



GEM Support to Economic Growth in Agriculture and Aquaculture and to Producer/Trade Organizations

GEM SUPPORT TO AGRIBUSINESS DEVELOPMENT IN MINDANAO

Objective

GEM seeks to help bring about a tripling (from 2007 baseline levels) of the volume and value of production and sale, both domestic and international, of selected agriculture and aquaculture commodities which offer good promise of being able to provide exceptional returns to large numbers of small growers.

Through its various agribusiness and related agricultural infrastructure development efforts, the GEM Program expects to benefit the lives of about **2 million** people - nearly **10%** of the entire population of Mindanao. GEM expects to increase the incomes of more than **100,000** project-assisted growers by **50-300%**. Importantly, this benefit will be focused on the poor living in conflict-affected areas of Mindanao. This impact will support GEM's principal objectives of accelerated and more equitable economic growth and consolidation of peace.

GEM Approach

GEM uses an innovative and non-traditional approach. GEM serves as a catalyst and facilitator for "on-the-ground" collaboration between and among key players. GEM helps farmers (including former combatants) sell their products, and forges linkages among producer/trade organizations, processors, institutional buyers, and domestic and international markets.

Key strategies:

- **GEM works to increase sales** by helping farmers diversify their products through the introduction and/or substantial expansion of production, processing, and marketing of targeted commodities. The project conducts market reconnaissance in the Philippines and selected international locations to help companies identify new buyers and their preferences/requirements, and link producers to new markets.
- **GEM offers technical guidance and training** to farmers and out-growers to implement desirable changes in production, harvesting, handling, packaging and marketing processes that improve product quality and extend shelf-life. The project promotes best practices and supports implementation of new technologies for increasing product yields and value.
- **GEM assists in the development of integrated systems** to establish, expand and improve critical elements of value-chains, marketing processes and infrastructure needs. GEM facilitates construction and improved operation of fish hatcheries (for sustainable outgrowing of high value species), solar dryers, warehouses, cold storage facilities, and upgraded rural farm-to-market roads and bridges.

- **GEM promotes the adoption of food quality standards** that are required by companies to sell their products to an increasing number of discerning and selective international markets and domestic institutional buyers.
- **GEM facilitates partnerships** among producer/trade associations and cooperatives to develop more supportive agribusiness services for farmers and firms and helps strengthen the capacity of these organizations to support the agribusiness sector.
- **GEM works with former combatants** to help assure that they have full opportunity to participate in and benefit from expansion of the agriculture/ aquaculture/agribusiness sector.

Accomplishments ⁽¹⁾

*Since the inception of the GEM-3 Program in **January 2008**, the Agribusiness component of GEM has achieved the following:*

- Provided marketing assistance to Mindanao food suppliers that has increased annual international exports and domestic out-shipments of selected commodities by \$58 million, with an additional \$93 million under negotiation.
- Helped increase weekly domestic out-shipment of vegetables to Luzon and Visayan markets by 113 MT (126%), and weekly deliveries of selected fruits by 423 MT (41%).
- Helping 7550 former MNLF combatants in 150 communities in the Sulu Archipelago and Central Mindanao double their incomes by growing high-value agricultural and aquaculture products.
- Provided 44 pre-post harvest equipment/facilities benefitting 3,500 families of predominately former MNLF communities and operational training to 750 members, and has initiated work on an additional 6 facilities.
- Catalyzed and assisted the establishment of a private-operated multi species fish hatchery in Tawi-Tawi that has created employment for more than 1200 small out-growers.
- Assisted 10 companies prepare for, and receive HACCP certification, access new markets, and achieve a combined total of \$8.5 million in new sales within the first twenty-one months following certification.
- Organized 350 events, workshops and training activities attended by a total of nearly 20,000 persons.

⁽¹⁾ Updated to June 2011



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GEM AGRIBUSINESS DEVELOPMENT IN ACTION IN MINDANAO

For the Targeted Commodity Expansion Project (TCEP) High Value Horticulture and the Sustainable Aquaculture and Fisheries Effort (SAFE)

- GEM promotes production and marketing of high-value commodities not widely or traditionally grown in Mindanao. By the conclusion of GEM-3 in 2012, the projects anticipates that the annual total production (volume) and sales (value) of selected high-value vegetables, fruit and seafood commodities produced in Mindanao will have tripled since 2008.



- GEM helps small farmers penetrate targeted markets and facilitates domestic sales of fruits and vegetables in Luzon and Visayan markets and international exports of selected commodities, and coordinates promotional activities to increase exports of seafoods.



- GEM supports food quality and value-added practices including adoption of the Hazard Analysis and Critical Control Points (HACCP) certification system, to expand access and sales to markets in Europe, Asia and North America, and assists processors to improve handling procedures and upgrade facilities according to international standards.

- GEM works to attract private investment for new cool/cold chain and other pre-post harvest facilities leading to a sizeable expansion of warehousing, cold storage and vapor heat treatment facilities to prolong shelf life and quality of targeted commodities.



- GEM helps assure the fisheries sector makes optimal contribution to economic development on a sustainable basis by increasing value without increasing catch, and advises government and industry on sustainable fisheries management and negotiated access to fishing grounds of Pacific neighbors.

- GEM conducts feasibility studies on potential species for aquaculture, and funds specific applied research to improve feeds and culture methods, and assists the aquaculture sector to develop and expand high-value fish hatcheries and improved grouper and abalone culture operations.

For Former Combatant Reintegration,



- GEM assists former MNLF combatants increase their incomes by diversifying into production and sales of higher-value commodities.

- GEM provides former MNLF combatant communities with pre-post harvest equipment and facilities.



For Producer/Trade Association Development,

- GEM conducts training events.
- GEM strengthens producer associations so that they are sustainable and can provide useful services to help improve productivity and growth of a commodity sector.

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