

PROJECT APPRAISAL REPORT (PAR)

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1. PROJECT NO. 492-55-199-261	2. PAR FOR PERIOD: Aug. 1973 TO June 1975	3. COUNTRY Philippines	4. PAR SERIAL NO. 75- 9
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5. PROJECT TITLE

Agrarian Reform

6. PROJECT DURATION: Began FY 74 Ends FY 79	7. DATE LATEST PROP August 1973	8. DATE LATEST PIP	9. DATE PRIOR PAR N/A
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10. U.S. FUNDING	a. Cumulative Obligation Thru Prior FY: \$ 546,000	b. Current FY Estimated Budget: \$ 675,000	c. Estimated Budget to completion After Current FY: \$ 2,000,000
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11. KEY ACTION AGENTS (Contractor, Participating Agency or Voluntary Agency)

a. NAME	b. CONTRACT, PASA OR VOL. AG. NO.
USDA/PASA	ASIA (AJ) 04-74
Agricultural Cooperative Development Int'l.	AID/csd 2219
University of Wisconsin	AID/ASIA-c-1051

I. NEW ACTIONS PROPOSED AND REQUESTED AS A RESULT OF THIS EVALUATION

A. ACTION (X)			B. LIST OF ACTIONS	C. PROPOSED ACTION COMPLETION DATE
USAID	AID/W	HOST		
X		X	Prepare revised FP based on recent agrarian reform decisions by the Philippine Government and a May 1975 project evaluation.	July 1975
X		X	Prepare a FID for support to the Agrarian Reform Institute.	June 1975
See separate Memo to Files dated June 30, 1975.				

D. REPLANNING REQUIRES						E. DATE OF MISSION	
REVISED OR NEW:	<input checked="" type="checkbox"/> PROP	<input type="checkbox"/> PIP	<input type="checkbox"/> PRO AG	<input type="checkbox"/> PIO/T	<input type="checkbox"/> PIO/C	<input type="checkbox"/> PIO/P	April 1975
PROJECT MANAGER: TYPED NAME, SIGNED INITIALS AND DATE				MISSION DIRECTOR: TYPED NAME, SIGNED INITIALS AND DATE			
Keith Sharper <i>Keith Sharper</i>				Thomas G. Hester <i>Thomas G. Hester</i>			

II. PERFORMANCE OF KEY INPUTS AND ACTION AGENTS

A. INPUT OR ACTION AGENT CONTRACTOR, PARTICIPATING AGENCY OR VOLUNTARY AGENCY	B. PERFORMANCE AGAINST PLAN							C. IMPORTANCE FOR ACHIEVING PROJECT PURPOSE (X)				
	UNSATISFACTORY		SATISFACTORY			OUT-STANDING		LOW		MEDIUM		HIGH
	1	2	3	4	5	6	7	1	2	3	4	5
1. U.S. Department of Agriculture						X				X		
2. Agricultural Cooperatives Development International						X				X		
3. University of Wisconsin						X				X		

Comment on key factors determining rating

The inputs noted above are of very high quality and greatly assist in overcoming specific project constraints.

4. PARTICIPANT TRAINING	1	2	3	4	5	6	7	1	2	3	4	5
					X						X	

Comment on key factors determining rating

Participant training has gone roughly as planned, with the exception of fundamental training slated for Vietnam which was cancelled. Training, particularly in the area of improved program management, is very important to project success.

5. COMMODITIES	1	2	3	4	5	6	7	1	2	3	4	5
			X							X		

Comment on key factors determining rating

Delivery of excess property vehicles for the project has been exceedingly slow and, as such, has hampered performance. On the other hand, the delivery of photographic supplies and equipment has been timely and to a slight degree counterbalanced the negative rating resulting from the late delivery of vehicles.

6. COOPERATING COUNTRY	a. PERSONNEL	1	2	3	4	5	6	7	1	2	3	4	5
	b. OTHER (Policy & operating decisions)			X									X

Comment on key factors determining rating

Philippine Government personnel have been a key factor for achieving project purpose and have performed well.

7. OTHER DONORS	N/A											
	1	2	3	4	5	6	7	1	2	3	4	5

(See Next Page for Comments on Other Donors)

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II. 7. Continued: Comment on key factors determining rating of Other Donors

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					END OF PROJECT
		CUMU- LATIVE PRIOR FY	CURRENT FY		FY <u>76</u>	FY <u>77</u>	
			TO DATE	TO END			
Number of land transfer beneficiaries (received Certificates of Land Transfer)	PLANNED	100,000	130,000	To	be revised		
	ACTUAL PERFORMANCE	40,000	58,000				
	REPLANNED						
Area (in hectares) of land parcellary sketched for transfer.	PLANNED	600,000	400,000	To	be revised		
	ACTUAL PERFORMANCE	430,000	20,000				
	REPLANNED						
Creation of village farmer organizations in two pilot provinces (no. of organizations)	PLANNED	18,000	7,000	To	be revised		
	ACTUAL PERFORMANCE	32,000	16,000				
	REPLANNED						
Creation of Area Marketing Cooperatives in two pilot provinces (No. of AMC's)	PLANNED	2	2	2		5	
	ACTUAL PERFORMANCE	2	2				
	REPLANNED						
B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS		COMMENT: Agrarian Reform Institute has been relocated at UPLB and reorganized, Research of ARI and other institutions has been designed to address implementation of policy issues. System not well institutionalized for comprehensive action research, but improving. Four research studies were completed and several in progress.					
1.	Research and evaluation system installed and affecting program implementation.	COMMENT: Planning at Dept. of Agrarian Reform still tends to be highly centralized. Regional officers are called in for review of centrally formulated plans, DMR set up in FY 75 separate office for land transfer and has revised implementation guidelines.					
2.	Agrarian reform planning system applied on regional or national basis.						
3.		COMMENT:					

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IV. PROJECT PURPOSE

A. 1. Statement of purpose as currently envisaged.

2. Same as in PROP? YES NO

Test and implement an effective administrative system to improve land tenure conditions on tenanted rice and corn lands by a) transfer of ownership to tenants on landholdings in excess of seven hectares, and b) conversion from share tenancy to leasehold of other tenants. Also, develop and strengthen farmer organizational systems aimed at serving land reform beneficiaries and advancing their participation in development.

B. 1. Conditions which will exist when above purpose is achieved.	2. Evidence to date of progress toward these conditions.
<p>A. In four provinces of accelerated effort:</p> <ol style="list-style-type: none"> 1. Certificates of Land Transfer (CLT) received by 80,000 farmers 2. 125,000 tenants and amortizing owners joined farmer organizations. 3. 50,000 tenants have written leasehold contracts 4. Farmer organizations established in 90% of villages with rice/corn tenancy. 5. Effective system in place for processing amortization payments. <p>B. Countrywide:</p> <ol style="list-style-type: none"> 1. CLT's received by 300,000 farmers. 	<p>A. In four provinces of accelerated effort:</p> <ol style="list-style-type: none"> 1. CLT's received by 37,000 tenants 2. 30,000 tenants and amortizing owners joined farmer organizations. 3. 9,000 tenants have written leasehold contracts. 4. Farmer organizations established in 30% of villages with rice/corn tenancy. 5. Land Bank branch offices established in 3 of 4 provinces, but amortization payment system very weak. <p>B. Countrywide:</p> <ol style="list-style-type: none"> 1. CLT's received by 95,000 farmers 2. 15% rice/corn tenants and amortizing owners joined farmer organizations. 3. Farmer organizations established in 20% of villages with rice/corn tenancy.

V. PROGRAMMING GOAL

A. Statement of Programming Goal

Development of organizational structures and management systems to effectively improve the social and economic welfare of small farmers in rice and corn growing regions through the process of agrarian reform.

B. Will the achievement of the project purpose make a significant contribution to the programming goal, given the magnitude of the national problem? Cite evidence.

Yes, when fully implemented, the agrarian reform will improve land tenure security to farmers on approximately 25% of the nation's rice and corn land, while providing them a substantially larger share of the land's produce. At the same time, traditional dependency on landlords will be commensurately reduced. The majority of the estimated 940,000 rice and corn tenants will become members of village farmer organizations designed to increase their participation in the development process.

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IV. PROJECT PURPOSE

A. 1. Statement of purpose as currently envisaged. 2. Same as in PROP? YES NO

<p>B. 1. Conditions which will exist when above purpose is achieved.</p> <p>2. 50% rice/corn tenants and amortizing owners joined farmer organizations.</p> <p>3. Farmer organizations established in 80% of villages with rice/corn tenancy.</p>	<p>2. Evidence to date of progress toward these conditions.</p>
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V. PROGRAMMING GOAL

A. Statement of Programming Goal

B. Will the achievement of the project purpose make a significant contribution to the programming goal, given the magnitude of the national problem? Cite evidence.

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An assessment of the Agrarian Reform Project was made in April, 1974 by a 28man U.S. team of the American Technical Assistance Corporation under Contract No. AID/CN-etr-73-198. The report was published in June, 1974 entitled "Review of AID Assistance to the Philippine Agrarian Reform Program." The project was evaluated again in April/May, 1975 by a 3-member team consisting of two AID Washington personnel and a Harvard professor. The report is currently in draft form with final issuance expected in June, 1975.

As a result of these assessments and changing government procedures and policies, the project will undergo a revision in early FY76. This was anticipated during the design of the original project statement since numerous critical government issues affecting direction of the project had not yet been resolved. The project paper provided for a review to determine whether support set forth in the original project was still appropriate.

As noted in Section IXI of this PAR, the key output indicators are to be revised. This will be done in the revised PP as well as the FY 76 project agreement. At the time of project design, it was anticipated that the government program would move more rapidly in decisions to lower the landlord retention level to the seven-hectare ceiling. However, the decision to distribute lands in the 7 to 24 hectare category was not made until November, 1974 and is only now about to be initiated. Also, the early government procedure to identify and parcelary sketch all tenanted rice and corn land was subsequently changed whereby it was limited only to priority land transfer categories (e.g. holdings 28 hectares and above in size). Naturally, this made targets related to these indicators redundant. With respect to farmer institutional development and agrarian reform research, output indicators and targets have essentially been achieved and both areas of activity are moving well.

Plans call for preparation of a FID for institutional support to the Agrarian Reform Institute of the University of the Philippines Los Baños at Los Baños.