, impact on agriculture has been moderate and mainly linked to improved irrigation. The number of people experiencing food shortages has declined and the income generated has enabled them to purchase food. However, household food security is still vulnerable to climatic shocks with communities lacking opportunities to move to larger-scale initiatives. Among the key recommendations of this assessment are the need to continue nurturing the strong links between communities and local government units, thus creating potential for further development initiatives that could reduce such vulnerability; and developing a new set of skills to support commercial (value chain) development activities.

This project performance assessment was prepared by Mark Keating, Evaluation Officer; Dorothy Lucks, consultant and rural enterprise specialist and Linda Danielsson, Evaluation Assistant. Konstantin Atanesyan, Senior Evaluation Officer, and myself, provided comments on the draft report. This office is grateful to the Asia and the Pacific Division of IFAD for the inputs and support provided throughout the evaluation process, as well as to the Government of the Republic of the Philippines for their constructive collaboration.



Ashwani Muthoo
Acting Director
Independent Office of Evaluation of IFAD

The project promoted extensive mangrove rehabilitation, coastal fisheries research and the establishment of fish sanctuaries and related training centres, as in Mabahin Cortes below.

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Currency equivalents, weights and measures

Currency equivalents

Currency unit = Philippine Peso (PHP)
US\$1 = 42.36 PHP
(30 June 2012)

Weights and measures

1 kilometre = 0.62 miles
1 metre (m) = 1.09 yards
1 hectare = 10,000m² (0.01km²)
1 hectare = 2.47 acres

Abbreviations and acronyms

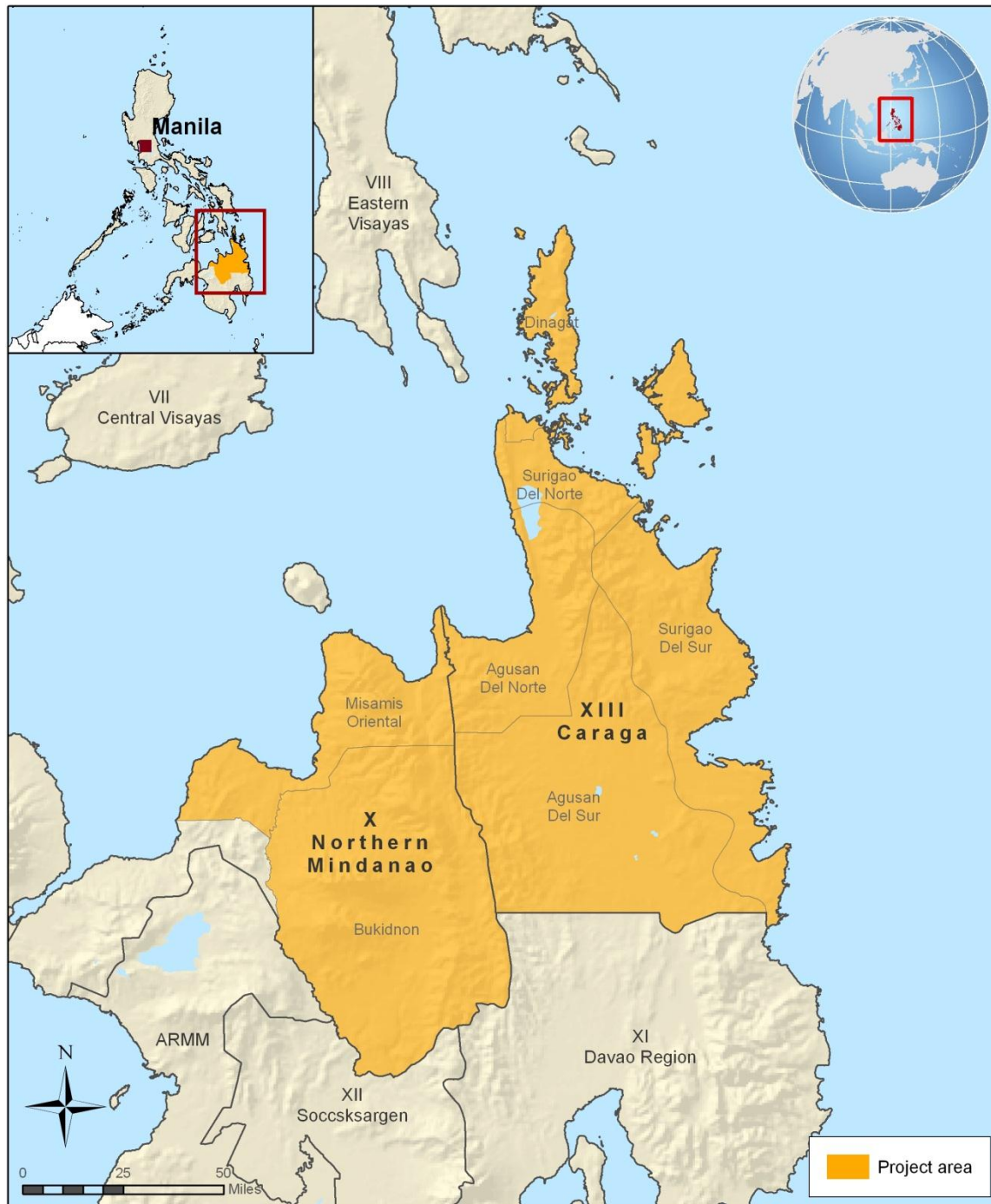
| | |
|----------|--------------------------------------------------------------------------|
| ADSDPP | ancestral domain sustainable development and protection plans |
| CADC | certificate of ancestral domain claim |
| CADT | certificate of ancestral domain title |
| CII | community infrastructure investment |
| CIPD | community institution and participatory development |
| DAR | Department of Agrarian Reform |
| DENR | Department of Environment and Natural Resources |
| EIRR | economic internal rate of return |
| IIA | interim impact assessment |
| IOE | Independent Office of Evaluation (of IFAD) |
| LGU | local government unit |
| MTR | mid-term review |
| NCIP | National Commission for Indigenous Peoples |
| NEDA | National Economic Development Authority |
| NMCIREMP | Northern Mindanao Community Initiatives and Resources Management Project |
| NRM | natural resource management |
| PAF | Poverty Alleviation Fund |
| PCO | project coordination office |
| PCR | project completion report |
| PCRV | project completion report validation |
| PFO | project facilitation office |
| PPA | project performance assessment |
| PSC | project steering committee |
| SFIP | Support Fund for Indigenous People |
| SHG | self-help group |
| SIKAT | school of indigenous knowledge, arts and traditions |

Map of the project area

The Philippines

Northern Mindanao Community Initiatives and Resource Management Project

Project Performance Assessment



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

Map compiled by IFAD

12-5-2011

Executive summary

1. **Background and objectives.** The overall goal of the Northern Mindanao Community Initiatives and Resource Management Project (NMCIREMP) was to reduce the vulnerability and enhance the food security of about 58,500 low-income households (310,000 people) living in the project area. Its approach was to target two adjacent regions among the country's poorest, namely, Northern Mindanao and Caraga. In terms of specific objectives, the project was designed to:
(i) promote/strengthen the community institutions of indigenous people, poor upland farmers, agrarian reform beneficiaries, poor fisher families and women's self-help groups, making them self-reliant and capable of undertaking their own development activities; (ii) promote the conservation and improvement of the natural resource base; (iii) improve village infrastructure; (iv) facilitate the representation of indigenous people in local councils and the issuance of certificates of ancestral domain titles; and (v) enhance the responsiveness of local government units and other service providers to the diversified needs of the community institutions.
2. **Project components.** Project design was relatively complex inasmuch as it involved six components, a range of subcomponents and multiple stakeholders. All components were anchored at the municipal local government level through project coordination offices. These were supported by offices at the provincial and regional levels as well as by the main project facilitation office in Northern Mindanao. Components included: community institutions and participatory development; community infrastructure investments; natural resources management; socio-economic support and studies; support fund for indigenous people; and the project management component.
3. **Relevance.** The project's overall goal of reducing the vulnerability and enhancing the food security of low-income households in the project area was relevant to the Government's own policies and strategies in that regard. Project strategies to promote local self-reliance and to support small and disadvantaged communities through self-identified and managed economic, social and environmental subprojects, were aligned with major objectives under the national development agenda. Also, NMCIRMP's objectives were aligned with IFAD's country strategic opportunities programme of 2000, particularly as it related rural poverty to a focus on the country's poorest provinces and to targeting both upland and coastal communities to improve tenurial security, indigenous people self-determination and sustainable economic development. Project targets became even more relevant in IFAD's country strategic opportunities programme of 2009, which included Northern Mindanao in all three of its strategic objectives.
4. **Effectiveness.** The project was largely effective in reaching the designated target groups and in achieving its five objectives. All project targets were reached and, in many cases, surpassed although the achievement of the natural resource management objective was not as far reaching. Delays in the flow of funds early in the project caused difficulties, slowing down implementation; nevertheless, the initial barriers to effectiveness were overcome, allowing implementation to accelerate, complete the majority of subcomponent activities and reach key performance indicators in terms of coverage and attainment of the five objectives. This resulted in the establishment and strengthening of community institutions, including almost tripling the expected number of functional self-help groups, which are still actively engaged in livelihood activities. Environmental activities were not as numerous as planned but those implemented showed tangible benefits such as increased fish stocks, rare fauna protection and watershed protection. Rural infrastructure subproject targets were surpassed and there have been positive results in terms of marketing of agricultural produce and better access to services and availability of agriculture inputs, including irrigation water. Secure tenurial status and greater self-determination and representation have made a solid contribution to addressing indigenous people development priorities.

5. **Efficiency.** Overall, the project was implemented moderately efficiently. The cost-benefit ratio and project management costs were higher than for other comparable projects in the country, despite the positive economic internal rate of return in the order of 34 per cent . Still, it should be noted that focused investment in the project area gave rise to additional long-term benefits, such as local government capacity-building and the convergence of different initiatives to provide a platform for future economic growth initiatives.
6. **Impact.** Overall, the project produced extensive benefits among participating communities. For example, impact on human and social capital and empowerment was substantial, particularly due to the formation of self-help groups, training and regular, constant interaction among project partners. Positive impact was also achieved in terms of natural resources management (NRM) and protection, although this was limited by the slow progress of the NRM component in the early years of the project. On a less positive note, impact on agriculture has been moderate, with achievements mainly linked to improved irrigation. Indeed, the number of people experiencing food shortages has declined and the income generated has enabled them to purchase food; however, household food security is still vulnerable to climatic shocks. Finally, the impact on institutions and policies is deemed by this assessment as being highly satisfactory.
7. **Sustainability.** Overall, the sustainability of project investments and benefits are high, despite the complexity of interventions. The innovative nature of sustainability planning, i.e. building in long-term local government unit commitments for supporting local investments and local groups beyond the project period, has led to the continuation of a high level of still ongoing activity in the communities beyond the project closure. The sustainability of project investments has improved governance and community processes, and raised the overall level of development in the barangays (villages) and supporting institutions.
8. **Innovation and scaling up.** Overall, the planned innovations were realised and put into practice, thereby contributing to the achievement of project objectives. Implementation of the planned innovations and natural replication of additional ones has reinforced the success of project outcomes. With regards to scaling up, it should be noted that the project design did not envisage scaling up. At the same time, the positive results of the initial project Poverty Alleviation Fund livelihood initiatives were scaled up into a new fund focusing on community level enterprises. In addition, policy and guideline changes have been scaled up at the national level.
9. **Gender.** Overall, with regard to gender and women's empowerment the project performed in a highly satisfactory manner. The project's gender-oriented approach resulted in increased access of women to leadership positions and their involvement in management of community initiatives, as well as provided women more access to funds and livelihood resources, particularly under the Poverty Alleviation Fund. One strategic policy the project implemented was sustaining gender-balance representation in training and project-relevant activities. All these provided opportunities for women to have representation and exposure to community development concerns.
10. **Recommendations.** NMCIREMP's successful achievements have led to formulate recommendations to be of use to IFAD in further developing its portfolio in the Philippines, as well as to assist the Government of the Philippines in view of the move towards more integrated government implementation related to rural development. Among these, are the need to continue nurturing the strong links between communities and local government units, thus creating potential for further development initiatives; and developing a new set of skills to support commercial (value chain) development initiatives.

Rice commercialization. The project made a direct contribution in improving agricultural productivity and food security through its irrigation and potable water subprojects, leading in many instances to a doubling both of yields and of household income

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Republic of The Philippines

Northern Mindanao Community Initiatives and Resource Management Project

Project Performance Assessment

I. Background, methodology and process

1. **Background and objectives.** The project performance assessment (PPA) is a project-level evaluation that aims: (i) to assess the result of the project under consideration and (ii) generates findings and recommendation that can be used to inform the implementation of ongoing and design and implementation of future projects in the Philippines.
2. The PPA follows the project completion report validation (PCRV), providing additional evidence on project achievements and validating the conclusions of the project completion report (PCR), and both are conducted by the IFAD Independent Office of Evaluation (IOE). The PCRV consists of a desk review of the PCR and other available reports and documents; the PPA includes country visits in order to complement the PCRV findings and to fill knowledge and information gaps identified.
3. The PCRV of the Northern Mindanao Community Initiatives Resource Management Project (NMCIREMP), conducted in March 2011, highlighted a number of areas in need of further information and evidence through a PPA exercise, such as on: (i) the maintenance of rural infrastructure investments; (ii) sustainability of community institutions and self-help groups (SHG); (iii) effectiveness of the Poverty Alleviation Fund (PAF 1 and 2) as an investment and poverty reduction tool; (iv) increased access to markets and rural finance; and (v) complexity of implementation arrangements.
4. NMCIREMP was also selected for a PPA as the IFAD-supported country programme in the Philippines is shifting towards value chain development while, to some extent, covering the same project areas. It was considered that PPA findings might also be useful in the context of current IFAD-supported projects/programmes in the country portfolio, particularly those considering the use of a PAF and those that continue to work with indigenous communities.
5. As for the PCRV, the PPA applies the evaluation criteria outlined in the Fund's Evaluation Manual. In particular, the PPA is not as a rule expected to undertake quantitative surveys: it merely adds analysis to the PCR, based on interaction with country stakeholders, direct observations in the field and information (mostly qualitative) drawn from interviews with project/programme beneficiaries and other key informants.
6. **Methodology.** The present PPA followed the standard methodology set out in the Evaluation Manual¹ and guidelines for PPAs, and adopted a set of evaluation criteria (annex V) and a six-point rating system. The mission paid particular attention to specific areas in need of additional information/evidence (see paragraph 2), and reviewed all available documents, including the PCR, supervision reports and key documents prepared during project design and implementation.² This was followed by a visit to the Philippines that included discussions with key stakeholders, direct observations during ten field visits, focus group discussions, and interviews with representatives of participating local government units (LGUs) and people's organizations for a total of more than 100 participants and over 200 community members.³ The sites for field visits were selected with a view to visiting as many

¹ Available at: http://www.IFAD.org/evaluation/process_methodology/index.htm.

² A full list of documents is given in annex VII.

³ A full list of people met and interviewed is given in annex VI.

provinces covered by the project as possible in the time available (given the diversity of target groups), to enable the mission to visit several communities of each target group.

7. The mission used the database used by the project coordination office (PCO) as a foundation to assess village (barangay) inputs and activities, and referred to a range of project documents including an interim impact assessment (IIA) conducted in 2008. The IIA noted that the project baseline was not sufficiently detailed to allow for an assessment of the before-and-after situations, but that it provided basic information on the target communities at project start-up. The PPA mission met with Local Government Units, agency staff and community members still actively involved in implementing the project sustainability plans, which made it possible to understand which activities are still going forward as well as where the impact of the project remains and, in many cases, is still growing.
8. **Process.** The PPA mission⁴ was undertaken from 21 September - 3 October 2011. During that time, two meetings were held with the project steering committee (PSC) composed of representatives of the Department of Agrarian Reform (DAR), National Economic Development Authority (NEDA), Department of Agriculture, Department of the Environment and Natural Resources (DENR) and the National Commission for Indigenous Peoples (NCIP). During field visits to Surigao Del Norte, Surigao del Sur, Misamis Oriental and Agusan Del Norte, the mission met with representatives of participating NGOs and participating LGUs at the provincial and local levels and with project participants. A wrap-up meeting was held with key stakeholders at DAR at the end of the mission for the purpose of sharing and discussing the preliminary findings (a list of persons met is provided in annex VI).
9. The PPA report provides a brief description of the project, followed by a summary of its implementation performance and review of findings by evaluation criteria (project performance, impact, sustainability and a number of cross-cutting issues). It ends with a presentation of conclusions, lessons learned and recommendations. The report pays particular attention to the impact of support for indigenous peoples, value chain development and sustainability initiatives, in line with the PCRV recommendations and interests of the PSC which, during the PPA mission, expressed particular interest in investigating the likelihood of sustainability of project interventions, post-project activities, highlighting success factors and challenges to sustainability. PSC members were also interested in ascertaining whether capacity generated through the project had led, or could lead, to the scaling up of enterprise activities.

II. The project

A. The project context

10. **Country context.** While the overall economy of the Philippines has grown steadily in recent years, the rural economy has been influenced by population growth and increased requirements for food production, and the gross domestic product share of agriculture has been declining. Agriculture sector performance has decreased in relation to other sectors owing to low productivity and limited diversification, and agricultural exports now account for less than 5 per cent of foreign earnings. To compound matters, the entrenched poverty, poor infrastructure and the security situation, particularly in Mindanao, greatly hinder investment and output.

⁴ The PPA mission was composed of Mark Keating, IOE Evaluation Officer, and Dorothy Lucks, Rural Development Specialist (consultant).

Table 1

Agriculture sector growth rates in comparison with GNP and GDP (in percentage %)

| Indicators | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-------------|------|------|------|------|------|------|------|
| GNP | 6.9 | 5.4 | 5.4 | 7.5 | 6.4 | 4.0 | 7.2 |
| GDP | 6.4 | 5.0 | 5.3 | 7.1 | 3.7 | 1.1 | 7.3 |
| Agriculture | 5.2 | 2.0 | 3.8 | 4.9 | 3.1 | 0.0 | -0.5 |

Source: EIU, Philippines Country Profile 2008; Government of the Philippines. National Statistical Coordination Board Report, 2011.

11. **Project rationale.** The high incidence of poverty in Northern Mindanao can be attributed to a number of factors. The majority of households are extremely vulnerable because of their limited assets, most are landless and some resort to farming as tenants or paid agricultural workers. The lack of social infrastructure and appropriate government support services further exacerbates their poverty. NGOs are present but have very limited outreach. Few development programmes have been initiated in the area and access to credit is limited. In terms of physical capital, the most obvious indicator of underdevelopment is the lack of physical infrastructure and the associated poor market links. Illiteracy, unemployment and the incidence of poverty are much higher among upland populations and indigenous people than the rest of the population. Upland settlements are remote and lack basic services, and the target group has limited access to essential resources (in particular, forestry and pasture resources). Although a new law provides for the issuance to indigenous people of titles to ancestral domains, it has yet to be widely implemented. Women are adversely affected by low levels of socio-economic development.
12. The aim of the project was to reduce the vulnerability and enhance the food security of about 58,500 low-income households (310,000 people) living in the project area. Its approach was to target two adjacent regions that are among the country's poorest, namely, Region XIII (Northern Mindanao) (ranked 13th poorest of 16 regions) and Region X (Caraga) (11th). Fifty-nine per cent of the population in Region XIII and 63 per cent in Region X live below the poverty line. The project targeted all four provinces of Caraga Region (Agusan del Norte, Agusan del Sur, Surigao del Norte and Surigao del Sur) and Misamis Oriental and Bukidnon Provinces in Region X. The project was implemented by the Government through DAR. The target group comprised poor and disenfranchised groups including, but not limited to, indigenous people, fisher families, agrarian reform beneficiaries, landless workers, upland dwellers and women.
13. **Project design and objectives.** The project was designed to: (i) promote/strengthen the community institutions of indigenous people, poor upland farmers, agrarian reform beneficiaries, poor fisher families and women's Self-help Groups, making them self-reliant and capable of undertaking their own development activities; (ii) promote the conservation and improvement of the natural resource base; (iii) improve village infrastructure; (iv) facilitate indigenous people representation on local councils and the issuance of certificates of ancestral domain titles (CADTs); and (v) enhance the responsiveness of LGUs and other service providers to the diversified needs of community institutions, improve access to essential services, support livelihood diversification, champion the empowerment of grass-roots institutions, and mainstream both gender awareness and indigenous people concerns. Specific focus was placed on developing approaches to watershed development, linking ecosystems from watershed protection and forest production through upland and lowland farming and the sea. Project design supported the Government's objectives with regard to the convergence of government services (agriculture, environmental protection, land reform and other development initiatives) in rural areas in order to achieve maximum impact in terms of reducing poverty.

14. **Project components.** Project design was relatively complex inasmuch as it involved six components (listed in the below paragraphs), a range of subcomponents and multiple stakeholders. All components were anchored at the municipal LGU level through PCOs. Local PCOs were supported by others at the provincial and regional levels and by the main project facilitation office (PFO) in Northern Mindanao.
15. **Community institutions and participatory development (CIPD)** (13 per cent of base costs). The objective here was to empower communities by establishing and/or strengthening viable community institutions and small community groups, integrating their participation into the local governance structures. A PAF was set up in each project municipality to assist resource-poor households and indigenous people through SHGs.
16. **Community infrastructure investment (CII)** (42 per cent). The aim here was to facilitate the construction/rehabilitation of rural infrastructure support facilities responsive to the needs of target communities, as identified through a detailed *barangay* planning process. These investments supported the construction of multipurpose community buildings, roads, and fishing and environmental protection mechanisms (e.g. flood control, security posts, etc.).
17. **Natural resource management (NRM)** (11 per cent). The objectives of this component were to: (i) enhance the capacity of local governments and community institutions to plan and execute strategic environmental projects such as reforestation, marine sanctuaries and lake management; and (ii) establish mechanisms for promoting appropriate farming and fishery systems and technologies.
18. **Socio-economic support and studies** (9 per cent). This component focused on health education; technical services for enterprise development and market opportunities; training of service providers; institutional support to line agencies; and a series of focused studies that would contribute to reducing the incidence of poverty in target areas. These studies had a direct impact on project implementation (e.g. best practices for land transfer processes, value chain development for certain products, and gender development initiatives appropriate to the project areas).
19. **Support fund for indigenous people (SFIP)** (15 per cent). The purpose of this component was to enable indigenous people to be more involved in decision-making through increased representation on local councils and to benefit from increased security of land tenure rights.
20. **Project management** (9 per cent). DAR was the lead implementing agency of the project. At the national level, the Interagency Project Steering Committee reviewed project implementation progress and provided policy and operational guidance. Although DAR had overall responsibility for the project, regional implementation was largely through the regional and provincial PCOs and LGUs, and other government agencies, such as Department of Agriculture, DENR and NCIP, also took an active part. The PFO was located in the project area and closely followed implementation, including releases of funds to NCIP and LGUs at the provincial and municipal levels. The management system was highly localized and decentralized at the municipal LGU and community levels. PCO staff were appointed locally and thus were often well known within the communities. NGOs were engaged to facilitate community planning in support of community institutions⁵ and assist in the mobilization of partners. Implementation at the field level was through community-based people's organizations and SHGs. community institutions were

⁵ The NGOs focused either on community mobilization and organizational development and/or on the provision of technical services.

expected to plan, implement and monitor their own development initiatives in cooperation with a wide range of partners.

21. **Project costs.** At appraisal, total project cost were estimated at US\$21.6 million,⁶ made up of an IFAD loan of US\$14.8 million (68 per cent), and contributions of US\$3.6 million (16.6 per cent) from the Government, US\$2.9 million (13.5 per cent) from the LGUs and US\$0.9 million (4.2 per cent) from the beneficiaries.
22. **Changes in project design.** Apart from a change in the supervision arrangements and a reallocation of funds in 2006 following the mid-term review (MTR), there were no major changes to project design. The project was initially supervised through the United Nations Office for Project Services, but IFAD took over direct supervision in 2006. In addition, a joint supervision arrangement with NEDA was piloted, with full participation of NEDA staff in all such missions. Although there were no formal changes in design, there were frequent readjustments during implementation, in line with the changing context within the project area during implementation.

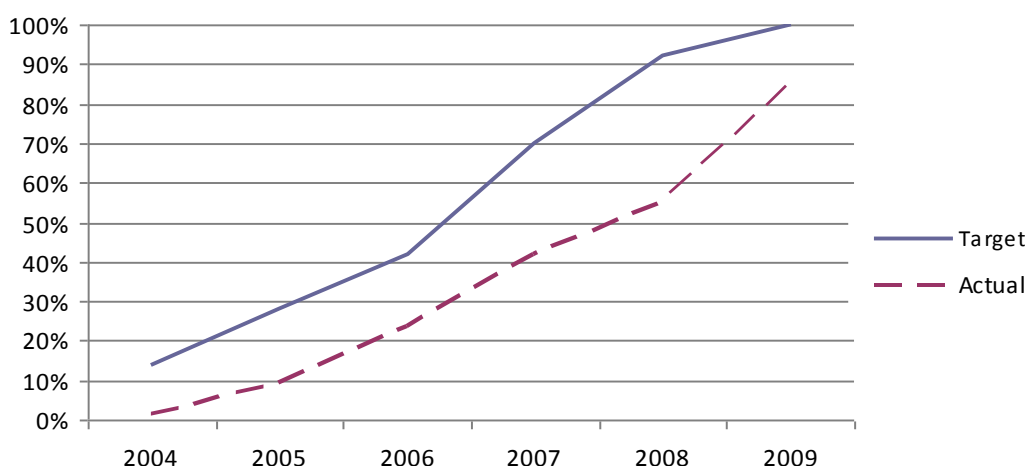
B. Project implementation

23. This section provides an overall assessment of project implementation, particularly with regard to outputs, based on the desk review and findings of the PPA mission. The loan was approved in December 2001, was signed in April 2002 and became effective in April 2003. The loan closing date of December 2009 was extended by six months to June 2010.
24. At 91.25 per cent, the project reached a high overall level of physical achievements.⁷ Loan utilization equated to 88 per cent of financial accomplishments. The higher physical than financial achievements relate to currency exchange rate fluctuations during the project period. Disbursements were slow in the early years of implementation but accelerated in later years. Substantial additional funds, equal to approximately US\$2 million, were contributed by the Government and beneficiaries, largely in support of sustainability activities such as establishing formal offices within the LGUs. These additional funds brought the total value of the project to US\$23.6 million compared with the target of US\$21.6 million. By project closure, owing to exchange rate fluctuations, an amount of US\$3.71 million (SDR 2.284 million) of the original loan remained outstanding and was accordingly cancelled.
25. **Analysis of disbursements.** Figure 1 gives the disbursement pattern of the project during implementation, showing the slower-than-expected disbursements in 2004-2005, steady progress from 2005 to 2009 and accelerated progress from 2008 to 2009. The slow start was caused by office set-up, staffing and resourcing of the project structure. This was the first major, internationally-funded project for some LGUs; therefore, appointing NGOs, training staff, conducting community planning and preparing detailed project proposals all took time. Early challenges also included delays in the approval of loan withdrawal applications, which resulted in DAR providing bridge-financing for some of the most urgent expenditures. From 2007, the exchange rate was favourable to the project and more PHP-equivalent funds became available. Expenditure accelerated accordingly but it was not possible to absorb all available loan funds by project closure.

⁶ Project Completion Report, Working Paper V, Project Costs and Financing, Post-Appraisal Report. The foreign exchange rate of US\$1=PHP 53.95 was used during appraisal.

⁷ Project performance is weighted according to investments per activity and component, in line with NEDA requirements at project start-up.

Figure 1
NMCIREMP loan disbursements (in US\$'000)



Source: Interim Impact Assessment, 2011.

26. As can be seen from table 2, disbursements were used unevenly across the different project components. Three components, CIPD, CII and SFIP, exceeded the amounts budgeted, whereas socio-economic support and studies and NRM under-spent. The reasons for the adjustments were higher-than-expected construction costs for a number of priority infrastructures, a larger number of SHGs than targeted for, and the priority given to activities supporting indigenous people. Conversely, there was less interest than expected in conducting studies because of a stronger focus on direct implementation. The lower-than-projected expenditure on NRM was the result of difficulties in recruiting suitably qualified staff in the early years of the project: hence the identification and implementation of suitable subprojects was delayed. The higher-than-expected project management costs were caused by additional activities under the CII, CIPD and SFIP components, particularly because of the higher-than-expected number of SHGs supported and the increased overall project value, as explained in paragraph 24.

Table 2
Financial performance by component (US\$'000)

| Component | Appraisal | Completion | % Utilized |
|-------------------------------------------------------------|---------------|---------------|------------|
| CIPD (community institutions and participatory development) | 2 845 | 4 445 | 156 |
| CII (community infrastructure investment) | 9 586 | 10 544 | 110 |
| NRM (natural resource management) | 2 204 | 1 905 | 86 |
| SFIP (Support Fund for Indigenous People) | 1 992 | 2 404 | 121 |
| Socio-economic support and studies | 3 087 | 917 | 30 |
| Project management | 1 858 | 3 445 | 185 |
| TOTAL | 21 572 | 23 660 | 110 |

Source: PCR, 2009.

Implementation results

27. A comprehensive review of achievements under the six components is provided in the PCR. A summary of information from the PCR in relation to main project targets is provided within this section. Overall, the project attained and/or exceeded the majority of its planned outputs. Given the demand-driven nature of the project, the

MTR played an important role in adjusting targets to bring them in line with *barangay* priorities.

28. The project followed a participatory approach throughout, which was a major factor in the achievement of targets although a number of difficulties were encountered, particularly in the early years of implementation. The process of developing and streamlining operational procedures was time-consuming and complex, and time was needed to build good communication links among partners. This was particularly the case when the procedures of different agencies were incompatible, e.g. when indigenous approval processes for free, prior and informed consent were required for infrastructure sub-projects. On the other hand, this ultimately proved to have made a valuable contribution to smooth implementation, good overall performance and a range of innovations later in the project.
29. **Community institutions and participatory development.** This component aimed at establishing and/or strengthening viable community institutions. A PAF was established to provide financial help to participating SHGs. Each *barangay* made its own rules on SHG membership: some groups were made up only of community institutions; others of poorer community members not members of a community institution; while others were a mix of community institution members and non-members.
30. The targets for SHG formation had already been exceeded by the time of the MTR. Consequently, output targets were increased and, by the end of the project, the number of operational SHGs was almost triple that of the original target and 89 per cent of the revised target (see Table 3).
31. The number of PAF sub-projects was reduced following the MTR, in response to the request for increased investments in existing SHGs as opposed to supporting new initiatives. The initial PAF allocation to SHGs was only PhP 2,000 (approximately US\$40) per participating SHG (PAF1), which were allowed to decide whether to use the amounts individually or pool them according to their own guidelines. Later allocations were increased to as much as PhP 40,000 (approximately US\$800) for successful SHGs with commercial potential (PAF2). The allocation of funds for PAF2 was slow because the SHGs found it difficult to comply with the requirement to prepare detailed business plans and achieve the level of management necessary for establishing commercial ventures. Overall, the project facilitated the implementation of 719 livelihood activities under PAF1 and 44 community enterprises under PAF2, resulting in 90 per cent accomplishment. The PPA mission found that 92 per cent of such activities were still active and in many cases expanding.

Table 3

Community institutions and participatory development outputs

| | Target | | Achieved | |
|------------------------|-----------|---------|----------|------------|
| | Appraisal | Revised | Actual | Percentage |
| SHGs | 350 | 950 | 841 | 89 |
| PAF subprojects | 1 200 | 841 | 753 | 90 |
| Community institutions | 250 | 245 | 226 | 92 |

Source: PCR, 2009.

32. While the number of community institutions strengthened under the project was close to the target figure, it was adjusted in accordance with the actual number of active community institutions in the project area. In most *barangays*, community institutions were already in existence and the project helped strengthen their activities and finances by means of a standard DAR tool for assessing community institution strength. Overall, the community institutions have given every indication

of stronger capacity, such as increased membership, improved capital build-up, additional enterprise activities and community-based *barangay* improvements (establishing tree nurseries, herbal gardens, etc.). The project assisted in setting up new community institutions, particularly in indigenous people areas and where there had been no community institutions hitherto. Although the number of community institutions assisted was close to the target figure, there were challenges to implementation. While some community institutions experienced leadership changes or internal conflict that affected project implementation, at 92 per cent, overall performance under this component was satisfactory.

33. **Community infrastructure investment.** This component facilitated the construction or rehabilitation of rural infrastructure support facilities based on a detailed *barangay* planning process. The community infrastructures supported included multipurpose community buildings, roads, fishing and environmental infrastructure (see table 4). Although there was an initial target for community infrastructure, the prioritization of subprojects was demand-driven, and consequently there was an understandable shift between targeted and actual implementation. Community demand favoured the expected farm-to-market roads (89 per cent of expected appraisal targets) and exceeded the demand foreseen for potable water supplies (106 per cent) and irrigation structures (164 per cent). An operation and maintenance (O&M) group was established for each subproject and all LGUs had an annual maintenance budget. During the PPA mission, apart from one damaged by floods, the structures visited were still operational. Fish landings and other community structures were not envisaged in the original design but implementation responded to community demand, resulting in the construction of 42 small structures such as community meeting places, small storage sheds and two fish landing stations.

Table 4

Community infrastructure investment outputs

| | Unit of measurement | Target | | Achieved | | |
|-----------------------------|---------------------|-----------|-----|----------|---------------|---------|
| | | Appraisal | MTR | Actual | % (Appraisal) | % (MTR) |
| Farm-to-market roads | Km | 200 | 231 | 177 | 89 | 77 |
| Communal irrigation systems | Ha | 280 | 580 | 460 | 164 | 79 |
| Potable water supplies | Unit | 31 | 40 | 33 | 106 | 83 |
| Buildings & structures | Unit | 0 | 36 | 42 | n.a. | 117 |
| Small fish landing stations | Unit | 0 | 2 | 2 | n.a. | n.a. |

Source: PCR, 2009.

34. **Natural resources management.** This component aimed at enhancing the capacity of local governments and community institutions to plan and execute strategic and integrated watershed/coastal resource actions. As noted earlier, activities under this component were implemented more slowly owing to a number of factors, including difficulty in identifying suitable subprojects, staff turnover and, in many areas, lower priority to NRM activities. Nonetheless, by the end of the project, 285 community institution-based resource management plans had been formulated and integrated into 285 LGU watershed/protected marine area management plans. Such planning was mainly conducted as an adjunct to the sustainability planning process, and has yet to mature. Several strategic activities supported by the project resulted in major NRM benefits, including the enhancement of the master plan for development of Lake Mainit, a major environmental asset in Surigao del Norte, and support for coastal resource management in Surigao del Sur.

35. The component also aimed to establish mechanisms for promoting appropriate farming and fishery systems and technologies. There were no specific targets for activities under this component, however, as it was designed to be responsive to local needs. Implementation results included 30 on-farm research/adaptation sites to test farming and fishery technologies; 175 demonstration sites on various upland farming technologies; 30 rehabilitation/protection/conservation sites; and 20 training sessions/workshops on related technologies. Farmers and fishers at the sites visited had already received formal training or were aware of the sites and learning from the demonstrations conducted.
36. **Socio-economic support and studies.** The aim of this component involved the promotion of enterprises and market opportunities through training of service providers and institutional support to line agencies. It also included the undertaking of 11 practical thematic studies that could contribute to reducing poverty in the target areas. These studies investigated the availability of microfinance organizations, viability of local fishery, improved methods of literacy education for indigenous people, and delivery of health education and technical services to people living both in areas where certificates of ancestral domain claim (CADC) had been issued and in other areas. The study themes were decided on a needs basis and contracted out to suitably qualified local NGOs or individuals.
37. The studies were carried out early in the project. Their quality and extent of their use varied, although some contributed practical recommendations that were incorporated into project implementation. For example, the study on food security concluded that, to overcome seasonal variation, LGUs would need to establish local economic development units to identify better ways of financing food needs during lean periods. This concept has since been adopted by several LGUs and is working effectively. Another study had to do with the process for generating ancestral domain sustainable development and protection plans (ADSDPPs) for indigenous people land titles. Based on the study's findings, improvements were introduced in terms of process and content. This led to the updating of NCIP guidelines nationwide, and is now contributing to more rapid and effective generation of ADSDPPs across the country.
38. Other important initiatives under this component had to do with literacy, health training and support for the school of indigenous knowledge, arts and traditions (SIKAT). Approximately 200 *barangay* health workers (BHWs) were trained in, and received, basic health and extension services under the supervision of the 44 rural health units involved. Eighty-eight BHWs participated in literacy training and 20 SIKAT schools were established in eight indigenous people areas, with 1,212 pupils enrolled. The establishment of these schools was not an initial project target but was rather a local innovation identified through local planning activities to support the continuation of indigenous knowledge and practices.
39. **Support fund for indigenous people.** This component focused on increasing the representation of indigenous people on local councils and improving the security of land tenure rights. Land was issued in 14 indigenous people areas with CADCs converted into secure tenurial instruments known as CADTs, which cover an aggregate area of 299,980 ha and benefit the four major tribes.⁸ In addition, 14 ADSDPPs were formulated and adopted in the plans and programmes of the 70 *barangay* and municipal LGUs involved, thereby ensuring budgetary allocations in their annual investment plans. Although achievements were below those foreseen at appraisal, the performance of this component is recognized by NCIP as very positive compared with the slow pace of similar activities elsewhere in the country (see table 5).
40. Furthermore, the guidelines and processes developed during implementation are now being used by NCIP to ensure greater benefits to indigenous people

⁸ The Mamanwa, Manobo, Higaonon and Banwaon tribes.

communities throughout the country. The other targets added during the MTR also demonstrate the noteworthy results of this component. The increased number of tribal leaders mainstreamed into LGU mechanisms and the strengthening of indigenous people tribal coalitions are having direct results in terms of leveraging funds to support indigenous people communities and in establishing partnerships that are becoming a foundation for broader advocacy initiatives for indigenous people in Northern Mindanao, such as ongoing resources for the SIKAT schools.

Table 5
Support fund for indigenous people outputs

| | <i>Target</i> | | <i>Achieved</i> | |
|---------------------------------------------|------------------|----------------|-----------------|-------------------|
| | <i>Appraisal</i> | <i>Revised</i> | <i>Actual</i> | <i>Percentage</i> |
| CADT | 21 | 14 | 14 | 100 |
| ADSDPP | 21 | 17 | 14 | 82 |
| Tribal leaders joining LGU councils | | 150 | 100 | 67 |
| Indigenous people tribal coalition-building | | 11 | 18 | 164 |

Source: PCR, 2009.

41. **Project management.** The two main deliverables under this component were the establishment of efficient, effective operational structures and mechanisms. In line with targets, some 42 PCOs were established at the provincial and municipal levels. A main requirement of these offices was that they should be compatible with, and embedded within, the LGU structures and thus well linked with other agencies and multi-stakeholder structures. They were able to function smoothly because the lines of authority, human resource management processes, reporting requirements and resourcing procedures were the same as for mainstream LGU operations. As a general rule, staff were recruited locally and already had experience of working with local communities. The project invested in training and capacity-building for LGU and other stakeholder staff, covering participatory planning and project management, computer training and financial management. The PPA mission was informed that the training had been beneficial both to the project and to other LGU activities. Many LGUs had retained staff to continue community support activities, both within the project areas and in other *barangays*. NGOs were engaged to assist project staff in mobilizing the target sectors and facilitating community planning in support of community institutions.⁹ Therefore, project management functioned well overall.

Key points

- Project achieved, and in some cases surpassed, most of its targets.
- Implementation was slow during the initial years of the project as project structures and mechanisms were being established, but then accelerated to reach 91.25 per cent of physical accomplishments overall.
- Major outputs related to securing land tenure for indigenous people, strengthening community institutions and SHGs (almost triple the original targets), and completing priority community infrastructure needs.
- The area of least achievement was in NRM. However, major accomplishments were achieved with regard to watershed and coastal resource protection.
- Project management was embedded within local government unit structures, and functioned well.

⁹ NGOs covered community mobilization and organizational development or facilitation of technical services.

III. Review of findings¹⁰

A. Project performance

Relevance

42. The project's objective of reducing the vulnerability and enhancing the food security of low-income households in the project area was relevant to the Government's own policies and strategies in that regard. The Government has maintained a strong commitment to reducing the incidence of poverty, particularly in Mindanao, in its Medium-Term Development Plan, 2004-2010, the basic aim of which is to fight poverty. In particular, strategies to promote local self-reliance and to support small and disadvantaged communities through self-identified and managed economic, social and environmental subprojects, are aligned with other major objectives under the national development agenda. At the design stage, NMCIRMP's objectives were aligned with IFAD's Country Strategic Opportunities Programme of 2000, particularly as it related rural poverty to a focus on the country's poorest provinces and to targeting both upland and coastal communities to improve tenurial security, indigenous people self-determination and sustainable economic development. These targets became even more relevant in the IFAD's Country Strategic Opportunities Programme of 2009, which included Northern Mindanao in all three of its strategic objectives.
43. NMCIRMP was designed in a participatory manner based on lessons learned from earlier interventions, particularly the Western Mindanao Community Initiatives Project. Experience under that project demonstrated that, although a participatory design approach generates ownership, it is difficult to implement a multitude of activities responding to the needs of many stakeholders in different areas. NMCIREMP placed greater focus on staff capability, area contiguity and implementation coherence, rightly recognizing the importance of watershed areas in Mindanao and the need to integrate or converge services to create a sustainable impact in target areas. The comprehensive multilevel approach required to implement such a project was made achievable by focusing on a contiguous area, responding to the identified needs of the barangays and municipalities rather than of the implementers. The project invested heavily in building up the capacity of implementers to support the interests and priorities of the communities, even if it meant adapting government processes (e.g. through the ADSDPP approach). The result was that the project was considered by project implementers and participants as more relevant than any previous project they had participated in.
44. The MTR of 2006 played an important role in ensuring the relevance of project implementation. The early years involved a high degree of learning-by-doing, studying initial results and developing working relationships that brought together expertise from different agencies. The supervision missions, as well as the MTR, provided an opportunity for the project team (composed of representatives of IFAD and oversight agencies) to review the context in the project area and adjust implementation accordingly. Feedback during the PPA mission indicated that the switch to direct IFAD direct supervision (and the joint supervision mechanism with NEDA) had been an important factor in accelerating project implementation. Direct contact with supervising agencies allowed the project to become more responsive to new and improved ideas, which meant that resources flowed more rapidly to the areas where they were most needed.
45. In summary, the project was judged by the PPA mission to be relevant (with a rating of 5). NMCIREMP was an IFAD-funded intervention with a clear focus: the priority needs of vulnerable communities. The coherent approach through existing institutional and community-based structures ensured that day-to-day project

¹⁰ See annex V for a summary of definitions of evaluation criteria used by the Independent Office of Evaluation and annex VIII.

implementation was properly managed at the local level. The responsiveness of partner agencies facilitated extending the most relevant activities to the participating communities, ensuring that initiatives could be implemented across different sectors. The change to direct supervision by IFAD and the direct involvement of NEDA and DAR in supervision missions allowed for fine-tuning of design during implementation

Effectiveness

46. The effectiveness of NMCIREMP was assessed in relation to the extent to which it achieved its objectives and, ultimately, reduced the vulnerability and improved the food security of target households. The project achieved good results in terms of outputs for each component and most subcomponents. Good target group coverage, improved land tenure status, additional livelihood activities, and social and resource protection activities contributed to improving the livelihoods, food security and stability of an estimated 59,507 households (96 per cent of the target) in the project area. Project effectiveness in relation to the five main objectives – (i) promoting/strengthening self-reliance through community institutions; (ii) conservation and improvement of the natural resource base; (iii) improving village infrastructure; (iv) facilitating the representation of indigenous people on local councils and issuance of secure land titles; and (v) enhancing the responsiveness of LGUs and other service providers to the diversified needs of the community – has been largely positive.
47. **Promoting/strengthening self-reliance through community institutions.** The first objective was to reach vulnerable groups and improve their capacity to lead, organize and carry forward their own development. The target number of community institutions and SHGs was reached and, in the case of the SHGs, exceeded. As shown in table 6, the project was effective in strengthening the target groups' institutions. The first four target groups were identified as highly vulnerable groups. The inclusion of lowland farmers and other community members acknowledged that barangays are heterogeneous and that there are other low-income, vulnerable community members; or, that in community institutions, group members may be from higher-income groups within the community. In this way, the project took an inclusive approach to targeting.

Table 6

Target group coverage in NMCIREMP

| <i>Target group</i> | <i>No. of barangays covered</i> |
|--------------------------------------|------------------------------------|
| Fishers (coastal) | 45 |
| Indigenous people (CADC) | 52 |
| Upland farmers (mountain) | 54 |
| Agrarian reform beneficiaries (CADC) | 79 |
| Lowland farmers/other | Spread over above <i>barangays</i> |
| TOTAL | (Target 270) |

Source: Interim Impact Assessment, 2011.

48. The extent to which the project was effective in reaching the most vulnerable groups was, however, less clear. When the MTR expressed concern that some members of the SHGs and community institutions could be classified as middle-income rather than vulnerable, the project introduced a rigorous selection tool. However, the MTR mission perceived that there was some discomfort, both about the tool and about the households targeted as "the poorest". The most effective arrangement was implemented in communities where the poorest households were not singled out but where the community institution operated with a strategy to obtain the "greatest benefits" for poorer community members. Overall, the

community institutions and SHGs have effectively reached a majority of very poor households. When comparatively better-off households were included they often provided a benefit to other households by contributing resources, skills and leadership (productive poor).

49. The PPA mission explored the aforementioned issue with community members, and learned that, as a general rule, there were high levels of poverty and vulnerability in all the communities targeted. The communities themselves did not consider the spread of benefits to be an issue, preferring project activities to be non-exclusive thereby enabling all interested community members to participate. In some communities, there were viable livelihood activities that immediately benefited vulnerable families. In others, they were beyond the scope of the most vulnerable families because, for instance, of their lack of access to land, the distance to markets, and the high capital investments or running costs involved. However, once such viable activities were established, vulnerable households benefited through increased access to employment or to affordable food supplies. The project helped to make entire communities less vulnerable and, in so doing, improved the resilience of households.
50. The project was particularly effective in establishing and supporting SHGs within participating communities. Some were established as subgroups of community institutions and returned a share of benefits back to the community institutions, whereas others were specific-interest or locality groups operating independently of community institutions. Overall, 841 SHGs were established against the target of 350. The SHGs appear to have been effective thanks to the flexibility of PAF1 design. The composition of SHGs was largely defined by the community institutions and/or *barangay* councils, and members developed their own rules and procedures. Although this resulted in a myriad of systems, each was deemed appropriate to the local context.
51. The PPA mission concluded that proof of the effectiveness of local communities designing their own SHG and PAF rules and regulations was that the majority (92 per cent, as estimated by the PCR) of SHGs are still operating and providing benefits to the community. A few have dwindled in size owing to natural attrition, but the majority are still active and some have even expanded. In some cases, the "big brother" community institution has started additional SHGs. The way ahead for the SHGs is not yet clear: some may continue indefinitely as they are; others may be absorbed into existing community institutions; and yet others may grow, organize and compete with current community institutions. Continued support by the LGUs and other partners will be essential to ensure that, as the SHGs evolve, the same spirit of benefiting the community is maintained.
52. Progress in strengthening community institutions to identify, organize and manage community-based projects was slower. Of the 250 community institutions targeted, 226 received support through training, mentoring and other technical assistance relevant to their priority activities. Their structures and processes imply adherence to cooperative law and require that they be registered associations and function in accordance with cooperative guidelines. Most of the community institutions were small (with an average of 30-50 members) at project start-up; almost all have grown in size (with an average of 50-80 members), with a few reaching higher numbers; and most engage in commercial activities and have managed to establish or expand economic activities. However, the level of growth among business enterprises was not high and, for most community institutions involved, the main activity involved managing the SHGs. During the PPA mission, around 50 per cent of the community institutions spoke of enterprises they had started but which had failed. The frequent turnover in leadership and the voluntary nature of labour provided in community institutions made enterprise development challenging. Nonetheless, the community institutions demonstrated that they were building up knowledge and experience, and learning from their mistakes, which had resulted in

new or adapted small enterprise initiatives more relevant to available markets, their current resource base and managerial capacity.

53. **Conservation and improvement of the natural resource base.** The project's contribution to improving NRM through activities related to the second objective was moderately effective. The component comprised less than 10 per cent of the overall project value. Several difficulties were encountered in implementing NRM activities, e.g. identifying the owners of land on which interventions were to be conducted; involving community members who felt they would receive little in the way of tangible benefits other than demonstrations; and staffing problems early in the project delayed implementation. These delays were largely overcome by implementing the MTR recommendations but the acceleration in implementation was not sufficient to catch up by the end of the project.
54. Positive results were achieved where LGUs or community institutions already had active NRM projects that could be supported and further developed. This was particularly the case in coastal resource management, where LGUs had established community-based fish sanctuaries and in upland areas where indigenous people organizations had designated natural protection zones. The installation or upgrading of water supplies also provided an opportunity to match NRM work with SFIP activities. From an NRM perspective, the most effective work was at the strategic level, where the project supported detailed planning work for Lake Mainit and coastal areas. By supporting multi-stakeholder planning activities, the project encouraged the introduction of resources into fragile ecosystem areas and helped in investment planning for future activities.
55. **Improving village infrastructure.** The third objective, to improve village infrastructure, was implemented in a participatory manner and thus subprojects were aligned to the specific needs of each community. A number of community members stated that they would have liked other types of infrastructure to have been supported (particularly school and health buildings) but this was seen by NEDA as duplicating other investment programmes. Accordingly, the types of infrastructure supported, such as farm roads, irrigation, potable water supply and community buildings, were appropriate to project objectives and facilitated economic activities within *barangays*. The benefits of such infrastructure subprojects led to increased production, more croppings per year, improved access to markets, and more organized, viable and consolidated purchasing/marketing mechanisms.
56. The infrastructure subprojects were largely small-scale activities that could be managed directly by the LGU engineers. In many cases, the senior engineers of provincial LGUs provided technical support and, in some cases, the provinces provided additional resources to complete the infrastructure. On average, there were 4-5 subprojects per municipal LGU, usually a mix of different subprojects in line with *barangay* needs. The implementation of several subprojects created economies of scale and made it worthwhile to establish a specific PCO in each participating municipality.
57. **Facilitating the representation of indigenous people on local councils and issuance of secure land titles.** The fourth objective was to enhance the self-determination of indigenous people within the project area. The project was effective in supporting indigenous people representation and facilitated the membership of indigenous people tribal leaders in LGU development councils (LDCs) and special bodies: (i) 61 indigenous people representatives became members of *barangay* development councils; and (ii) 39 indigenous people representatives became members of municipal development councils (MDCs). To support coalition-building among tribal groups, the project facilitated the signing of 15 intra-tribal and three inter-tribal coalition agreements.

58. The project also worked closely with tribal communities to strengthen their local institutions. Two different types of communities were supported by the project: (i) where the predominant population was made up of indigenous households in an ancestral domain (AD) area; and (ii) indigenous households living in non-indigenous areas. In the AD areas, the main focus was on supporting leaders to convert the informal land claims (CADC) into formal land titles (CADT) and to prepare ADSDPPs. The securing of traditional land titles is a major step in increasing the representation of indigenous people communities and in protecting their culture and knowledge.
59. In non-CADC areas, indigenous people households were encouraged to become involved in *barangay* development planning and to present their views and cultural requirements. As a result, indigenous people representation on councils has increased. The integration of ADSDPPs in 44 LGU plans was an effective way of achieving real progress towards gaining LGU budget allocations and implementing the priorities of indigenous communities. The innovative SIKAT school programme was strongly supported by the communities as a way of improving general education while ensuring that traditional knowledge and values were being passed on to new generations.
60. **Enhancing the responsiveness of LGUs and other service providers to the diversified needs of the community.** Effectiveness in pursuing this fifth objective was really the crux of the project's success. In partnership with the provincial LGUs and other support agencies, the PFO succeeded in activating participating LGUs to take responsibility for implementing project activities in their own local government area. Project staff effectively communicated other NMCIREMP objectives and enabled LGU staff to support local communities to pursue their own development priorities.
61. During the PPA mission, all LGUs clearly justified the activities conducted and demonstrated how LGU support to communities had led to tangible outcomes. The PPA team also examined LGU budgets to confirm that active support and budgetary allocations for community activities were continuing. All LGUs reported how local planning had become more participatory, and appreciated community involvement in subproject implementation. The project database provided information on the range of activities conducted. Of the 47 LGUs involved, 42 (89 per cent) were very active and effective in supporting community priority activities. Five (11 per cent) were only moderately effective in implementing project activities, for example, having achieved only one subproject or not incorporating the community plans into LGU plans. These LGUs either experienced political conflict within their areas of intervention, or their leaders were unwilling to commit the necessary counterpart funds.
62. In addition to staff and budgetary allocations by LGUs, the communities visited by the PPA mission spoke of the improved relationships between community members and LGU officials and staff, which had led to increased visits by LGU staff and more resources reaching the communities. Among other things, such support encompassed more timely veterinary support, agricultural training, free distribution of improved seed varieties, assistance with advocating for improved social services, and liaison with other agencies in relation to tenurial or environmental protection matters. It is worth noting that most of the LGUs saw the project as integral to their ongoing role in supporting local communities. Most importantly, the capacity developed within the LGUs has provided the foundation for continued support to community-based development activities, e.g. the continuation of community-based planning, establishment of an economic development office to continue supporting livelihood activities, and allocations of staff and financial resources for institutional development activities.

63. In summary, although the achievement of NRM objectives was not as extensive as projected at the design stage, all project targets were reached and, in many cases, surpassed. Limited effectiveness occurred in less than 15 per cent of communities as a result of changes in leadership at the community institution, *barangay* and municipal levels. Delays in the flow of funds early in the project caused difficulties, slowing down implementation and causing frustration among implementers. Nevertheless, the initial barriers to effectiveness were overcome, allowing implementation to accelerate, complete the majority of subcomponent activities and reach key performance indicators in terms of coverage and attainment of the five objectives. This resulted in the establishment and strengthening of community institutions, including almost triple the expected number of functional SHGs, which are still actively engaged in livelihood activities. Environmental activities were not as numerous as planned but those implemented showed tangible benefits such as increased fish stocks, rare fauna protection and watershed protection. Rural infrastructure subproject targets were surpassed and there have been positive results in terms of improved movement of agricultural produce, better access to services and availability of agriculture inputs, including irrigation water. Secure tenurial status and greater self-determination and representation has made a solid contribution to addressing indigenous people household priorities. The mobilization of LGUs in active project implementation was a major factor in the project being deemed effective (rating of 5).

Efficiency

64. The closing date of NMCIREMP was extended by six months. The total value of the project reached US\$23.6 million (112 per cent) compared with the US\$21.6 million targeted. Loan utilization equated to 88 per cent of financial accomplishments. Disbursement was slow in the early years of implementation but subsequently accelerated. Additional government funds, in an amount of approximately US\$2 million, were made available to help cover initial requirements for infrastructure subprojects and address initial delays. Exchange rate fluctuations led to higher-than-projected United States dollar and Philippine peso amounts, which left funds available (6 per cent of appraisal allocation) in the final year, which could not be readily absorbed within the remaining time frame, as shown in Table 7.

Table 7

Loan allocation fluctuations during the project period

| Description | Original allocation | | Revised allocation | | Actual utilization at completion* | |
|-----------------|---------------------|------|--------------------|-------------|-----------------------------------|------------|
| | SDR | US\$ | SDR | US\$ | SDR | US\$ |
| Currency | | | | | | |
| Units | 1 | 1.2 | 1 | 1.52 | 1 | 1.49 |
| Total (million) | 11.6 | 14.8 | 11.6 | 17.6 (119%) | 9.3 (80%) | 13.9 (94%) |

Source: PCR, 2009.

* Utilization increased to 88 per cent by loan closure.

65. Project management costs increased, from 15 per cent to 25 per cent, during implementation in response to the increase in project value, heavy investments in sustainability planning and activities towards the end of the project. This led to staff being retained beyond the expected contract duration. The increase was financed by government funds, which were directly invested in sustainability planning and measures to continue support beyond the project period (e.g. training, establishing offices within LGUs, and so on.).
66. A detailed economic analysis was undertaken for the PCR in 2009. The economic internal rate of return (EIRR) was calculated at 34 per cent compared with an indicative EIRR of 27.3 per cent at appraisal. The PCR enumerated benefits from both individual and group enterprises. At the time of PCR preparation, a number of the group enterprises were still in the early stages of implementation with support from PAF2. The PPA mission noted that the expected benefits from poultry

enterprises had not been realized as most of them had been affected by disease or other calamities and were discontinued. Similarly, returns for piggery enterprises were adversely affected by feed costs and those for agricultural activities by increased farm input costs. On the other hand, some enterprises, particularly food processing enterprises, exceeded PCR estimated returns. In communities where infrastructure has been improved and the community institution has engaged in bulk purchases and discounted sales of agricultural inputs, economic benefits have also exceeded PCR estimates. Consequently, an EIRR of 34 per cent is considered valid.

67. At the time of the PCR, the cost-benefit ratio for the project was calculated as US\$414 per household. This compared favourably with similar IFAD-supported projects in the Philippines, such as Western Mindanao Community Initiatives Project with its estimated cost-benefit of US\$124 per household but with lower economic returns¹¹ and the Cordilleras Highland Agricultural and Resource Management Project that had a cost per beneficiary of US\$460 and an EIRR of 20.1 per cent. Other evidence of project efficiency is the good condition of completed subprojects two years after project completion. This has been achieved partly as a result of community efforts to maintain infrastructure but also thanks to the project's policy stipulating that unless infrastructures were well-maintained for a period of ten years, grants received via the Municipal Development Fund Office were converted into loans (to be repaid). DAR's multiagency inspection team conducts regular but random spot checks on infrastructure to ensure that LGUs comply with this policy.
68. Based on the above findings, the PPA notes that NMCIREMP implementation has been moderately efficient (rating of 4). The cost-benefit ratio and project management costs were higher than for other comparable projects in the country, despite the positive EIRR in the order of 34 per cent. Still, it should be noted that focused investment in the project area gave rise to additional long-term benefits, such as LGU capacity-building and the convergence of different initiatives to provide a platform for future economic growth initiatives.

Key points

- The project was relevant to the Government's and IFAD's strategic directions and to poverty reduction objectives in the Philippines.
- One of the project's strengths was its flexibility in responding to specific community needs and contexts.
- The project was largely effective in reaching the designated target groups and in achieving its five objectives.
- The SHGs were very effective but the community institution support activities were constrained by changing leadership and difficulty in establishing larger-scale enterprise activities.
- The cost-benefit ratio and project management costs were higher than for other comparable projects in the country, notwithstanding the fact that NMCIREMP exceeded the expected EIRR of 27.3 per cent; at the time of the PCR, the EIRR was estimated at 34 per cent.

B. Rural poverty impact

69. The project's impact has been assessed according to five standard IOE evaluation criteria, namely: (i) household income and assets; (ii) human and social capital

¹¹ The evaluation of Western Mindanao Community Initiatives Project in 2009 did not recalculate the EIRR for the project as a whole, although returns were calculated for some productive livelihood activities such as savings of 22 per cent on production costs for Masipag Rice Technology (MRT) and net earnings of 15 per cent from some income-generating activities (page 33, paragraph 134, of the report).

and empowerment; (iii) food security and agricultural productivity; (iv) natural resources and the environment; and (v) institutions and policies. However, there is no firm basis for assessing impact because no detailed baseline survey was conducted. Nonetheless, to the extent possible, the PPA assessed this through a triangulation based on PCR findings, the IFAD Results and Impact Management System, an impact assessment¹² completed in March 2011, available poverty data on the project area, and its own direct findings.

70. **Household income and assets.** The project aimed to increase the production and incomes of participating households based on individual investments through the PAF. The impact assessment of NMCIREMP found that the increase in participants' real net income was 19 per cent, well above the target of 5 per cent. This finding was arrived at through recall interviews with project participants and by estimating "before and after" net household income. The majority (67 per cent) of such increases came from on-farm improvements; the remaining 33 per cent was generated through improved off- or non-farm activities. According to the findings of the PCR and PPA, some SHGs invested in agricultural production that led to a more than doubling of yields and net income; others achieved a social benefit, e.g. increased nutrition from animal production, but no net gain in household income. Overall, the PCR and PPA found there had been a positive increase in the net income (5 per cent or more) of most households.
71. Table 8 shows the estimated household income and the proportion spent on assets and other expenditures by the different target groups. At the time the data was being collected, the poverty threshold for Northern Mindanao was PhP 83,000 per annum. The average income for all target groups was lower than the aforementioned amount, demonstrating that the incidence of poverty in selected project areas was high, even with project support. Information on expenditures for food and other items, including assets, demonstrates how the target groups invested their increased income. The table also shows that lowland farmers were those most able to invest in assets and that indigenous people bought food rather than assets. The project contributed more broadly to increased collective savings and generation of assets through the PAF schemes. These often included a compulsory savings scheme or a capital build-up contribution by SHG members, and generated a gradually increasing pool of savings within the community (during the PPA, community funds ranged between PhP 5,000 and PhP 20,000). These funds are now being used to finance additional and/or expanded enterprise activities for both individual households and group ventures.

Table 8

Income and expenditure of NMCIREMP target groups

| | <i>Av. income (PhP) per annum</i> | <i>Percentage spent on food</i> | <i>Percentage spent on education</i> | <i>Percentage spent on assets</i> | <i>Percentage spent on other items, transport, etc.</i> |
|-------------------------------|-------------------------------------------|-------------------------------------|----------------------------------------------|-------------------------------------------|-----------------------------------------------------------------|
| Fishers | 48 241 | 59 | 17 | 11 | 13 |
| Indigenous people | 50 219 | 84 | 10 | 0 | 6 |
| Upland farmers | 66 409 | 60 | 11 | 16 | 13 |
| Others (labourers/employees) | 70 388 | 67 | 13 | 11 | 9 |
| Agrarian reform beneficiaries | 78 273 | 51 | 17 | 5 | 27 |
| Lowland farmers ^A | 80 836 | 55 | 14 | 23 | 8 |

Source: IIA of NMCIREMP, data collection, 2009.

^A Lowland farmers were not specifically targeted. However, in agrarian reform community areas, some farmers are not beneficiaries of the land titling activities but are included in other community development programmes.

¹² Conducted by the Southeast Asia Regional Centre for Agriculture. The assessment involved 1,125 respondents; 900 project participants and 225 control respondents.

72. Overall, the project's impact on household income and assets is judged as satisfactory (rating of 5). The impact assessment estimate of a 19 per cent increase in real net incomes (compared with the target of 5 per cent) may be excessive given the lack of a rigorous baseline survey and the fact that it was calculated on the basis of interviewer recall. Nevertheless, there is sufficient evidence from other sources, such as progress reports, stakeholder feedback and direct interviews with participants during the PPA, to confirm that an increase in net income of at least 5 per cent has been achieved and probably surpassed. There is evidence of increased asset accumulation, particularly in rice farming areas. The higher level of financial liquidity within the communities is due to increased household savings and reduced borrowing; greater enterprise skill capacity has reduced vulnerability.
73. **Human and social capital, and empowerment.** The project aimed at building up social capital through establishing and strengthening community institutions and SHGs. As noted previously, the project was very successful in the formation and strengthening of SHGs, with 841 functioning groups compared with a target of 350. Moreover, some 18,587 households were benefiting by project closure, which amounts to nearly three times the number expected. For the majority of them, this was a new experience that obliged them to learn new skills. The level of both individual and broader social capital development through the SHGs was considerable, as demonstrated by members articulating how they had built up knowledge and experience through their groups' activities. Operating an SHG involves regular meeting, savings, planning, decision-making and collective poverty reduction initiatives.
74. The project strategy of supporting SHGs to define and implement their own policies and regulations was a big learning step for many community members who had to decide how the funds would be invested and what disciplinary measures would be implemented for delinquencies. The various supervision missions reported complaints about the limited funding available through the PAF but the PPA mission found it appropriate given the high-risk activities involved. SHG members learned to use this small initial funding and were subsequently able to access and manage larger amounts over time. The direct decision-making and financial management requirement for SHGs generated very strong empowerment and ownership of the process, all of which contributed to the generation of benefits through the SHGs.
75. The increased social capital generated through the community institutions was also noticeable in terms of increasing their membership and attracting more community members to engage in development activities, thereby increasing the project's impact across communities. This is also demonstrated by the ability of community institutions to engage in an increasing number and diversity of enterprise activities that brought greater benefits, and to more members. The pace of community institution organizational growth is very slow and the full potential of such grass-roots organizations has yet to be fully harnessed. community institutions frequently struggle with limited capital and skills for their own development coupled with leadership conflicts. Although the project surpassed most of its targets for institutional strengthening, the path to organizational maturity is not yet accessible to many community institutions, and consequently there is still a degree of dependency on external support agencies.
76. The project supported training for specific activities, including inter alia organizational development for community institutions, technical training for specific enterprises and courses for health workers. Both the IIA and the PCR showed that the skills developed were being applied in target communities, as supported by the PPA findings. The community members interviewed said they had learned new skills and were using them. Even where PAF1 activities had not been successful, community members explained how this had taught them to be more realistic in developing business plans and investing community funds. More

importantly, the project invested in strengthening support networks between the communities and the LGUs and other support agencies. The forging and strengthening of relationships has greatly assisted in building up knowledge, awareness, and skills among community members and project implementers.

77. The membership of indigenous people tribal leaders in LDCs and other special bodies (see paragraph 57) not only exceeded targets but also had a significant impact both on them and on the communities they serve. As LDC members, they are directly involved in local decision-making and are able to advocate for their communities. This has meant that these leaders have been able to convince government agencies to invest in local infrastructure and programmes, thereby strengthening their governance capacity and confidence. The signing of 15 intra-tribal and three inter-tribal coalition agreements involved meetings between entire communities of tribes, which had a significant impact on all sectors of the community in terms of raising knowledge of indigenous people culture and of inter-tribal negotiation and action. The outcome of such forums have been agreements on land boundaries and, inter alia, on land titling and establishment of nature reserves.
78. Another important NMCIREMP achievement was its focus on traditionally marginalized target groups often left out of mainstream empowerment processes. Of all direct project participants, 60 per cent were women. The impact on women is evident from the high proportion that were present at PPA mission meetings and their ability to speak out (see also paragraph 102). Although not officially recorded in the PCR or other documents, all LGUs visited during the PPA mission had increased their proportion of women counsellors, usually from project-supported *barangays*. Men interviewed by the PPA mission said that women were playing a greater role within their families and communities, and that some were bringing in more household income than they were. Thirty-nine per cent of all participants were from indigenous people households, indicating that project activities reached this traditionally marginalized target group. Both women and indigenous people played a major and active role in the project, as reported in documents on training, meetings, SHG activities and infrastructure development. Overall, the project's impact on human and social capital and empowerment is judged to be satisfactory (rating of 5)
79. **Agricultural productivity and food security.** The project made a direct contribution to improving agricultural productivity and food security through its irrigation and potable water subprojects, which increased water for crops and livestock. The irrigated area achieved was almost double appraisal targets (see table 4, CII outputs). The PPA mission found that in one irrigation area croppings had increased from one to two per year. For 80 per cent of farmers, the second cropping was rice, leading to a doubling both of yields and of household income. For the remaining 20 per cent, the second crop was a legume, which improved household nutrition and income by around 50 per cent. However, the IIA noted that multiple cropping could be seen in 33.3 per cent of NMCIREMP households compared to 26.1 per cent within the control group, indicating that agricultural improvements were not evenly distributed across all participating communities. Through the SHGs, most villages invested in vegetable production and livestock development, which contributed to both improved food supply and income generation.
80. The improvement in food security was only moderate. The IIA found that "hungry seasons"¹³ declined by 10 per cent (from 73 per cent to 63 per cent) during the first season but then increased from 31 per cent to 34 per cent during the second, reportedly owing to flooding prevalent in the project area when the data was

¹³ A "hungry season" is when a household does not have enough food for three full meals per day for all household members.

collected. Table 8 shows that a substantial proportion of all household income is spent on food and that, in the most vulnerable communities, little or no funds are available for generating assets, which shows that food security is still a problem in the project area. Consequently, the PPA assessment is that the impact on agriculture production and food security was positive but variable across different communities, and is therefore judged to be only moderately satisfactory (rating of 4).

81. **Natural resources and the environment and climate change.** Here, the project's objective was to develop areas for implementing the conservation, protection and improvement of watersheds and fragile coastal areas. Overall, the direct impact was limited but the project's contribution to building up awareness of the need for improved practices was important, particularly as integrated pest management and organic fertilizer was being adopted in some areas. In the area where farming system training was conducted, farmers are now using a mix of organic and inorganic fertilizer, depending on the availability of materials and costs, and it is planned to increase production of local, low-cost organic fertilizer.
82. Watershed protection measures, an integral part of all water supply subprojects, have been successful in protecting water sources by setting rules and regulations that are prominently displayed; the PPA mission saw community institution records of the fines imposed for non-compliance by community members. The proposed demonstration effect for planting suitable trees in watershed areas was noted in three areas. Watershed protection as a means of agroforestry has not yet been replicated to any appreciable extent. However, there is latent potential for this because the inputs occurred late in the project and may be activated once the trees start to reach maturity and benefits become more visible.
83. The work on mangrove rehabilitation, as witnessed by the PPA mission and recorded in project data, was impressive. There is now a series of fish sanctuaries and mangrove rehabilitation areas across the project area, mainly thanks to the communities' long-term commitment to such work under the leadership of an LGU coalition on coastal resource protection. This coalition has been in operation for many years and has introduced major changes to both fish stocks and community practices. Nevertheless, the project succeeded in increasing knowledge and strengthening partnerships for good NRM practices through supporting SHG coastal rehabilitation projects and participating in the coalition's planning meetings. In one community,¹⁴ the construction of a fish sanctuary guardhouse (operated by community members) with NMCIREMP support has been of great benefit to local fishers. This prominent structure clearly delineates the fish sanctuary boundary and helps deter poachers; it was reported that poaching has been reduced by about 60 per cent since its installation. The community institution has carried out extensive mangrove rehabilitation, is engaged in coastal fisheries research and has a viable café and training centre.
84. With regard to climate change, there has been an increasing awareness in terms of its effects on the country, including Mindanao. Local officials interviewed by the PPA mission reported, for example, that the southern portion of the island rarely experienced flooding until now. Notably, due to its geographical location, the Philippines are frequently hit by typhoons, floods, landslides, droughts, earthquakes and volcanic eruptions. Yet, such phenomena have markedly increased. For example, in 2010, the Philippines ranked third in the list of countries with the most reported natural disasters and in 2009, the country ranked first. The intention is now to switch focus towards disaster preparedness instead of disaster response and rehabilitation.

¹⁴ Mahabini, Surigao Del Sur.

85. Overall, more could have been achieved with regard to NRM had these activities been initiated earlier in the project. The impact on the environment and natural resources is therefore deemed only moderately satisfactory (rating of 4).
86. **Institutions and policies.** The project made a significant important contribution to institutional development in and beyond Northern Mindanao, particularly with regard to strengthening local government because the project was embedded in the devolved regional, provincial, municipal and *barangay* institutional structures. During the PPA mission, several LGUs explained how the training and practices supported under the project had been applied in other *barangays*, how they had improved several governance processes, particularly for subproject design and implementation, O&M mechanisms to enhance sustainability, and participatory planning. Even two years after project completion, a number (estimated to be more than half) of the participating provincial and municipal LGUs have maintained staff in the same implementing unit to continue supporting the sustainability plans. One LGU has converted the project unit into a formal enterprise development unit, with staff permanently assigned to supporting the participating *barangays* and transmitting lessons learned to other *barangays* in the municipality.
87. One project contribution to the wider policy and institutional framework was the conversion of CADCs into CADTs. The Indigenous People's Rights Act (1997) was designed, inter alia, for the purpose of securing tenurial rights to ancestral land for tribal groups. Some 14 CADCs were converted into CADTs and associated ADSDPPs were formed. Only one other CADT has been issued in the country, but in a non-project area. The experience helped to move a new, untried policy into mainstream implementation. A number of processes have been improved and are now being adopted throughout the country, such as for establishing coalitions of indigenous people to identify land boundaries, reducing the time needed for free, prior and informed consent to facilitate approval of projects in line with government requirements, and merging local indigenous people laws with LGU by-laws. These advances are the result of implementation experience and the advocacy of indigenous people leaders trained and supported with project support.
88. Another process of national significance, strengthened thanks to the project, was the improved interagency convergence of services. The formation of the Association of Caraga¹⁵ Executives, which brought together senior management of all regional rural development agencies including DAR, DENR, Department of Agriculture, NCIP, LGUs and other entities, greatly facilitated project implementation. Senior-level liaison led to greatly improving the awareness among agencies with regard to plans and programmes that might be advanced through the project. The agencies pooled their expertise by capitalizing on the field network of DAR and the LGUs as a framework and mechanism for accelerating other agencies' technical programmes relevant to the communities (e.g. Department of Agriculture's agricultural programmes, DENR's watershed protection programmes and free, prior and informed consent processes at NCIP).
89. While this "convergence" approach helped all agencies to achieve their targets more rapidly, the initial incompatibility between agency processes in the early stages of the project slowed down implementation. However, as implementation proceeded, joint projects benefited a number of communities. For example, in one area,¹⁶ several communities reported on good opportunities for development in an area close to the lake. A number of LGUs coordinated with Department of Agriculture, DENR and DAR in this regard, which resulted in the mounting of a multifaceted project in an area where agency jurisdictions overlapped. It also led to the rehabilitation of a 0.9km road that ran through rice fields to a small fish-landing station in a protected area monitored by DENR, and construction of a

¹⁵ The Caraga Region is made up of five provinces: Agusan del Norte, Agusan del Sur, Surigao del Norte, Surigao del Sur and Dinagat Islands.

¹⁶ Jabonga, Agusan Del Norte.

wooden footbridge by the LGU concerned. The road has benefited almost 2,000 community members in an agrarian reform area because it provides better access to over 200 ha of farmland and reduces by half the time needed to transport agricultural produce to market. It has also benefited the fishers, as buyers can now purchase their catch directly from the boats and a local indigenous people community collects and sell snails at the same point.

90. The project made a significant contribution to local governance procedures and, in particular, to indigenous people processes and practices. However, it is recognized that the project played only a supporting role with regard to other government processes in place at the time. Active DAR/PCO liaison among implementing partners was a key factor in gradually overcoming difficulties and harmonizing agency procedures. In view of the above, the project's impact on institutions and policies is deemed satisfactory (rating of 5).
91. **Summary of overall impact.** Project benefits were extensive among participating communities, and their impact in terms of improved institutions and policies will have a far-reaching effect beyond the project area. However, this will take time to materialize because the extent of the project's impact on income and assets is not yet sufficient to move the communities out of poverty. Nevertheless, the PPA mission agrees there is potential for further development. The overall impact of the NMCIREMP is therefore deemed satisfactory (rating of 5).

Key points

- The project was relevant to the Government's and IFAD's strategic directions and to poverty reduction objectives in the Philippines.
- NMCIREMP achieved an estimated 19 per cent average increase in real net income for participating households.
- The impact on human and social capital and empowerment was substantial, particularly thanks to the formation of SHGs, training and regular interaction among project partners.
- The impact on agriculture has been only moderate and mainly linked to improved irrigation. The number of people experiencing food shortages has declined and the income generated has enabled them to purchase food. However, household food security is still vulnerable to climatic shocks.
- A positive impact was achieved in terms of NRM and protection, although this was limited by the slow progress of the NRM component in the early years of the project.
- The impact on institutions and policies was satisfactory. The project contributed significantly to enhancing national policies and guidelines for CADT establishment and ADSDPP preparation. The inclusion of plans within mainstream processes has strengthened capacity, interagency convergence, and improved local and national institutional systems.

C. Other performance criteria

Sustainability

92. The sustainability of NMCIREMP initiatives was a major focus of the PPA mission's investigations. The mission's general findings were that, in the main, project investments were not only sustainable but stimulated further development initiatives. Sustainability is discussed under five categories because each facet of the project has its own characteristics, namely, SHGs, community institutions, barangay facilities, environmental initiatives and institutional development.
93. Sustainability of SHGs. While the PCR put the survival rate of SHGs at 92 per cent, the PCRv questioned the extent to which the SHGs were still functional. The PPA mission found that the majority of SHGs supported under the project were very

active. A few (less than 10 per cent) had encountered difficulties and lost members as a result of internal conflict or natural attrition, but these difficulties have been overcome. For instance, early in the project when a group of poor community members decided to purchase piglets and fatten them up for market, the local agricultural officer advised against it because of the cost of feed and veterinary care. The group was keen to own their own pigs and went ahead, but soon discovered that they were unable to keep the pigs healthy and fatten them up sufficiently for the market, and so they were sold (at no profit) and the funds used for petty trading. These people said they had learned to listen to advice and were now more careful with funds. Many of them have now earned enough money from petty trading to keep a pig and pay for feed. Overall, the extent to which all of the 753 SHGs functioning with PAF1 have adhered to policies is remarkable. The fact that these groups are continuing to function effectively, and in many cases to grow, demonstrates that benefits are still accruing to SHG members. These benefits are relatively small owing to limited funding, but when used wisely they can be recirculated in the local economy and generate a supplementary income for SHG member households.

94. The sustainability of the enterprises of 44 SHGs (5 per cent of all SHGs) that have graduated to PAF2 is less certain. PAF2 was a project innovation following the MTR and was aimed at identifying ways of enabling successful SHGs to move on to more sophisticated enterprise ventures. The decision to incorporate a second PAF in project design was in response to demand from the SHGs. Yet, as the groups moved to larger-scale enterprises, their lack of enterprise capacity became more obvious and most experienced initial difficulties in managing larger enterprises, such as negotiating prices with larger buyers and managing cash flows when dealing in greater production quantities. To a large extent, PAF2 activities are beyond the original scope and design of NMCIREMP and call for additional support to ensure that a majority of SHGs survive beyond the project period. The type of business support to be provided is under consideration by DAR and other partners, and is likely to be incorporated into the design of a follow-on project.
95. Sustainability of community institutions. At the end of the project, 226 community institutions were still in existence and less than 5 per cent had declined in membership or capacity (because of internal conflict or changes in leadership). Water and irrigators' associations and the tribal associations, which have a clear mandate to maintain and operate infrastructure, appear to be stable and viable. The cooperatives are still functional, in some cases growing, and are increasingly engaged in more diverse and sophisticated enterprise activities. Towards the end of the project, the PFO was starting to encourage movement into value chain development activities with the cooperatives. Even when a cooperative was performing well in a small-scale activity, it did not always have the capacity to scale up operations. Problems were encountered, inter alia, in negotiating advantageous contracts with buyers, supplying suitable quantities and quality of produce for the market, and lack of efficient machinery and equipment. These activities require a different level of support, which is not always available among project partners. The project gradually strengthened support networks, for instance through stronger links with the Department of Industry and Technology and with NGOs, but this is still at the early stages and, as with the SHGs under PAF2, there is potential for a follow-on project to address these challenges.
96. Sustainability of barangay facilities. Approximately 40,000 households have benefited from rural infrastructure investments in participating barangays. Effective maintenance of the facilities is critical to sustained benefits. The PPA mission found a very high level of maintenance in all ten infrastructure subprojects visited. In addition, the DAR teams that inspect the quality of the infrastructure confirm that all maintenance is of good standard. The community institutions monitor the infrastructure and make improvements and repairs as required, often with funds

generated for that purpose or from allocated government barangay development funds. Whenever a repair is beyond the capacity of the barangays, the municipal LGUs take care to ensure that the facilities are in good working order, mainly thanks to their policy of converting grant funds to loans if the facilities are not maintained properly. It is therefore worthwhile for the LGUs to invest a small amount in repair and maintenance as required. Nonetheless, LGUs met by the PPA mission suggested that any future project should consider providing more durable construction material, particularly for roads affected by heavy rain.

97. Environmental sustainability. Albeit somewhat limited, the project had a positive impact on the environment. In the latter stages of NMCIRMP, its staff worked with LGUs engaged in other programmes to improve environmental awareness and practices among project and adjacent communities. Such programmes are both self-initiated by the LGUs and/or supported through NGOs and DENR. Consequently, project support has helped to reinforce initiatives such as increased use of organic fertilizer, tree planting and mangrove rehabilitation. To a large extent, such initiatives are sustainable simply because they do not require ongoing support. However, the project's overall contribution to environmental sustainability was limited vis-à-vis the level of environmental degradation in the project areas, caused, for instance, by mining and urban development. Such environmental challenges call for more widespread national government controls and interventions.
98. Institutional sustainability. As mentioned throughout this report, institutional sustainability was built into the design and made a major contribution to the project's overall success. Continued resources from LGUs, in both human and financial terms, helped maintain the momentum of development. An unusual feature of NMCIREMP was the Government's decision to invest in sustainability planning with the LGUs, community institutions and SHGs during the last year of the project. This investment was worthwhile because the plans were fully financed with LGU and barangay funds, and commitments for ten years following project completion have been recorded in formal LGU resolutions. The PPA mission was able to confirm the documented and actual implementation of such commitments, e.g. to finance follow-on training initiatives, maintain infrastructure, provide tree seedlings for watershed protection, and employ staff on an ongoing basis. The ongoing nature of the interagency partnerships means that the plans are likely to continue for the next eight years. The greatest risk to sustainability has to do with changes in institutional leadership, but this is mitigated through interagency partnerships that brief new leaders on standing commitments as they are appointed.
99. Overall, the PPA mission found the sustainability of project investments and benefits to be high, particularly given the extent of poverty in the project area and the complexity of interventions. The innovative nature of sustainability planning, i.e. building in long-term LGU commitments for supporting local investments and local groups beyond the project period, has led to a high level of (still ongoing) activity in the communities supported. The sustainability of project investments has improved governance and community processes, and raised the overall level of development in the barangays and supporting institutions. Therefore, project sustainability is judged to be satisfactory (rating of 5), which is in line with the rating given by the Programme Management Department (PMD).

Innovation and scaling up

100. The design of NMCIREMP incorporated five main innovative features: (i) a participatory design process, including both practical and policy elements; (ii) community institutions as the anchor for interventions; (iii) a flexible management approach; (iv) mechanisms for synergy between implementing partners; and (v) secure policy realignment to benefit indigenous people with regard to land tenure security and representation in mainstream processes. The

project has successfully implemented all five areas of innovation, as shown in Table 9; these features largely contributed to good project performance.

Table 9.

Pro-poor innovation

| <i>Innovations planned (as articulated in appraisal report)</i> | <i>Innovations in implementation</i> |
|--------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i) A participatory design process including both practical and policy elements. | Very consultative approach throughout design and implementation at all levels. Structure of local PCOs and a regional PFO were effective. |
| (ii) Community institutions as the anchor for interventions. | The community institutions provided an effective entry point into communities. Linking community institutions and <i>barangay</i> LGUs meant that the strategies for SHG formation were appropriate to the diverse target communities. |
| (iii) A flexible management approach. | Regular missions, particularly joint NEDA/IFAD supervision missions following the MTR, resulted in changes appropriate to project design. |
| (iv) Mechanisms for synergy between implementing partners. | Implementing partners have traditionally worked separately. The early investment by the PFO in establishing working relationships between partners at the regional and provincial levels facilitated a coordinated project implementation. A problem-solving approach during coordination meetings resulted in good implementation momentum. |
| (v) Secure policy realignment to benefit indigenous people with regard to land tenure security and representation in mainstream processes. | The work with land titling for indigenous people was of national significance and involved a series of innovations in both policies and implementation guidelines for land tenure processes in indigenous people areas. This led to achievement of secure land tenure for 14 indigenous people communities and improved indigenous people representation on 39 municipal councils. |

Sources: IFAD. NMCIREMP Appraisal report; MTR, 2006; PCR, 2009.

101. **Additional innovations.** The SHGs have generated many specific innovative schemes and systems appropriate to their local conditions. The success of the SHGs demonstrates the importance of local innovations and the varying nature of the groups. The PAF allowed the communities not only to invest in their own priorities but also to adjust as they learned how to manage funds. In addition, specific innovations have been of importance within the project area. The SIKAT school programme (see paragraph 38), highly innovative in the Philippines and appreciated by indigenous people communities, was a community-based initiative supported by the project. It expanded from one to 20 schools in eight CADC/CADT areas for a total of 1,125 pupils, approximately 40 per cent of whom were girls. The programme complements the DepEd curriculum and integrates cultural customs and practices into basic teaching by calling on traditional elders to teach. The PPA mission found that while several SIKAT schools had closed down, others are going forward with LGU and DepEd support. A number of provinces are already expanding the programme to additional schools.
102. Overall, the planned innovations have been realised and put into practice, thereby contributing to the achievement of project objectives. Implementation of the planned innovations and natural replication of additional ones has reinforced the success of project outcomes. With regards to scaling up, it should be noted that the project design did not envisage scaling up. At the same time, the PPA mission found that the positive results of PAF 1 livelihood initiatives were up scaled into PAF 2 sub-projects focused on community level enterprises. In addition, planned

policy and guideline changes through the CADT and ADSDPP processes have been scaled up at the national level. Overall, there is good potential for scaling up given the high involvement of NEDA in the process. If DAR was continuing in its current form, there would be good potential for scaling up through their internal processes. However, due to the major government changes, DAR may be subsumed into Department of Agriculture and it is almost impossible to discern what will happen in the future if such arrangement occurs. Based on the above findings, innovation and scaling up is judged to be moderately satisfactory (rating of 4).

Gender equality and women's empowerment

103. Particular emphasis was placed on gender equality and women's empowerment in project design. The participation of women was given utmost priority in all the aspects of project implementation. This has addressed issues on gender bias against women and resulted to productive gender participation. It was expected that at least 50 per cent of the community organizers would be women and that at least 40 per cent of all investments would benefit women. Project results indicate that both targets have been exceeded, as 60 per cent of community organizers and at least 60 per cent of all project participants were women. The SIKAT schools and literacy classes have improved educational opportunities for girls. The percentage of women and men between the ages of 14 and 24 who can read increased by 10 per cent from 88 per cent (2005 RIMS survey) to 98 per cent (2009 RIMS survey) in the project area. The increase was greater for women (14 per cent) than for men (11 per cent).
104. The gender oriented approach resulted in increased access of women to leadership positions and involvement in management of community initiatives and provided women more access to funds and livelihood resources, particularly under the PAF. One strategic policy the project implemented was sustaining gender-balance representation in training and project-relevant activities. These provided opportunities for women to have representation and exposure to community development concerns. Women who were formerly confined to tending children and doing routine household chores have assumed the role of becoming leaders of grass roots organizations, which in the past was the domain of men. Women have played major roles as decision makers, taking lead in planning, implementation, and management of community development initiatives. The SHGs had a majority of women members (21,424) compared with men (18,053). The PCRV questioned whether women had just participated in the SHGs without achieving greater representation and mainstreaming, but the PPA mission found that there was a very strong, and growing, shift of women in leadership roles in the SHGs and community institutions, and in LGU leadership. Although this information was anecdotal it was consistent in each community, and was based on the growing economic power and levels of education and skills among women. Overall, NMCIREMP performance with regard to gender and women's empowerment is deemed highly satisfactory (6), which is consistent with the PMD rating.

D. Performance of partners

IFAD

105. The Fund worked closely with the Government and other stakeholders to produce a robust project design. This work continued throughout implementation, when IFAD was actively involved in guiding the process, particularly once it took over direct project supervision in 2006?. At the time of the handover from United Nations Office for Project Services to IFAD, staffing and communication difficulties between the two organizations led to delays in loan fund disbursements. These delays had a significant impact on project implementation over a period of about nine months and resulted in the Government providing funds from its own resources to carry forward essential subproject activities. However, once the handover had been finalized, IFAD's direct supervision proved to be more responsive to project needs. The establishment of an IFAD field presence office has also led to closer relations

between IFAD and the Government and to more responsive country programme management, faster processing of documents and easier logistics. IFAD has actively supported the various innovations within the project, approving implementation adjustments in line with the growing experience of project staff. For these reasons, IFAD's performance is judged to be satisfactory (rating of 5).

Government

106. The Government demonstrated its strong commitment to the project throughout the life of the project. As the main implementing agency, DAR effectively coordinated relations among the different stakeholders, both government and non-government, and its staff at the regional, provincial and municipal to *barangay* levels were heavily involved in project implementation. DAR went beyond its agreed commitment to the project by providing bridge financing when there were delays in funding so as to ensure that critical activities could proceed. Other government partners in the PSC were actively involved in the project, providing the necessary links with their respective agencies to facilitate effective coordination at the field level. The process of building up strong interagency partnerships took time but the level of commitment was maintained and difficulties were overcome. The Government also provided additional resources over and above its original allocation to the project, and was actively engaged in joint supervision. Furthermore, the continued commitment of all agencies to implementing the sustainability plans with existing resources made a major contribution to ensuring the sustainability of project gains and its positive impact. Overall, DAR provided fully adequate management and technical support in project implementation. It facilitated coordination with the oversight agencies, such as NEDA, DBM, and DOF in terms of compliance with documentation, reporting systems, financial systems, and fiduciary requirements among others. DAR also facilitated coordination with the cooperating agencies (Department of Agriculture, DENR, NCIP, DILG, and others) to ensure provision of technical support to the project. The loan covenants were satisfactorily complied with. Consequently, the Government's performance is judged to be highly satisfactory (rating of 6).

Key points

- The project was relevant to the Government's and IFAD's strategic directions and to poverty reduction objectives in the Philippines.
- It is highly likely that the majority of NMCIREMP investments will be sustained. The survival rate of SHGs is 92 per cent and, in some areas, additional SHGs are being formed with the roll-over of funds generated through the initial SHGs. All 226 community institutions are still operating beyond the end of the project. Infrastructure subprojects are being maintained well.
- Important innovations have been supported through the project, particularly improved processes for CADC-CADT conversion and ADSDPP preparation, which are now being replicated nationwide, notwithstanding the fact that project design did not envisage scaling up.
- LGUs are replicating the project approaches and practices in non-project barangays, leading to supplementary benefits.
- Partnerships among the multiple project stakeholders took time to develop and initially slowed down implementation. Ultimately, however, they were a key factor of project success.

E. Overall project achievement

107. Based on a review of available documentation and the PPA mission's findings two years after project closure, several PCR ratings are confirmed. The PCR desk assessment questioned the validity of the ratings for (i) relevance, (ii) household income and assets, (iii) sustainability, and (iv) gender, proposing that they should

be lowered on the basis of the PCR. However, with the benefit of two years of further consolidated growth, the rating on sustainability is confirmed. Overall project achievements are judged to be satisfactory (5), which is consistent with the PCR's overall rating.

IV. Conclusions and recommendations

A. Conclusions

108. Overall, and despite its complex design and the vulnerability and diversity of Northern Mindanao communities, the project achieved positive results, having overcome a slow start-up and initial difficulties with the flow of funds. A well-equipped and staffed project facilitation and coordination network, embedded within permanent institutional structures, operated effectively. This active implementation mechanism is still functional, resulting in continued support to participating communities, albeit with a lower level of resources.
109. The project met and surpassed many of its output targets for: establishing and strengthening community institutions and SHGs; participatory planning; infrastructure improvements; support to indigenous people; and policy and institutional development. It also had a positive impact on women's mainstreaming and supported a wide range of initiatives of benefit to women. The PAF proved to be an effective tool for supporting local development priorities. This was not just because of the availability of funds: the most important feature was the "learning-by-doing" experience of using enterprise funds. The close support of project implementers, particularly LGUs, were important in helping to guide implementation. Three main lessons may be drawn from project experience at the operational and policy levels, as summarized in the specific conclusions below:
110. **A project structure integrated within LGUs is more likely to sustain project investments.** Implementation proceeded well because the project facilitated and strengthened existing mechanisms. The implementation structures were complex, with many different partners involved, but the critical partnership was the link between the community and the LGU. The field implementers brought a level of knowledge and skills to a process that was further enhanced through the project, and have remained in the project area to reinforce and build further on project gains. The LGUs, even if they still have weaknesses, continue to operate in the project areas and assist in implementing sustainability plans. In this way, the sustainability of activities was embedded within the institutional structure of the project area from the start. The other relationships developed among project stakeholders are now providing a firm platform for future investment and other development opportunities.
111. **Responsiveness to diversity in community capacity builds up self-reliance for future programming.** The project worked with diverse target groups in different agro-ecological situations. The communities were at varying stages of maturity and had a wide range of interests and needs. There was a danger that the project's efforts could have become confused, too standardized to meet the needs of all target groups, or too dispersed. However, participatory planning enabled the communities to develop coherent plans with the LGUs, that were appropriate to the local context and level of expertise at the time. The modus operandi of the PCOs and PFO was to offer the best possible support to those plans, irrespective of other programmes in the area. This approach ensured the interest and ownership of local communities and helped develop relationships that could be built up to integrate other development programmes and opportunities at a later date. Each community then evolved and matured at a rate that was in line with the capacity of the leadership and community members. The project was able to implement this approach because the PFO was close to the project area and easily accessible to implementers. Direct (joint) supervision by IFAD and NEDA with DAR meant that detailed support and guidance was provided regularly, and that the implementers

had easy access to decision-makers when approval processes or guidelines needed to be “fine-tuned”.

112. **Support to local innovation yielded high performance.** A number of local innovations arose as a result of supporting households, communities and local governments to find their own development path. The PAF allowed the SHGs both to take risks and to learn from their mistakes. If a larger fund had been made available, without the intensive support of the early stages, these mistakes might have led to overall failure rather than assisting in incremental “learning-by-doing” steps. Accepting that new processes need to be developed gradually and that learning takes time, allowed the project partners to be patient and gradual in terms of initiatives. Similarly, the process of improving CADT and ADSDPP processes needed to be done through practical implementation and learning from the real process, rather than trying to follow a theoretical approach. The feedback from the implementers was that the available guidelines at the start of the project were not appropriate to the needs of local people. By documenting the process as it occurred, the project was able to develop realistic guidelines that could be more easily implemented.

B. Recommendations

113. The following recommendations are intended to be of use to IFAD in further developing its portfolio in the Philippines. They are also designed to assist the Government, in view of the move towards more integrated government implementation related to rural development.
114. **Build on LGU–community links.** In the project area, the strong link between communities and LGUs has created potential for further development initiatives, and the focus of future any initiatives should be on building up these links. Training and capacity-building, for instance in value chain development, should include representatives of both the participating communities and LGUs. This will provide parallel skills development for relevant enterprise operators and local officers. LGUs need to target local investment and amendments to by-laws in order to support economic and social investments. Leveraging resources of communities, LGUs and partners will maximize benefits and address risks. Harnessing goodwill where LGUs and communities wish to maintain effective working relationships will assist in overcoming the inevitable challenge of new and expanding initiatives. Good interagency linkages are also vital to sound project implementation. In new projects, investing resources into developing long-term collaboration among the communities, LGUs and other partners could provide an important basic building block for many different types of interventions.
115. **Provide investment to support implementation of ADSDPPs.** The advances in indigenous people development through NMCIREMP have been laudable. Previously, most indigenous people communities had limited access to external support, but developing the ADSDPPs has helped build up the skills of, and empower, such communities. However, few initiatives identified in the ADSDPPs have been implemented to date. If resources to support implementation do not become available, this may give rise to disillusion and disempowerment. Resources will be needed to support the specific actions identified in the ADSDPPs so far developed. The implementation of ADSDPPs will also help ensure that the land now legally secured for indigenous people can be productive in such a way that is consistent with indigenous knowledge and practices. This is likely to entail providing support to NCIP so that its capacity can be developed in the same way as LGUs were supported through NMCIREMP. In this way, NCIP will be able to continue supporting the indigenous people in a sustainable manner, to the benefit of very poor communities.
116. **Provide flexible innovation funds to allow poor people to finance their own solutions.** The PAF was useful for supporting innovative and unique development

opportunities within communities. In the initial stages, small amounts of funds were involved and access to larger amounts was restrictive and difficult to achieve. The design of a more responsive innovation fund, with associated business planning advice and risk management support, would assist communities to explore and expand their own innovations without any undue threats to their livelihoods.

117. **Develop a new suite of skills to support commercial (value chain) development initiatives.** The project effectively assisted the small SHGs and community institutions but was less able to support larger-scale enterprises. This meant that the economic potential and readiness of communities to take the next step in moving out of poverty were constrained. The current structure of the community institutions, where the leadership changes frequently and the organizations are multifunctional, may not be the most effective for long-term economic growth. Some SHGs show potential for being more flexible and economically focused than the community institutions, and may well be a better avenue for enterprise growth. New partnerships are required for the purpose of supporting such activities, but such partnerships are likely to be with the private sector, including banks, business associations and technical support organizations.

Rating comparison

| Criterion | IFAD-PMD ratings ^a | PPA rating ^a | Rating disconnect |
|---------------------------------------------------|-------------------------------|-------------------------|-------------------|
| Project performance | | | |
| Relevance | 6 | 5 | -1 |
| Effectiveness | 5 | 5 | 0 |
| Efficiency | 5 | 4 | -1 |
| Project performance^b | 5.3 | 4.6 | 0.7 |
| Rural poverty impact | | | |
| Household income and assets | 5 | 5 | 0 |
| Human, social capital and empowerment | 6 | 5 | -1 |
| Food security and agricultural productivity | 4 | 4 | 0 |
| Natural resources, environment and climate change | 4 | 4 | 0 |
| Institutions and policies | 5 | 5 | 0 |
| Rural poverty impact^c | 5 | 5 | 0 |
| Other performance criteria | | | |
| Sustainability | 5 | 5 | 0 |
| Innovation and scaling up | 5 | 4 | -1 |
| Gender equality and women's empowerment | 6 | 6 | 0 |
| Overall project achievement^d | 5 | 5 | 0 |
| Performance of partners^e | | | |
| IFAD | 5 | 5 | 0 |
| Government | 6 | 6 | 0 |
| Average net disconnect | | | 0.06 |

^a Rating scale: 1 = highly unsatisfactory; 2 = unsatisfactory; 3 = moderately unsatisfactory; 4 = moderately satisfactory; 5 = satisfactory; 6 = highly satisfactory; n.p. = not provided; n.a. = not applicable.

^b Arithmetic average of ratings for relevance, effectiveness and efficiency.

^c This is not an average of ratings of individual impact domains.

^d This is not an average of ratings of individual evaluation criteria but an overarching assessment of the project drawing upon the rating for relevance, effectiveness, efficiency, rural poverty impact, sustainability, innovation and scaling up, and gender.

^e The rating for partners' performance is not a component of the overall assessment ratings.

Basic project data

| | | | Approval (US\$m) | | Actual (US\$m) | |
|------------------------------|-------------------------------------------|--------------------------------------------------|------------------|-----|----------------|-----|
| Region | Asia and the Pacific | Total project costs | 21.6 | | 23.6 | |
| Country | The Philippines | IFAD loan and percentage of total | 14.8 | 68% | 13.9 | 59% |
| Loan number | 577-PH | Borrower | 3.0 | 13% | 4.2 | 18% |
| Type of project | Rural | Local government | 2.2 | 10% | 4.0 | 17% |
| Financing type | E | | | | | |
| Lending terms ^a | HC | | | | | |
| Date of approval | 06 December 2001 | | | | | |
| Date of loan signature | 08 April 2002 | Beneficiaries | 1.5 | 7% | 1.5 | 6% |
| Date of effectiveness | 01 April 2003 | | | | | |
| Loan amendments | | Number of beneficiaries | 58 500 hh | | 55 907 hh | |
| Loan closure extensions | 6 months | Cooperating institution | | | | |
| Country programme manager(s) | Baldwin Ramesh Roy Jatta Wang | Loan closing date | 31 December 2009 | | 31 June 2010 | |
| Regional director(s) | Roy Elhaut | Mid-term review | | | September 2006 | |
| PCR reviewer | Luigi Cuna | IFAD loan disbursement at project completion (%) | | | 88 | |
| PCR quality control panel | Fabrizio Felloni Andrew Brubaker | Date of PCR | | | August 2010 | |

Sources: PCR, PCRV and Project and Portfolio Management System (IFAD).

^a There are four types of lending terms: (i) special loans on highly concessional terms, free of interest but bearing a service charge of three fourths of one per cent (0.75%) per annum and having a maturity period of 40 years, including a grace period of 10 years; (ii) loans on hardened terms bearing a service charge of three fourths of one per cent (0.75%) per annum and having a maturity period of 20 years, including a grace period of 10 years; (iii) loans on intermediate terms with a rate of interest per annum equivalent to 50% of the variable reference interest rate, and a maturity period of 20 years, including a grace period of 5 years; (iv) loans on ordinary terms with a rate of interest per annum equivalent to one hundred per cent (100%) of the variable reference interest rate, and a maturity period of 15 to eighteen 18 years, including a grace period of three years.

Terms of reference

I. Introduction

1. The Peer Review of the Independent Office of Evaluation (IOE) of IFAD, conducted by the Evaluation Cooperation Group (ECG) in 2010, recommended IOE to transform its approach to project evaluations by undertaking Project Completion Report Validations (PCRVR) and a limited number of Project Performance Assessments (PPA).
2. The PPA is a concise form of project-level evaluation. It is conducted as a next step after a PCRVR. The PCRVR consists of a desk review of the Project Completion report (PCR) and other available reports and documents. A PPA includes country visits in order to complement the PCRVR findings and fill in selected knowledge and information gaps identified in the PCRVR. The purpose of the PPA is in particular to shed light on selected features of project implementation and impact that were not adequately analysed in the PCR. As the PCRVR, the PPA applies the evaluation criteria¹ outlined in the IOE Evaluation Manual² and the added evaluation criteria.³
3. The IFAD-supported Northern Mindanao Community Initiatives and Resources Management Project (NMCIREMP) in the Republic of The Philippines has been selected to be covered by a PCRVR and a subsequent PPA.

II. The project

4. The NMCIREMP was approved by IFAD's Executive Board in December 2001 with a total IFAD loan of US\$14.8 million, representing 69 per cent of the total programme costs. The balance was financed by the Government (14 per cent), local government units (10 per cent) and the beneficiaries (7 per cent). The programme became effective in April 2003 for an implementation period of six years. Original programme completion was planned for June 2009 and loan closing in December 2009. However, the latter was extended with six months and the programmed closed in June 2010.
5. **Project objective.** The programme aimed at reducing the vulnerability and enhance the food security of about 58,500 low-income households (310,000 people) living in the project area, which consisted of all four provinces of the Caraga Region (Region XIII) and the provinces of Misamis Oriental and Bukidnon in Northern Mindanao (Region X).
6. **Project target group.** The project's target group comprises poor and disenfranchised groups including, but not limited to, indigenous people, fisher families, agrarian reform beneficiaries, landless workers, upland dwellers and women.
7. **Project rationale.** The high incidence of poverty in Northern Mindanao can be attributed to a number of factors. The majority of households are extremely vulnerable because of their limited assets. Most are landless, and some resort to farming as tenants or paid agricultural workers. The lack of social infrastructure and appropriate government support services further exacerbates their poverty. non-governmental organizations (NGOs) are present but have very limited outreach. Few development programmes have been initiated in the area. Moreover, the poor have virtually no access to credit. In terms of physical capital, the most

¹The evaluation criteria are: project performance (relevance, effectiveness and efficiency), rural poverty impact (household income and net assets; human and social capital and empowerment; food security and agricultural productivity; natural resources, environment and climate change; institutions and policies), gender equality and women's empowerment; sustainability, innovation and scaling up; and performance of partners (IFAD and Government).

² IOE (2009). Evaluation Manual. Methodology and processes. Available on: http://www.ifad.org/evaluation/process_methodology/doc/manual.pdf.

³ IFAD (2010). Expanding the Office of Evaluation's Evaluation Manual to include questions for assessing gender, climate change and scaling up. Available on: <http://www.ifad.org/gbdocs/eb/101/e/EB-2010-101-R-8.pdf>.

obvious indicator of underdevelopment is the lack of physical infrastructure and the associated poor market links. Illiteracy, unemployment and the incidence of poverty are much higher among upland and indigenous peoples than among the rest of the population. Upland settlements are remote and lack basic services, and the target group has limited access to important resources (in particular forestry and pasture resources). Although a new law provides for the issuance of titles to ancestral domains to indigenous people, it has yet to be implemented. Women suffer from a low level of socio-economic development.

8. **Programme approach.** To address the livelihood constraints outlined above, the project sought to reduce vulnerability, improve access to essential services, support diverse livelihood options (crops, fishery and forestry), champion the empowerment of grass-roots institutions and mainstream gender and indigenous peoples' concerns. It was designed to reach the target group by: (i) promoting/strengthening community institutions of indigenous people, poor upland farmers, agrarian reform beneficiaries, poor fisher families and women's self-help groups (SHGs), making them self-reliant and capable of undertaking their own development activities; (ii) promoting the conservation and improvement of their natural resource base; (iii) improving village infrastructure; (iv) facilitating the representation of indigenous peoples in local councils and the issuance of certificates of ancestral land titles/domain titles to them; and (v) enhancing the responsiveness of local government units (LGUs) and other service providers to the diversified needs of the community institutions, improving access to essential services, supporting livelihood diversification, championing the empowerment of grass-roots institutions and mainstreaming gender and indigenous peoples' concerns.
9. **Project components and costs.** The project comprised six components:
 - i. **Community institutions and participatory development** (13 per cent of base cost), focusing on empowering communities by establishing and/or strengthening viable community institutions and vulnerable groups and integrating their participation into the local governance structures. Under this component, a Poverty Alleviation Fund (PAF) was established to provide financial help to the resource poor households and indigenous people through SHGs;
 - ii. **Community investments** (42 per cent), facilitating the construction or rehabilitation of rural infrastructure support facilities responsive of the needs of the target communities. These included social, access, communal farm and environmental infrastructure;
 - iii. **Natural resource management** (11 per cent) to enhance the capabilities of local governments and community institutions to plan and execute strategic and integrated watershed and coastal resources actions and to establish mechanisms for promoting appropriate farming and fisheries systems and technologies;
 - iv. **Socio-economic support services and studies** (9 per cent) focusing on the delivery of health education and technical services to people living in Certificate of Ancestral Domain Claim (CADC) areas and on the promotion of enterprises and market opportunities through training of service providers and institutional support to line agencies;
 - v. **Support fund for indigenous people** (15 per cent) enabling indigenous people to play a more relevant role in decision-making through an increased representation in local councils and to benefit from increased security of land tenure rights; and
 - vi. **Project management** (9 per cent). The Department of Agrarian Reform (DAR) was the lead implementing agency. At the national level, the Inter-

Agency Project Steering Committee (IA-PSC) was to review the progress of implementation and provide policy and operational guidance to the project. The Project Facilitation Office (PFO) was the key facilitator of project implementation including the release of funds to the NCIP and to the LGUs at the provincial and municipal level. The management system was highly localised and decentralised at the municipal LGUs and the communities: community institutions were in fact expected to plan, implement and monitor all development initiatives in cooperation with a wide range of partners. NGOs were engaged to mobilise the target sectors and facilitate community planning in support to community institutions.

10. **Beneficiary participation.** The project was designed to be driven by the demands of participant communities, based on their needs, determined through participatory consultative processes. It promoted a process of social mobilization and participatory planning that would enable communities to plan, implement, monitor and evaluate initiatives that they themselves have selected. The social preparation, mobilization, organization and empowerment of community institutions form the core of the project. Community development facilitators worked closely with volunteer community organizers to facilitate the promotion of community institutions and SHGs in each settlement (*sitio*). Women were to constitute at least 50 per cent of all SHGs and are expected to be the main agents of change. SHGs would promote local capital accumulation through their own savings. Community institutions and SHGs would identify the activities that they expect to undertake to improve their livelihoods, including land resources and watershed management, fisheries development and off-farm activities. Special emphasis was to be given to replicable systems of improved agriculture and natural resource management. The project aimed to improve the situation of indigenous peoples through advocacy campaigns, legal assistance and orientation programmes. It was also to assist them in demarcating and mapping their ancestral domains, and formulating and implementing a sustainable development and protection plan.

III. PPA objectives

11. The overall objectives of the PPA are to: (i) provide an independent assessment of the overall results and impact of projects, for accountability and management purposes; and (ii) distil lessons learned, identifying key explanatory factors of project performance and poverty reduction results, for learning and self-evaluation purposes. In this context, and given the time and resources available, the main purpose of the present PPA is to gather additional evidence on the major information gaps, inconsistencies or analytical weaknesses of the PCR. Consequently, the PPA will assess the project achievement covering all evaluation criteria of the IOE Evaluation Manual (as well as additional elements on gender, climate change and scaling-up), but the emphasis given to each criterion will depend on the PCR assessment as well as on emerging findings during the PPA process.
12. At present, findings from the PCR suggest that the PPA would provide additional analysis of the sustainability of community institutions, effectiveness of the PAF, operation and maintenance (O&M) of village infrastructure, and market access. However, these areas can be revised or expanded during the PPA process when new findings may emerge.
13. *Sustainability of community institutions and people's organisations.* According to the PCR, the project made significant contributions to improved social capital and empowerment through the support provided to community institutions and people organisations. In particular, in doing so, the project would target the indigenous communities and agrarian reform communities. According to the self-help group assessment tool (SIHAGA) developed by the project, approximately 92 per cent of SHGs and 89 per cent of community organisations were categorised as highly

mature. This PPA will assess the relevance of the approach and the sustainability of those organisations supported.

14. *Effectiveness, sustainability and impact of the poverty alleviation fund (PAF I and II) as an investment and targeting tool.* Appraisal provided for the establishment of a PAF in each municipality to be used to assist focus poverty groups which are not reached by regular local and national programmes. SHGs would be the recipient of the funds and the LGU would operate the fund. However, the effectiveness of this tool seems to have been limited due to lack of inclusion of the poorest in the SHGs, slow progress in training and capacity building processes and inadequate technical capacity to make the full use of the PAF. In particular, the PCR reports that a large share of the beneficiary population did not report significant changes in household income and that the size of the PAF per household was too low to create the intended impact. The PPA will assess the effectiveness, sustainability and impact of the tool and draw lessons.
15. *O&M of village infrastructure.* Over 40 per cent of the loan proceeds were allocated to the construction and rehabilitation of village infrastructure. While the PCR confirms that the O&M of the infrastructure was addressed satisfactorily through the establishment of community-based committees, the 2008 Supervision report highlighted shortcomings in the exit strategy, underlined that many communities are not yet ready to operate without the project or LGU support, and pointed out that the LGUs may not be ready to take the role of maintaining project interventions. The PPA will assess the sustainability and functioning of the O&M and if and to what extent the LGUs play their agreed roles in supporting the communities in the operation and maintenance of the rural infrastructure supported by the project.
16. *Access to markets and rural finance.* Different project activities, such as the PAF and the development of support services to community enterprises, aimed at rural enterprise development and increased market access. Some value chains emerged (coconut, cut flower, banana, etc.), but the full development was hindered, mainly also due to the lack of access to financial services. This PPA will assess the relevance and effectiveness of the approach adopted by the project to stimulate market access through community institutions and the issues and constraints in the people's organisations accessing finance and capital to sustain their production and marketing.

IV. PPA methodology

17. **Evaluation criteria.** The PPA will follow the evaluation criteria outlined in the IOE Evaluation Manual (2009), the addendum adding the criteria of gender, climate change and scaling-up (2010), and the IOE Guidelines for PCR and PPA (2011). The performance in each of the areas will be rated on a scale of 1 to 6 (with 1 being the lowest score, and 6 the highest).
18. **Data collection.** The initial findings rely on the desk review of the available documents undertaken for the preparation of the PCR. During the PPA mission, additional primary and secondary data will be collected to reach an independent assessment of the performance and results. Data collection methods will mostly include qualitative participatory techniques. The methods deployed will be individual and group interviews, focus-group discussions with beneficiaries, and direct observation. Questionnaire-based surveys are not applicable, because short duration of the mission would not allow the generation of an adequate sample size. The PPA will also make use – where applicable – of the additional data available through the project M&E system. Triangulation will be applied to verify findings emerging from different information sources.

V. PPA process

19. The PPA mission is scheduled from 21 September until 3 October 2011 and will include a programme of field visits to NMCIREMP sites, interaction with government authorities, beneficiaries and other key informants. At the end of the PPA mission, a short wrap-up session will be held in Manila with government representatives. A power point presentation will summarise the preliminary findings of the mission and key strategic issues.
20. At the conclusion of the field visits, the draft PPA report will be prepared by IOE and submitted to APR for review. Afterwards, the PPA report will be shared with the Government of The Philippines for their comment. Upon receipt of Government's comments, IOE will finalise the report. An audit trail will be prepared showing how the comments from APR and the Government have been addressed in the final report.
21. In compliance with the Evaluation Policy, the main stakeholders of the NMCIREMP will be involved throughout the evaluation to ensure that the key concerns of the stakeholders are taken into account in the PPA process, and the evaluators fully understand the context in which the project was implemented, the opportunities and the constraints faced by the implementing organizations. Regular cooperation and communication will be established with APR and the Government of The Philippines. Formal and informal opportunities will be explored for discussing findings, recommendations and lessons during the process.

VI. Human resources

22. The PPA mission is composed of Mr Mark Keating, IOE Evaluation Officer and Lead Evaluator, and Ms Dorothy Lucks, consultants' team leader and rural development specialist. Ms Linda Danielsson, IOE will provide research and administrative support.

Methodological note on project performance assessments

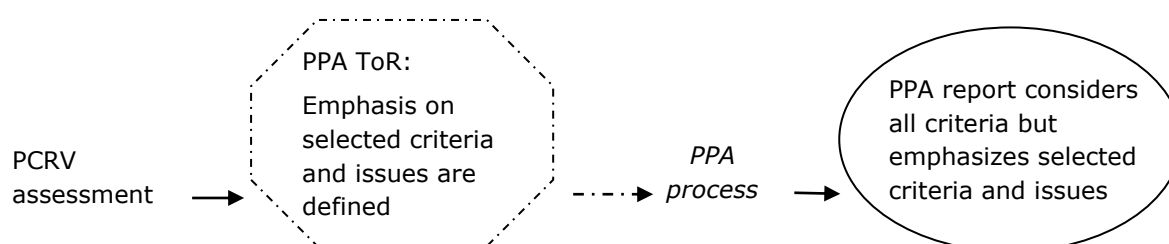
A. What is a project performance assessment?¹

1. The project performance assessment (PPA) conducted by the Independent Office of Evaluation of IFAD (IOE) entails one mission of 7-10 days² and two mission members.³ PPAs are conducted on a sample of projects for which project completion reports have been validated by IOE, and take account of the following criteria (not mutually exclusive): (i) synergies with forthcoming or ongoing IOE evaluations (e.g. country programme or corporate-level evaluations); (ii) major information gaps in project completion reports (PCRs); (iii) novel approaches; and (iv) geographic balance.
2. The objectives of the PPA are to: assess the results and impact of the project under consideration; and (ii) generate findings and recommendations for the design and implementation of ongoing and future operations in the country involved. When the PPA is to be used as an input for a country programme evaluation, this should be reflected at the beginning of the report. The PPA is based on the project completion report validation (PCRVR) results, further desk review, interviews at IFAD headquarters, and a dedicated mission to the country, to include meetings in the capital city and field visits. The scope of the PPA is set out in the respective terms of reference.

B. Preparing a PPA

3. Based on the results of the PCRVR, IOE prepares brief terms of reference (ToR) for the PPA in order to sharpen the focus of the exercise.⁴ As in the case of PCRVRs, PPAs do not attempt to respond to each and every question contained in the Evaluation Manual. Instead, they concentrate on the most salient facets of the criteria calling for PPA analysis, especially those not adequately explained in the PCRVR.
4. When preparing a PPA, the emphasis placed on each evaluation criterion will depend both on the PCRVR assessment and on findings that emerge during the PPA process. When a criterion or issue is not identified as problematic or in need of further investigation, and no additional information or evidence emerges during the PPA process, the PPA report will re-elaborate the PCRVR findings.

Scope of the PPA



¹ Extract from the PCRVR and PPA Guidelines.

² PPAs are to be conducted within a budget ceiling of US\$25,000.

³ Typically, a PPA mission would be conducted by an IOE staff member with the support of a consultant (international or national). An additional (national) consultant may be recruited if required and feasible within the evaluation budget.

⁴ Rather than an approach paper, IOE prepares terms of reference for PPAs. These terms of reference ensure coverage of information gaps, areas of focus identified through PCRVRs and comments by the country programme manager, and will concentrate the PPA on those areas. The terms of reference will be included as an annex to the PPA.

C. Evaluation criteria

5. The PPA is well suited to provide an informed summary assessment of project relevance. This includes assessing the relevance of project objectives and of design. While, at the design stage, project logical frameworks are sometimes succinct and sketchy, they do contain a number of (tacit) assumptions on mechanisms and processes expected to generate the final results. At the post-completion phase, and with the benefit of hindsight, it will be clearer to the evaluators which of these assumptions have proved to be realistic, and which did not hold up during implementation and why.
6. For example, the PPA of a project with a major agricultural marketing component may consider whether the project framework incorporated key information on the value chain. Did it investigate issues relating to input and output markets (distance, information, monopolistic power)? Did it make realistic assumptions on post-harvest conservation and losses? In such cases, staff responsible for the PPA will not be expected to conduct extensive market analyses, but might consider the different steps (e.g. production, processing, transportation, distribution, retail) involved and conduct interviews with selected actors along the value chain.
7. An assessment of effectiveness, the extent to which a project's overall objectives have been achieved, should be preferably made at project completion, when the components are expected to have been executed and all resources fully utilized. The PPA considers the overall objectives⁵ set out in the final project design document and as modified during implementation. At the same time, it should be flexible enough to capture good performance or under-performance in areas that were not defined as an objective in the initial design but emerged during the course of implementation.
8. The PPA mission may interview farmers regarding an extension component, the objective of which was to diffuse a certain agricultural practice (say, adoption of a soil nutrient conservation technique). The purpose here would be to understand whether the farmers found it useful, to what extent they applied it and their perception of the results obtained. The PPA may look into reasons for the farmers' interest in new techniques, and into adoption rates. For example, was the extension message delivered through lectures? Did extension agents use audio-visual tools? Did extension agents engage farmers in interactive and participatory modules? These type of questions help illustrate *why* certain initiatives have been conducive (or not conducive) to obtaining the desired results.
9. The Evaluation Manual suggests methods for assessing efficiency, such as calculating the economic internal rate of return (EIRR),⁶ estimating unit costs and comparing them with standards (cost-effectiveness approach), or addressing managerial aspects of efficiency (timely delivery of activities, respect of budget provisions). The documentation used in preparing the PCRV should normally provide sufficient evidence of delays and cost overruns and make it possible to explain why they happened.
10. As far as rural poverty impact is concerned, the following domains are contemplated in the Evaluation Manual: (a) household income and assets; (b) human and social capital and empowerment; (c) food security and agricultural

⁵ Overall objectives will be considered as a reference for assessing effectiveness. However, these are not always stated clearly or consistent throughout the documentation. The assessment may be made by component if objectives are defined by components; however the evaluation will try to establish a correspondence between the overall objectives and outputs.

⁶ Calculating an EIRR may be challenging for a PPA as it is time consuming and the required high quality data are often not available. The PPA may help verify whether some of the crucial assumptions for EIRR calculation are consistent with field observations. The mission may also help shed light on the cost-effectiveness aspects of efficiency, for example whether, in an irrigation project, a simple upgrade of traditional seasonal flood water canalization systems might have been an option, rather than investing on a complex irrigation system, when access to markets is seriously constrained.

productivity; (d) natural resources, the environment and climate change;⁷ and (e) institutions and policies. As shown in past evaluations, IFAD-funded projects generally collect very little data on household or community-level impact indicators. Even when impact data are available, both their quality and the methodological rigour of impact assessments are still questionable. For example, although data report significant increases in household assets, these may be due to exogenous factors (e.g. falling prices of certain commodities; a general economic upturn; households receiving remittances), and not to the project.

11. PPAs may help address the “attribution issue” (i.e. establishing to what extent certain results are due to a development intervention rather than to exogenous factors) by:
 - (i) following the logical chain of the project, identifying key hypotheses and reassessing the plausibility chain; and
 - (ii) conducting interviews with non-beneficiaries sharing key characteristics (e.g. socio-economic status, livelihood, farming system), which would give the mission an idea of what would have happened without the project (counterfactual).⁸
12. When sufficient resources are available, simple data collection exercises (mini-surveys) may be conducted by a local consultant prior to the PPA mission.⁹ Another non-mutually exclusive option is to spot-check typical data ranges or patterns described in the PCR by means of case studies (e.g. do PCR claims regarding increases in average food-secure months fall within the typical ranges recorded in the field?). It is to be noted that, while data collected by a PPA mission may not be representative in a statistical sense, such data often provide useful reference points and insights. It is important to exercise care in selecting sites for interviews in order to avoid blatant cases of non-beneficiaries profiting from the project.). Sites for field visits are selected by IOE in consultation with the government concerned. Government staff may also accompany the PPA mission on these visits.
13. The typical timing of the PPA (1-2 years after project closure) may be useful for identifying factors that enhance or threaten the sustainability of benefits. By that stage, the project management unit may have been disbanded and some of the support activities (technical, financial, organizational) terminated, unless a second phase is going forward or other funding has become available. Typical factors of sustainability (political support, availability of budgetary resources for maintenance, technical capacity, commitment, ownership by the beneficiaries, environmental resilience) can be better understood at the ex post stage..
14. The PPA also concentrates on IFAD’s role with regard to the promotion of innovations and scaling up. For example, it might be observed that some innovations are easily scaled up at low cost (e.g. simple but improved cattle-rearing practices that can be disseminated with limited funding). In other cases, scaling up may involve risks: consider the case of a high-yield crop variety for which market demand is static. Broad adoption of the variety may be beneficial in terms of ensuring food security, but may also depress market prices and thereby reduce sale revenues for many households unless there are other, complementary activities for the processing of raw products.
15. The PPA addresses gender equality and women’s empowerment, a criterion recently introduced into IFAD’s evaluation methodology. This relates to the emphasis placed on gender issues: whether it has been followed up during

⁷ Climate change criterion will be addressed if and when pertinent in the context of the project, as most completed projects evaluated did not integrate this issue into the project design.

⁸ See also the discussion of attribution issues in the section on PCRVs.

⁹ If the PPA is conducted in the context of a country programme evaluation, then the PPA can piggy-back on the CPE and dedicate more resources to primary data collection.

implementation, including the monitoring of gender-related indicators; and the results achieve.

16. Information from the PCR/V may be often sufficient to assess the performance of partners, namely, IFAD and the government. The PPA mission may provide further insights, such as on IFAD's responsiveness, if relevant, to implementation issues or problems of coordination among the project implementation unit and local and central governments. The PPA does not assess the performance of cooperating institutions, which now has little or no learning value for IFAD.
17. Having completed the analysis, the PPA provides its own ratings in accordance with the evaluation criteria and compares them with PMD's ratings. PPA ratings are final for evaluation reporting purposes. The PPA also rates the quality of the PCR document.

The PPA formulates short conclusions: a storyline of the main findings. Thereafter, a few key recommendations are presented with a view to following up projects, or other interventions with a similar focus or components in different areas of the country.¹⁰

¹⁰ Practices differ among multilateral development banks, including recommendations in PPAs. At the World Bank, there are no recommendations but "lessons learned" are presented in a typical PPA. On the other hand, PPAs prepared by Asian Development Bank (ADB) include "issues and lessons" as well as "follow-up actions" although the latter tend to take the form of either generic technical guidelines for a future (hypothetical) intervention in the same sector or for an ongoing follow-up project (at ADB, PPAs are undertaken at least three years after project closure).

Definition of the evaluation criteria used by IOE

| <i>Criteria</i> | <i>Definition^a</i> |
|---------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project performance | |
| Relevance | The extent to which the objectives of a development intervention are consistent with beneficiaries' requirements, country needs, institutional priorities and partner and donor policies. It also entails an assessment of project design in achieving its objectives. |
| Effectiveness | The extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance. |
| Efficiency | A measure of how economically resources/inputs (funds, expertise, time, etc.) are converted into results. |
| Rural poverty impact^b | Impact is defined as the changes that have occurred or are expected to occur in the lives of the rural poor (whether positive or negative, direct or indirect, intended or unintended) as a result of development interventions. |
| <ul style="list-style-type: none"> Household income and assets | Household income provides a means of assessing the flow of economic benefits accruing to an individual or group, whereas assets relate to a stock of accumulated items of economic value. |
| <ul style="list-style-type: none"> Human and social capital and empowerment | Human and social capital and empowerment include an assessment of the changes that have occurred in the empowerment of individuals, the quality of grassroots organizations and institutions, and the poor's individual and collective capacity. |
| <ul style="list-style-type: none"> Food security and agricultural productivity | Changes in food security relate to availability, access to food and stability of access, whereas changes in agricultural productivity are measured in terms of yields. |
| <ul style="list-style-type: none"> Natural resources, the environment and climate change | The focus on natural resources and the environment involves assessing the extent to which a project contributes to changes in the protection, rehabilitation or depletion of natural resources and the environment as well as in mitigating the negative impact of climate change or promoting adaptation measures. |
| <ul style="list-style-type: none"> Institutions and policies | The criterion relating to institutions and policies is designed to assess changes in the quality and performance of institutions, policies and the regulatory framework that influence the lives of the poor. |
| Other performance criteria | |
| <ul style="list-style-type: none"> Sustainability | The likely continuation of net benefits from a development intervention beyond the phase of external funding support. It also includes an assessment of the likelihood that actual and anticipated results will be resilient to risks beyond the project's life. |
| <ul style="list-style-type: none"> Innovation and scaling up | The extent to which IFAD development interventions have: (i) introduced innovative approaches to rural poverty reduction; and (ii) the extent to which these interventions have been (or are likely to be) replicated and scaled up by government authorities, donor organizations, the private sector and others agencies. |
| <ul style="list-style-type: none"> Gender equality and women's empowerment | The criterion assesses the efforts made to promote gender equality and women's empowerment in the design, implementation, supervision and implementation support, and evaluation of IFAD-assisted projects. |
| Overall project achievement | This provides an overarching assessment of the project, drawing upon the analysis made under the various evaluation criteria cited above. |
| Performance of partners | This criterion assesses the contribution of partners to project design, execution, monitoring and reporting, supervision and implementation support, and evaluation. It also assesses the performance of individual partners against their expected role and responsibilities in the project life cycle. |
| <ul style="list-style-type: none"> IFAD Government | |

^a These definitions have been taken from the OECD/DAC *Glossary of Key Terms in Evaluation and Results-Based Management* and from the IFAD Evaluation Manual (2009).

^b The IFAD Evaluation Manual also deals with the 'lack of intervention', that is, no specific intervention may have been foreseen or intended with respect to one or more of the five impact domains. In spite of this, if positive or negative changes are detected and can be attributed in whole or in part to the project, a rating should be assigned to the particular impact domain. On the other hand, if no changes are detected and no intervention was foreseen or intended, then no rating (or the mention 'not applicable') is assigned.

List of key persons met

| | |
|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Kick off meeting | |
| Rolando B Carbon | Department of Environment and Natural Resources |
| Sallidad | National Commission on Indigenous Peoples |
| Neil Baldosa | Department of Agriculture Special Projects |
| Edgar Zotomayor | Department of Agrarian Reform Project Evaluation Services |
| William | National Economic Development Agency |
| 22nd September 2011 | |
| Meeting with stakeholders | |
| | Honorable J. Pacturan, Undersecretary, Support Services Office, Department of Agrarian Reform (DAR); Mr San Juan, Assistant Secretary, DAR; Mr Afable, Director, DAR; Representatives from National Economic Development Authority, Department of Agriculture, Department of Environment and Natural Resources |
| 24th September 2011 | |
| Meeting with Department of Agrarian Reform regional officers and concerned staff | |
| | Mr Faisar Mambuay, Regional Director, Caraga Region DAR; Mr Felix Aguhob, Regional Director, Northern Mindanao Region; project coordination office staff; local government units (LGU) representatives |
| 25th September 2011 site visit | |
| Community folk/Support for indigenous people component | |
| Project site visit: Poblacion Binuangan and Barangay Kitamban | |
| | Community people, municipal project office staff and Barangay local government unit staff |
| 26th September 2011 | |
| Project site visit: | |
| | Beneficiaries involved in pangasius cultivation, vermiculture, goat raising |
| Project site visit: Poblacion Bawasa, meeting with BLGU, Infra & PAF 2 component | |
| | Community people, municipal project office and Barangay LGU staff |
| Meeting with provincial officials | |
| Province of Surigao Del Sur | |
| Juanito Estal | Board of Directors (BOD), Magsaysay Multi-purpose Cooperative (MMPC) |
| Bertimi B. Cabading | BOD, MMPC |
| Lauro M. Orozco | Self-help Group (SHG) President |
| Laida C. Armendaras | Chairman, MMPC |
| Estrada Reijh Marselle G. | Barangay Captain |
| Erlinda D. Caperig | BOD, MMPC |
| Elizabeth S. Guirra | Secretary |
| Violeta O. Prado | SHG Treasurer |

| | |
|------------------------------------------------------|------------------------------------------------------------------|
| Victoria L. Mollaneda | Member, MMPC |
| Lolita A. Abo-Abo | BOD, MMPC |
| Rosita C. Arlalejo | Member, MMPC |
| Marietta D. Mollaneda | Member, MMPC |
| Melona T. Ravelo | Bookkeeper, MMPC |
| Romeo L. Armendarez, Jr. | Barangay Kagawad |
| Gregorio L. Degal | BOD, MMPC |
| Justino E. Taguines | BOD, MMPC |
| Concesa B. Cabading | Treasurer, MMPC |
| Ma. Susanna G. Perez | SSO, Department of Agrarian Reform |
| IFAD mission - Project Performance Assessment | |
| Barangay Mabahin, Cortes, Surigao Del Sur | |
| Francisco R. Salinas | Team Leader, Mabahin Woodcraft Multi-Purpose Cooperative (MWMPC) |
| Melanie A. Quico | DAR |
| Merlina A. Climaco | DAR |
| Linda V. Elizalde | DAR |
| Jocelyn M. Malabanan | DAR |
| Benjamin M. Matakasil | DAR |
| Hernane C. Apacible | DAR |
| Irenia R. Tranquilan | A.T./Mao/Lgu-Cortes, Sds |
| Estrella M. Ravelo | Barangay Kagawad, Mabahin |
| Felicitas A. Salinas | President, Lowa |
| Glecerio Castro | Member, MWMPC |
| Joel R. Alzate | Chairman, MWMPC |
| Emeliana C. Alzate | Member, MWMPC |
| Juniel P. Curada | Chairman, Mount Apo Farmers' Cooperative (Mafamco) |
| Rogelio B. Mipaña | Vice Chairman MWMPC |
| Conсорcia A. Casio | Member, MWMPC |
| Emma I. Alzate | Member, MWMPC |
| Josefa B. Cubero | President, Kanapasaka |
| Norma R. Casio | Member, MWMPC |
| Lonesio M. Alzate | Member, MWMPC |
| Leonita B. Buchan | Staff, LGU Cortes |
| Carmelital. Suarez | Member, MWMPC |
| Fructuso C. Romero | SHG Mabakas |
| Emmanuel C. Suarez | Barangay Captain Mabahin |
| Exequiel R. Suarez, Jr. | Barangay Kagawad, Mabahin |
| Pedro L. Quezada | Member, MWMPC |
| Vincent A. Dueñas | Staff, LGU cortes |
| Emmanuel S. Buchan | Brgy. Kagawad, Mabahin |
| Macario Catindin | Brgy. Kagawad, Mabahin |
| Buchan, Johelyn P. | Treasurer, MWMPC |

| | |
|------------------------------------------------------|-------------------------------------------------|
| Arnolfo Caong | Member, MWMPC |
| Teodulo L. Bongcayao, Sr. | Member, MWMPC |
| Hipolita D. Epondulan | Barangay Kagawad, Mabahin |
| Maurecio Suarez | Member, MWMPC |
| Rogelio B. Tolang | Brgy. Kagawad, Mabahin |
| Gil S. Escalante | Staff, LGU Cortes |
| Cipriana C. Turaja | Staff, LGU Cortes |
| Elizalde S. Lorono | Brgy. Kagawad, Mabahin |
| Hilario R. Ponlaon | Member, MWMPC |
| Ellen S. Rivera | Brk, Brgy Mabahin |
| Charlita P. Galela | Staff, LGU Cortes |
| Lauron, Elmer | Staff, LGU Cortes |
| Emerson Alzate | Staff, LGU Cortes |
| Archie P. Medina | Staff, LGU Cortes |
| Jocelyn Caong | Member, MWMPC |
| IFAD mission - Project Performance Assessment | |
| Barangay Esperanza, Carmen, Surigao Del Sur | |
| September 27, 2011 | |
| Anatolia S. Dales | President SHG Mercury |
| Bernalda O. Rule | Member SHG Mercury |
| Josita B. Orig | BOD Environmental Impact and Management (EIMPC) |
| Aida B. Orig | Barangay Captain |
| Jeremias S.Loayon | Municipal Agriculturist |
| Gregorio M. Orig | Chairman, EIMPC |
| Romualdo Pariscal | Auditor, EIMPC |
| Nita M. Doliente | DAR |
| Leticia M. Grepaldo | Treasurer EIMPC |
| Harry B. Quiñonez | DAR |
| Castro Frias | President SHG Anthorium |
| Elizabeth H. Dayor | Secretary Galaxy |
| R. Custodio | President, WatSan |
| Dales, Alcer | BOD WatSan |
| Apolinario Rebato | BOD EIMPC |
| Rodolfo B. Celada | Staff, LGU |
| Castor T. Taladua | Barangay Kagawad |
| Luzviminda P. Frias | BOD WatSan |
| Pame, Emily P. | Barangay Secretary |
| Ma. Susana G. Perez | DAR/IFAD DESK Officer |
| Rey Y. Carusos | DAR, Region XIII |
| Edgar Sotomayor | DAR |
| Benjamin M. Matakasil | DAR |
| Hernane C. Apacible | DAR |

| | |
|------------------------------------------------------|----------------------------------------|
| Myra Q. Yu | DAR |
| Tereso Suarez | Member, WatSan |
| Francisca C. De Guzman | DAR |
| Bernesita P. Rojas | PPC-DAR IFAD NMCIREMP PPCO, Tandag SDS |
| Noel C. Tejol | EIMPC |
| Warlito M. Talatayod | Member, EIMPC |
| Leonida Roluna | Member, EIMPC |
| Berta Laurden | Member, EIMPC |
| Fabio Pedolin, Jr. | Member, EIMPC |
| Alfredo Pame | Member, EIMPC |
| Publia Calanas | Member, EIMPC |
| Almar H. Lupio | Barangay Kagawad |
| Nelson Adobo | Barangay Kagawad |
| Carmen Orig | Member Eimpc |
| Maurina H. Lopio | Vice President, EIMPC |
| Riza S. Banguis | Member, EIMPC |
| Marissa G. Galindo | Member, EIMPC |
| Ursina T. Orig | Member, EIMPC |
| IFAD mission - Project Performance Assessment | |
| Meeting with provincial officials | |
| Bernesita P. Rojas | DAR |
| Efren E. Rivas, Jr. | Provincial Administrator |
| Francisca C. De Guzman | DAR |
| Rey Y. Carusos | DAR |
| IFAD mission - Project Performance Assessment | |
| Barangay Bayogo, Madrid, Surigao Del Sur | |
| Lilia D. Enguito | Coop Election Committee |
| Luisa D. Daraman | SHG Member |
| Simporiano K. Montes | Coop Vice Chairman |
| Myralina Salang | SHG Member |
| Waltrudis Malon | SHG Member |
| Virginia Sullano | SHG Member |
| Tadeo Molinar | President, Purok |
| Olbedia Sullano | SHG Member |
| Rufa Teves | SHG Member |
| Elpidio Enguito | Coop BOD |
| Harry D. Quiñonez | DAR |
| Ranerio Salang | SHG Member |
| Myra Q. Yu | DAR |
| Pedra Daraman | Coop Member |
| Margie Daraman | SHG Member |
| Eufemia Loayon | President, Bawasa |

| | |
|----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| Alfredo Montes | SHG Member |
| Danilo Daraman | SHG Member |
| Rufa M. Salang | SHG Member |
| Lucrecia M. Loayon | Barangay Secretary |
| Joventino M. Salang | SHG Member |
| Eliadora Palma | Coop Member |
| Catalina E. Palma | Coop Member |
| Felixberto E. Teves | Barangay Kagawad |
| Erma I. Panilag | Barangay Kagawad |
| Jesus B. Arsolon, Jr. | Barangay Kagawad |
| Enrico B. Palma | Barangay Kagawad |
| Maria C. Palma | Coop Member |
| Emerito M. Enguito, Sr. | SHG Member |
| Sulpicia A. Daraman | Coop Secretary/SHG Treasurer |
| Emilia D. Roluna | Barangay. Captain |
| Geronimo G. Malayao | Coop Chairman |
| Rufa M. Ariola | Coop Treasurer |
| Eutiquia A. Talisic | Coop Member |
| Castora L. Montes | Coop Member |
| Placido L. Palma | Coop Member |
| Fabiana Malayao | Coop Member |
| Benjamin M. Matakasil | DAR |
| Jose A. Arpilleda | City Mayor |
| 28th September 2011 | |
| Project site visit in Mabahin Cortes protected area, mangrove reforestation, fish sanctuary | |
| | Community people, Barangay LGU |
| 29th September 2011 | |
| Project site visit in Barangay Jaliobong; meeting with Barangay LGU, Barangay Sangay | |
| | Community people/Municipal Project Office/Barangay LGU/PAF I Community Infra Beneficiaries |
| Project Site Visit In Barangay San Roque (Infrastructure); Meeting With Community | |
| | Community people, Municipal Project Office, Barangay LGU |

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