

EVALUATION OF THE INTEGRATED
AGRICULTURAL PRODUCTION AND MARKETING PROJECT

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GLOSSARY OF ACRONYMS

ACCI	-	Agricultural Credit and Cooperative Institute
AMC	-	Agricultural Marketing Cooperative
ASSP	-	Agricultural Support Services Project
ATR	-	Agricultural Technology Research
BAEcon	-	Bureau of Agricultural Economics
BAEx	-	Bureau of Extension
BAI	-	Bureau of Animal Industry
BCOD	-	Bureau of Cooperatives Development
BPI	-	Bureau of Plant Industry
CDEM	-	College of Development Economics and Management
CFPI	-	Cooperative Foundation of the Philippines, Inc.
CLSU	-	Central Luzon State University
CMSP	-	Cooperative Marketing System of the Philippines
CRB	-	Cooperative Rural Bank
DBP	-	Development Bank of the Philippines
DRBSLA	-	Department of Rural Banks, Savings and Loan Association
EDS	-	Extension Delivery System
FFGPC	-	Food/Feed-Grain Processing Center
GRP	-	Government of the Republic of the Philippines
IAPA	-	Institute for Agricultural Policy Analysis
IAPMP	-	Integrated Agricultural Production and Marketing Project
IBRD	-	International Bank for Reconstruction and Development
IRRI	-	International Rice Research Institute
KABSAKA	-	National Rice-based Multiple Cropping Project
KSU	-	Kansas State University

MA	-	Ministry of Agriculture
MAC	-	Marketing Assistance Center
MAISAN 77	-	National Corn Production Project
MASAGANA 99	-	National Rice Production Project
MES	-	Monitoring and Evaluation System
MIS	-	Management Information System
MM	-	Masters in Management
MNR	-	Ministry of Natural Resources
MPS	-	Master of Professional Studies
NFA	-	National Food Authority
NFAC	-	National Food and Agriculture Council
NEDA	-	National Economic and Development Authority
NEP	-	National Extension Project
NGA	-	National Grains Authority
PCARR	-	Philippine Council for Agriculture and Resources Research
RADDS	-	Regional Agricultural Data Delivery System
RIARS	-	Regional Integrated Agricultural Research System
RDC	-	Research and Development Center
SAC	-	Statistical Advisory Committee
SEARCA	-	Southeast Asia Regional Center for Research and Graduate Study in Agriculture
TPTA	-	Tech Pack Testing and Adoption
TPP	-	Technology Packaging Process
UPLB	-	University of the Philippines at Los Banos

EXECUTIVE SUMMARY

I. General:

This project was designed to institutionalize a complex system which would increase the incomes of small farm producers by providing them with improved technology for increasing their productivity and improving the efficiency of the marketing system. Substantial progress has been made in meeting objectives of each of the four major thrusts (National Policy, Academic, Tech Pack, and Extension/Outreach).

Major accomplishments of the National Policy Thrust have been (1) an increased appreciation by the Ministry's leadership for the value of timely and accurate economic information and (2) improvement in BAEcon's capability to generate reliable statistical estimates.

The Central Luzon State University (CLSU) and University of the Philippines at Los Banos (UPLB) achieved most of their objectives under the Academic Thrust with the Development of the Agricultural Marketing major within the B.S. Agriculture program at CLSU and the introduction of the Masters in Professional Studies (MPS) in Agricultural Marketing and the Masters in Management (MM) major in agribusiness at UPLB.

CLSU is evolving a system for developing, testing/verifying and disseminating technological packages for production, processing and marketing suitable for small farm producers. It is institutionalizing this technological packaging process as a University strategy. It is a process reproducible at other institutions with adaptation.

The Extension/Outreach Thrust has developed and demonstrated an effective system for delivering extension services to farmers and rural homes. The system is serving as the model for expansion nationwide under the IBRD assisted National Extension Project..

Important changes in the institutional environment since the project's inception have had significant impacts on the appropriateness of the project's overall strategy: (1) the emergence of the National Food Authority with its broad mandate in the Food and agriculture area; (2) the regionalization of the Ministry of Agriculture; (3) Presidential Decree 1200, formally promulgating the 1978-82 National Plan and identifying integrated area development as the principal strategy for implementing plans; and (4) the Food and Nutrition plan developed by the Ministry of Agriculture in 1980 placing more emphasis on consumption problems.

II. Recommendations:

National Policy Thrust

- Create a Statistical Advisory Committee to integrate the statistical support systems.
- Institutionalize a national policy analysis capacity.
- Confront the challenge that regionalization will present to policy analysis capabilities.

- Initiate a comprehensive examination of the agribusiness/small farmer linkage.
- Assign high priority to enhancement of capacity at national and regional levels to analyze food policy alternatives. Much remains to be done, well beyond what is appropriate under the IAPM project.

The Academic Thrust

- Acknowledging that most of the objectives have been achieved, terminate project assistance as originally planned, provided
 - (a) All currently enrolled trainees and those being processed for Fall 1981 admission be permitted to complete their degrees; permit re-programming of any remaining training funds for non-degree training; and
 - (b) That universities be encouraged to utilize more fully short-term consultancies already budgeted.

The Technological Packaging Thrust

- The Central Luzon State University (CLSU) has made good progress in institutionalizing the Technological packaging process; it is a reproducible system - a useful model for other institutions.
- CLSU should expand its research capacity in Tech Pack by involving other institutions doing relevant research in the region (e.g. the Consortium of Universities of the region).
- CLSU should increase the involvement of the academic staff and students in the Tech Pack program.
- A feasibility study should be undertaken to get a better basis for determining how the Food/Feed grain processing facility should be used.

The Extension/Outreach Thrust

- It is recommended that assistance under the IAPM project be terminated upon completion of presently programmed consultancies and training programs as originally planned.

Marketing/Agribusiness

- High priority should be given by the GRP and AID to developing an improved policy environment consistent with and conducive to the linking of agribusiness and market system programming with the improvement of the small farm sector.

BASIC PROGRAM IDENTIFICATION DATA

1. Country : Philippines
2. Bilateral project title : Integrated Agricultural Production and Marketing
3. Bilateral project numbers: Project No. 492-0302
Loan No. 492-T-044
4. Program implementation:
 - a. First project agreement: FY 77
 - b. Final obligation : FY 82
 - c. Final input delivery : FY 83
5. Program funding:
 - a. A.I.D. bilateral funding: \$ 8,230,000 grant
\$ 3,000,000 loan
 - b. Host Country counterpart: ₱48,000,000 (budgetary support)
₱103,800,000 (in-kind support)
 - c. Other donor : NA
6. Mode of implementation:
 - a. Project Agreements between USAID/Philippines and GOP with implementation carried out by Ministry of Agriculture, University of the Philippines at Los Banos and Central Luzon State University.
 - b. Host Country Contract between Ministry of Agriculture and Kansas State University.
 - c. Agreement with Ministry of Agriculture and USAID/Philippines using PIOs
7. Previous evaluation and reviews:
 - a. Project Evaluation covering 1977 - March 1979
8. Responsible Mission Officials:
 - a. Mission Directors: Garnett A. Zimmerly 1976, Peter Cody 1977-79,
Anthony M. Schwarzwaldner 1979-81
 - b. Responsible project officers: Kennet Eubanks 1976-79,
John A. Foti 1979-81
9. Host Country exchange rates:
 - a. Name of currency : Peso
 - b. Exchange rate at time of project : ₱7.5 = \$1

INTRODUCTION:

This report covers the second evaluation of the Integrated Agricultural Production and Marketing Project (IAPMP) of the Republic of the Philippines. The project is jointly funded by the United States Agency for International Development (USAID) and the Government of the Republic of the Philippines (GRP). Kansas State University (KSU) was engaged to assist in implementation of the project under a contract with the GRP. Implementation began in 1977 and is scheduled to run for 5 years, terminating by June 30, 1982.

The first evaluation was conducted in March, 1979 by a joint team of Filipino and American consultants. At that time implementation had been underway for only about one and one half years. For part of that time the project had been beset by the usual start up problems, such as delays in recruitment of consultants, but the team noted that these problems had largely been overcome. Their report focused on progress and problems in organization and management of activities in each of the four thrusts and in integrating and coordinating these activities.

The recommendations of the First Evaluation Team were the basis for a workshop held in May, 1979 involving representatives of all agencies involved in implementation of the IAPM project. The objectives of the workshop were to:

1. Work out courses of action for implementation of the Evaluation Team's recommendations identified as suited for implementation.
2. Work out courses of action for strengthening linkages among and within thrusts, and
3. Restructure the originally projected staff and participant training schedules to meet the Project's current and projected needs.

The current evaluation is concerned with progress made, particularly in the last two years, and with assessing what remains to be done to meet project objectives, recognizing that the objectives themselves may indeed need to be modified in light of changes in the economic and political environment.

The report reviews the current setting as it relates to the stated objectives and the expressed and implicit assumptions underlying the project design. Following sections examine each of the four project thrusts (sub-projects) in terms of progress thus far toward meeting objectives, appropriateness of initial objectives in light of the current situation and requirements for modification of design implementation plans. The report also considers the overall management of the project from the standpoint of changes that are needed to better

utilize the remaining resources available under this project more effectively and in achieving the linkages and coordination needed.

Finally, the report makes an assessment of the activities for which continual/extended support are most critical for achieving project objectives and those for which further assistance is no longer required, either because they are not likely to significantly contribute to project goals or because those components of the project have achieved a level of success that will ensure achievement of objectives without further project support.

PROJECT BACKGROUND SETTING

A major question is whether the IAPM project is an appropriate vehicle for addressing production and marketing constraints in the Philippines. One way to answer that question is to ask whether the project's assumptions about its own operating environment are adequate. If they are, then the project's design is consistent, in principle, with project goals. To the degree that the assumptions about the operating environment are inaccurate, the possible inconsistencies between means and ends must be assessed.

The IAPM project makes explicit and implicit assumptions about its environment. The project paper makes the following 5 explicit assumptions for achieving project purposes:

- (1) Small farmers can be motivated to adopt new technological packages developed under this project.
- (2) There is continued GRP commitment to equity and income distribution strategies in agricultural development.
- (3) The GRP will ensure availability of agricultural inputs on a timely basis
- (4) Sufficient investment opportunity exists to attract small rural entrepreneurs into the technological packages process.
- (5) Adequate amounts of credit will be readily available to participating small farmers and small agro-entrepreneurs.

During the project's first year, an important additional although implicit assumption was made about achievement of project purposes; namely that institutionalizing project purposes was basically a question related to the (then) Department of Agriculture. Thus, for example, rather than analyzing the system of agricultural policy-making across production and marketing functions (an inquiry which would have led the project to early and sustained relationships with NEDA, NGA and others), the project drew on a study of management linkages in the Department of Agriculture alone.

The revised logical framework for the project, adopted in 1979, identifies the project's sub-sector goal as follows:

"Overall, improved planning, implementation, institutional environment to raise sector's absorptive capacity for more beneficiary and production related schemes, with particular regard to the small farm sector".

A number of assumptions were identified for achieving that goal, associated purposes, inputs, and outputs. They included:

- (1) For achieving goal targets:
 - GRP follows suitable policies relating to markets, investment, production, extension, research, etc. including price, terms, sectoral allocation, etc.

- Continued GRP commitment to economic equity in agricultural policies and projects.
- (2) For achieving purposes:
- IBRD and similar donor and nationally funded sectoral development projects.
- (3) For achieving outputs:
- MA takes up and utilizes improved policy-making capabilities.
 - Trained persons indeed return to sector and function productively.
 - Suitable price/incentive environment to induce adoption.
- (4) For providing inputs:
- GRP budget constraints do not significantly affect implementation.
 - Parallel contemporary projects do not significantly affect implementation.

By 1979 the project was in an established working pattern: The Ministry of Agriculture, CLSU and UPLB were the main institutional parties. The implicit assumption behind that implementation strategy was that these were the points at which institutionalizing project purposes would have the most far-reaching impacts. Was that assumption ever really viable? The answer is not difficult. The Ministry was not nor is it now the lone decision-making entity in agriculture. Moreover, in the contemporary policy environment, the Ministry may not be the leading policy actor. IAPMP's designers undoubtedly recognized the existence of other actors, but sought to make the Ministry of Agriculture a stronger actor.

The first evaluation team correctly noted that the IAPM project was attempting to build "new functional relationships, not new structures". We need to remember however, that much depends on choosing the correct structures. It now can be suggested that given the range of functions that needed to be integrated, the actual structural relationships chosen by the project for attention may not have been sufficient for the purposes at hand.

There are at least 4 additional changes in the project's institutional environment since the project's inception which have significant impacts on the appropriateness of the project's overall strategy.

1. The most recent and perhaps the most dramatic change is the emergence of the National Food Authority in January, 1981. The Authority has an extremely broad mandate in the entire food and agriculture area although currently its main operating arms are the National Grains Authority and the Food

Terminal Incorporated. The Authority is governed, however, by an inter-Ministerial committee that includes virtually all parties involved directly or indirectly in Philippine Food and Agriculture. The lines are not clearly drawn yet between the MA and the NFA. While a number of scenarios are possible, it is certainly clear that the emergence of NFA represents a very significant change in the institutional environment for the IAPM project, even if NFA does nothing more than intervene in agricultural marketing. Certainly if the NFA had been present in 1977, the project's designers would have had to relate to it.

2. The regionalization of the Ministry of Agriculture was already on the drawing boards when IAPM was initiated, but actual implementation is relatively recent. This represents a major change. It alters the problem of functional coordination within the Ministry by creating an integrated regional structure with all Bureau personnel reporting to a single regional MA Director. Internal management tasks and linkages are intimately affected by the regionalization and specifically by the imminent Agricultural Support Services Project and the existing National Extension Program. Strengthening overall capacity now means not just national capacity to formulate national policy but regional capacity as well as national capacity to backstop regional capacity. The overall challenge to the Ministry to plan and implement beneficiary and production related schemes is increased at least by a factor of 12. That challenge is almost certainly well beyond existing capacity. In effect just as the IAPM Project was perhaps within reach of many of its goals, the goals multiplied and became once again quite distant.

3. Although having less direct impact in the short-run, several related changes in the status of regional development in the Philippines do have potentially significant impacts on the future sustainability of sectoral versus inter-sectoral development strategies. PD 1200, which formally promulgates the national plan (1978-82) and the component 12 regional plans, also identifies integrated area development as the principal strategy for implementing the plans. The Regional Development Investment Programs now being prepared are inter-sectoral programs organized around integrated area development districts. Regional budgeting has been underway for several years and continues to evolve in a direction which requires line agencies to support budget requests in terms consistent with inter-sectoral regional plans. Finally, there is the imminence of a major World Bank project in Region VII which will essentially implement a Regional Development Investment Program. If that effort has any success, it will probably lead to similar efforts in other regions. What is happening is that the GRP is moving toward area-focused inter-sectoral programming.

That represents another layer of coordination problems to be placed on top of the challenge of sectoral coordination originally identified by the IAPM Project. The major impact will occur at the regional rather than the national level, complicating further the challenge to the Ministry in particular and food and agricultural planning in general posed by regionalizing the MA.

4. The Food and Nutrition Plan developed by the Ministry of Agriculture in 1980 complements the IAPM project problem definition through an emphasis on increasing and diversifying agricultural productivity. The plan also needs to be seen, however as an acknowledgement that despite several years of a rice surplus, malnutrition is a widespread problem in the Philippines. While IAPMP has never indicated malnutrition was not a problem, its basic impetus has been drawn from elsewhere. The project's main premise is that market system and post-harvest inefficiencies have reduced benefits to producers that should accompany their increasing productivity. The project's beneficial orientation therefore has been to producers. The project's basic stated strategy is to improve the economic situation of producers through producer-oriented improvements in the market system. The Food and Nutrition Plan suggests the Ministry and the GRP will be looking more carefully for strategies that also pay attention to the consumption problems faced by many Filipinos. As of this writing, the Plan has not been formally translated into specific projects. However, given the evolving programming attached to the Kadiwa centers, it is reasonable to expect that more significant attention will be given to malnutrition oriented food strategies following settlement of relationships between the Ministry and the National Food Authority. In the meantime, the Food and Nutrition Plan raises questions for the IAPM project's assumptions about the effectiveness in equity and consumer-oriented terms of linkages between improved productivity, more efficient marketing, and the food security position of poorer Filipinos.

Taken together, these changes in the IAPM project's institutional environment constitute major challenges to the sustainability of the particular means chosen by the IAPM project to achieve its purposes. What is generalizable in the project must take large account of these several changes.

NATIONAL POLICY THRUST

According to the Revised Logical Framework, the basic purpose of this thrust is to "strengthen overall capacity to formulate rational informed national food policies." The policies are to be oriented to raising the agricultural sector's "absorptive capacity for more beneficiary and production related schemes, with particular regard to the small holder sector." That means upgrading "agricultural policy making capabilities in MA and regional agricultural planning/implementation bodies; using better data, analytic systems, etc." The end-of-project situation should see a Ministry of Agriculture "able to integrate better agricultural data and develop informed agricultural policies with computer support, formulate alternatives, establish strong linkages between analysts and policy makers." The principal assumption made for achieving outputs is that the Ministry of Agriculture "takes up and utilizes improved policy making capabilities."

The major outputs sought by the project from this thrust are:

- (1) An institutionalized and improved capacity to analyse and evaluate agricultural policy issues, and formulate justifiable policy recommendations.
- (2) Comprehensive statistical data for agriculture.
- (3) Validated field data for palay, corn, and other important crops.
- (4) Updated ancillary data at the barangay level.
- (5) An area sampling frame for selected provinces.
- (6) Trained Management Information System staff, report officers and production technicians.
- (7) Updated planning and budgeting processes in the regions.
- (8) Trained Planning Service staff.
- (9) An operational Agricultural Data Bank.
- (10) Improved interfacing of budget with development planning among the Ministry's bureaus and agencies.
- (11) Improved monitoring and evaluation system.
- (12) Trained regional/provincial planning and budget staff.
- (13) Enhanced capability and capacity of the Ministry of Agriculture Computer Center.

The inputs provided by IAPMP include technical assistance, participant

training, commodities and equipment, local staff, and office facilities.

The national policy thrust has been organized into 5 sub-thrusts:

1. Policy Analysis
2. Planning Analysis and Linkages
3. Data System Improvement
4. NFAC-MIS capability enhancement.
5. Computer enhancement.

Our review of each of the sub-thrusts will focus on developments since the last evaluation. For reasons which will be detailed later evaluative discussion will be conducted for the entire thrust rather than individually by sub-thrust.

Policy Analysis

The main purpose of this sub-thrust is institutionalization of an improved capacity to analyze and evaluate agricultural policy issues, and to formulate justifiable policy recommendations. The sub-thrust has been implemented by a policy analysis staff.

The policy analysis staff has produced an impressive number of reports and memoranda organized around three areas of concern:

- (1) Appraisals of current situation and outlook. This means situation reports, world supply-price assessments, and information and analyses for day-to-day management decisions. This is by far the major activity of the Policy Analysis Staff.
- (2) Planning and Longer-Term Perspectives. The three major efforts have been participation in development of the Food and Nutrition Plan; production of a major monograph, Philippine Food Consumption Trends and Prospects for the 1980s, and research on feed livestock
- (3) Institutional development. There is a staff development strategy implicit in the relationships between the Project Consultants (Rex Daly, Mark Rosegrant, Jim Snell) and Filipino staff. Included in this area of concern also are the general attempts by the consultants to establish the role of the policy analysis staff vis-a-vis other offices, agencies and bureaus of the Ministry.

The majority of the staff's efforts have not been directed at policy analysis, but rather at improving and streamlining national data for

major commodities including both food and non-food crops. This is understandable since policy analysis has to begin with consistent estimates of production, consumption and price trends.

The IAPM project's inputs to this sub-thrust have been substantial. There has been technical assistance in the form of consultants Daly, Rosegrant and Snell. The entire Filipino staff is either entirely or partially supported by IAPM Project funds. The Filipino staff assigned to the consultants have by and large been BS level graduates with very limited (if any) technical knowledge of agriculture. Some of the staff are on detail from BAEcon; and receive supplementary salary. Most were hired directly for the staff. Because they were hired on a contractual basis, it has not been possible to expose them to participant training opportunities under the IAPM project. While the staff are certainly learning by working with the consultants, the substantial workload assumed by the consultants has yielded a role between consultants and staff best characterized as general supervision rather than structured internship or the like. What could legitimately be termed as Filipino counterparts have not been formally assigned to work with the consultants. It should be noted, however, that an open channel of communication has developed between the senior consultant in particular, Rex Daly, and the Ministry's leadership. The Assistant Secretary designated as Coordinator for the overall thrust has had little time to devote to that task or to the task of guiding the policy analysis sub-thrust. Consequently, the commodity-oriented work program developed by the consultants in 1979 and the responsiveness of the consultants to inquiries from the management service and the Ministry's leadership for short-term analyses have guided the development of the Policy Analysis Staff's agenda.

The major accomplishment of this sub-thrust has been to increase appreciation by parts of the Ministry's leadership for the value of timely and accurate economic information. That is a first and crucial step for institutionalizing an improved analytic capability in the Ministry. There is no evidence, however, of additional steps taken in the direction of the sub-thrust's principal objective.

Planning Analysis and Linkages

The main purpose of this activity is to "enhance planning and budgeting capability for a systematic program/project/activity implementation in the regions and see to it that these are in line with the Ministry's Thrust and over-all national goals." The activity is being implemented by the MA Planning Service, particularly the Project Development and Evaluation Division. In principle, the responsibility of the Planning Service is "to plan, monitor, evaluate and integrate agricultural plans and programs."

The activities under this sub-thrust are quite diverse. They include

- (1) Development of integrated regional agricultural development

plans. Doing this requires consolidating and finalizing production targets and then identifying the program inputs needed to achieve those targets.

- (2) Development of projects to support the objectives of the Food and Nutrition Plan, especially with regard to the proposed commodity programs.
- (3) Training of MA staff at national, regional and local levels in planning, programming and monitoring skills.

The main problem this sub-thrust thought it was tackling initially was weak links in the Agricultural Data System between data generation and planning/programming. With regionalization of the Ministry, their perceived objective has shifted to coordinating regional agricultural planning. This is to be accomplished through developing various planning guidelines and taking steps to encourage their application in the regions. There is no revealed intention to regionalize the planning service. Instead, there might be a very limited incidence of fielding central office staff to the regions. The main constraints to achievement of objectives are staff deficiencies in planning, project development and analytic skills and extremely unclear divisions of responsibility between the Planning Service and 3 other groups whose work relates both to data linkages and regionalization. These other groups are the Management service, the Policy Analysis Staff, and the Bureau of Agricultural Economics. Similarly, the probable relationships between the Planning Service and the Regional Ministries have not been clarified.

It is difficult to find satisfactory evidence that this sub-thrust has contributed much to solving the problem of linking data flows, policy analysis, and decision-makers. That may be because all three of the functions to be linked reside in other parts of the Ministry. It is equally difficult to find evidence that this sub-thrust has enhanced the planning and budget capabilities needed to support regional agricultural planning. Since enhancing regional agricultural planning capabilities is one of the objectives of the Agricultural Services Support Project, it is possible to look forward to the eventual achievement of this objective, although by other means.

Data Systems Improvement

The institutional base for this sub-thrust has been the Bureau of Agricultural Economics. The sub-thrust has four major purposes:

- (1) introduce improvements in ongoing surveys and reporting systems;
- (2) provide objective information on crop yields (crop-cutting data) which will be used to validate yield data obtained through interviews;

- (3) develop an inexpensive method of collecting barangay data to meet the Bureau's needs for efficient **agricultural surveys and;**
- (4) develop a system of stratifying the geographical coverage of agricultural surveys and segmenting each stratum into units containing a minimum number of forms.

This sub-thrust has made particularly good use of IAPM project inputs, especially technical assistance (Bruce Graham, Wally Kirkbride), some custom-designed participant training, and equipment. As a result of these inputs and BAECON's commitment to improving its capabilities, accomplishments can be noted in several areas. These include:

- (1) Improving the sample, timing, estimates, and questionnaire design for the rice and corn survey;
- (2) A wide range of statistical improvements in the palay and corn stocks series oriented to improving statistical consistency;
- (3) Beginning of modifications in livestock and poultry surveys, coincident with assumption of full responsibility for this series by BAECON this year;
- (4) Simplification and rationalization of survey forms covering prices received by farmers, farm wage rates and a variety of socio-economic studies;
- (5) An area sampling frame was constructed and used in the pilot province of Pangasinan for the rice and corn survey. This year, two additional provinces (Isabela and Nueva Ecija) are planned for area frame construction.
- (6) The rapid beginning of efforts to develop regional agricultural data delivery systems. While BAECON has not been regionalized with the rest of the Ministry, this effort is supposed to provide the data needed to support planning and receive allocation decisions by the regional Ministry Directors. Statistical personnel will be detailed to BAECON from other parts of the Ministry in each municipality. Initial operations have begun in Regions III, VI and X.
- (7) The Ministry of Agriculture Integrated Management Information System goes along with the regional agricultural data delivery system. Its purpose is to provide the data needed to monitor program impacts. Earlier modification of the forms and surveys which provide data for the NFAC-MIS, used to monitor Masagana 99 may provide a basis for development of the MA-MIS.

The main difficulties encountered include budgetary shortfalls, which resulted in deferring crop-cutting activities, delaying work on the

development of a forecasting model for rice and corn; and limiting area frame coverage to the major crops (rice and corn).

Many aspects of the Data-enhancement sub-thrust, particularly the RADDs and the MA-MIS, will be supported under the Agricultural Support Services Project. In the interim BAECON is seeking IAPM Project consultancies in connection with the MA-MIS as well as to improve its capacity to generate periodic and reliable market outlook reports. In the latter case, it is unclear whether BAECON or the Policy Analysis Staff is taking responsibility for attempting to generate market outlooks.

NFAC-MIS Capability Enhancement

This sub-thrust's principal purpose is to strengthen the Management Information System used by the National Food and Agriculture Council. That means improving the data base for the system and improving degrees of utilization of the MIS by NFAC management. Actual activities and IAPM Project inputs have concentrated on the former. Consultant assistance resulted in modification of the MIS survey forms for the Masagana 99 and Maisan 77 programs. Data collection and processing involve BAECON and BAEX field personnel with final preparation of reports the responsibility of the NFAC-MIS staff, some of whom received degree and participant training awards under IAPM Project Support.

The NFAC-MIS potentially represents a substantial data base on various aspects of rice and corn production within NFAC program areas. Management utilization remains limited, however, to relatively simple estimates of production levels and number of farmers covered. Activities in this sub-thrust are expected to be incorporated into the emerging Ministry-wide MIS. The latter is expected to be strengthened through support from the Agricultural Support Services Project.

Computer Enhancement

The objective of this sub-thrust is to enhance the capability and capacity of the Ministry's Computer Center. Toward that end, several studies and the multiple use of consultant Michael Miller have failed as yet to lead to a clear conclusion with regard to a set of decisions that need to be made:

- (1) How to staff the Computer Center, particularly at the leadership level; and,
- (2) What kind of equipment and software (if any) should be purchased.

The Computer Center has been hurt by rapid turnover in its staff, an understandable development given salary opportunities in the private sector. Currently, another computer upgrade plan is being assembled for submission to the National Computer Center. While some assessments have been made of computer needs within the Bureaus, it is difficult to conclude that adequate evaluation of data processing requirements have been made on a Ministry-wide basis. Consequently, there is incomplete evidence that the Ministry can use more powerful computer facilities. During the last two years, the organizational issues involved in successfully maintaining a computer facility and integrating it into the data processing needs of the Ministry have not been the subject of much examination beyond concern over computer center staffing.

EVALUATING THE POLICY THRUST

A Perspective:

The National Policy Thrust may be the most important component of the IAPM Project. Without an appropriate policy environment, the integrative aims pursued by the IAPM Project can barely be pursued and certainly not sustained. To evaluate the project's efforts in this Thrust, we need to look at the Thrust's activities taken together. Before doing that, however, it is appropriate to provide a brief perspective on what institutionalizing an improved capacity to conduct food policy analysis means.

Food policy, especially in the Philippine context, is an umbrella term for a wide range of decisions and interventions that various public agencies can make and implement. In general, the policies show some relationship to the socioeconomic goals stated in the Philippine National Plan and reflected in a variety of other areas such as the Food and Nutrition Plan. For food and agriculture, the goals are a blend of production, efficiency and equity concerns.

Food policies are really a mix of instruments, some applied and some withheld, which it is believed will influence the Philippine food system in desired directions. For the Ministry of Agriculture, there are three types of policies, each of which can stand a good dose of analytical support. The first is technology policy. This is the most common type of decision made by the Ministry -- decisions to promote a technology. The class of policy analysis which can support such decisions can be called technology assessment (TA). TA is economic and social impact analysis conducted before a technology is disseminated. It addresses a number of questions associated with the basic questions: What if a technology "works"? What if it is widely used? Who are the likely beneficiaries and probable losers? What are the higher order or indirect impacts? Are there probable unintended consequences? If so, are they positive or negative? Are any irreversibilities (e.g. ecological degradation, dislocation of people) likely?

A second type of policy the Ministry makes is institutional policy. The Ministry organizes itself and those it presumes to service in ways it believes better facilitate the use of agricultural technologies and the channeling of benefits to specified groups. The class of policy analysis which can support such decisions can be called analysis of administrative capacity. Analyses of administrative capacity focus on the organizational and management issues involved in any technology support system. For example, as the Philippines moves to intensify agriculture in non-lowland and non-irrigated agro-economic zones, a wide range of questions will arise about the reproducibility of technology delivery strategies originally organized for irrigated rice.

A third type of policy the Ministry makes is stock management. The Ministry as well as several other actors (NFA, MNR, NEDA, CB), attempt to influence levels of production, consumption, storage, import and export of agricultural commodities through a combination of economic (price-related) and physical policies. This class of policy analysis explains variation in commodity production, consumption and prices and attempts to anticipate how those variables will be influenced by a range of other variables which directly or indirectly influence individual factor allocation and consumption decisions.

Taken together, all three -- technology assessment, administrative capacity analysis and commodity analysis -- constitute what might be considered an analytical support for Agricultural Policy. This would be true nationally, and perhaps what is more important but less well recognized, it will be true regionally if the regionalization of the Ministry really proceeds. While agencies other than the Ministry make policies which significantly impact food system development, the Ministry, within a scope permitted it, does make technology, institutional and stock management policy.

To make that policy and to have an adequate analytical base for that policy, it is necessary to know what is going on in the Nation's food system. Knowing what is going on means knowing with confidence, consistency and generalizability. That is the role of an integrated statistical support system (ISSS). An ISSS presents analysts and decision-makers with data that is timely and accurate to required degrees. It ties what needs to be known with a process of data generation, verification and transformation that yields a useful and accessible product.

When analysis and the statistical support system are appropriately linked and when the linked system has a degree of autonomy consistent with integrity and a degree of access to Ministry leadership consistent with utility, then we can say that we are looking at the institutionalization of a capacity to generate alternative food policies.

That, very briefly, is our perspective. We now ask: Is the national policy thrust moving in this direction?

The Road to Institutionalization:

Institutionalization is a longer-term process. It is a continuity of funding and commitments that reflects agreed divisions of labor and mutually recognized utility. Food policy does not require an institutionalized analytical support capacity. Policies can be and are made with little, if any, examination of alternatives or anticipation of consequences by policy analysts. Today, however, the Philippines confronts the complexities of moving production strategies beyond irrigated rice to polycultural farming systems often in less well-endowed agro-economic environments. It confronts the full impact of the food poverty syndrome - the co-existence of systematic and

persistent nutritionally vulnerable groups with increased agricultural productivity - and looks to evolve a coherent food security strategy. In this situation, it is difficult to believe that effective policies can emerge without some increase in the role of comprehensive policy analysis. The IAPM project started out with a food systems focus that correctly pinpointed the policy avenue as a crucial channel for affecting changes in the Philippine food system. The project represented a vision of complexity and offered a glimpse of strategy on linking together and mobilizing diverse institutional resources. It is our conclusion, however, that the project has not made significant progress towards institutionalizing an improved capacity to analyze policy alternatives. Some parts of the Ministry's potential analytic support system are undoubtedly "better", but unless there is discernible movement towards some synergy, "better" and "worse" by the parts really can only be said to hold promise.

An important road remains to be travelled. What needs to be done to make the trip? To answer that question our discussion will assume a strategic rather than a tactical perspective. This is in recognition of the longer term nature of the problem.

1. The value of accurate and timely economic information and analysis has not yet reached a critical threshold in the Ministry. The first step in developing a basis for food policy analysis is economic information that is believable. By economic information we mean the most basic building blocks of any food policy data base: area planted, yields, prices received and stock disposal. While much progress has been made in technically improving rice and corn statistics, the persistence of diverse production and consumption estimates and the episodes of dissatisfaction and miscommunication between various data users and data providers are symptoms of a more fundamental problem: Firm and continued demand for consistent economic information is really not present. Policy decisions do not yet place a significant enough premium on such information to yield the steps necessary to really improve the system. The Ministry has tolerated discrepancies and, in some cases, inaccuracies. The experience of the NFAC-MIS and the current experience of the MA-MIS reflect the same point: Program decisions generally have not relied on accurate data; the decisions would not necessarily be any different if the data precision was finer.
2. The statistical support system is not adequately integrated to perform the functions expected. The main functions a statistical support system should play is providing data to analysts and decision-makers that they can use to answer the questions they are asking about food system performance. The minimum sequence of tasks that implies is:

- (1) Deciding what needs to be known and what that means in statistical terms.
- (2) Collecting that data in a manner that elicits reliable estimates of variables.
- (3) Processing data in a manner that summarizes observations into meaningful descriptions of the basic statistical properties of specific indicators.
- (4) Publishing and otherwise making accessible on a rapid basis indicator series. In most cases these will be organized into series that are consistent across distinct time periods and between different places. In those cases where studies are non-periodic, the terms of reference for data will be clearly identified.
- (5) Throughout this process, continued attention is given to searching for, identifying and resolving inconsistencies within and between data series.

Most of these functions are currently performed to one degree or another, but there is not a clear pattern of institutional responsibility linking the functions. Step (1) for example, has never been systematically taken except, perhaps, for the basic rice and corn statistics. Even there, however, it cannot be said that there is uniform satisfaction with these series nor is there consistent utilization of these series for programming purposes. Step (2) is conducted by several bureaus and agencies including BAEcon, BAI, BPI, and BAEx. Under the IAPM project, BAEcon's abilities in particular have been strengthened, although a certain risk should be noted. Statistical system improvement is often movement from euphoric knowledge to informed uncertainty. There are a number of questions about BAEcon rice production estimates. Those estimates are based on surveys. If BAEcon moves on a large scale to implement crop-cutting estimates and the production inferences are substantially different from the survey series the GRP will be in a situation, as one person put it, "where we won't know for five years what is happening in rice!" We are not prepared to say the system is ready to move smoothly from euphoric knowledge to informed uncertainty!

Steps (3) and (4) are also supposed to be the principal responsibility of BAEcon, but a range of other parties are involved including BPI, BAI, BAEx, NFAC, the Special Studies Division, and the Policy Analysis Staff. Real consensus on estimates for rice and corn does not exist; for other commodities few would even propose that consensus is imminent. The Ministry's inability to mount a comprehensive agribusiness program begins here. The first step in such a program is distributing consistent economic information that potential investors and planners can use. Without that, what is the Ministry's credibility? Included here also is the Computer Center, the facility which simply implements data

processing, but to which some parties look for something approaching analytical support and statistical consultancy.

Step (5) is the most factious point in the existing system. It is here that users, program proponents and data generators cross swords and we have the situation of apparent multiple data series produced by different offices. That is unfortunate but understandable. What are we to make of export numbers which exceed production estimates for the same commodities, a problem that points to a mix of conceptual and statistical problems in basic stock estimates. What are we to make of differences in corn hectarage estimates by a magnitude of three or four? What are we to make of a range of per capita commodity consumption figures each of which yields different conclusions about the current status and likely future of that commodity economy? What in general is anyone to make of different estimates coming from the same Ministry, some of them undefined and unattributed?

Recently, there is some evidence of attempts to get control of the situation. The link made by BAEcon between the MA-MIS and the Computer upgrade is an example, but much remains to be done. The approach to statistical system development right now begins from Step (2) - how much we can or cannot collect - rather than from Step (1) - what we need to know and for what purposes. The first step still remains to be firmly taken. We note here the still valid conclusions of the first evaluation team.

"The team sees less evidence that IAPMP has yet engaged the larger problem of defining total sector data need for policy and program formulation, implementation and evaluation ... Hopefully overlapping efforts within the Ministry and with outside agencies will be minimized."

3. The existing policy analysis capability is personalized but not institutionalized. Perhaps the greatest paradox of the IAPM project is that one of its most notable successes - the excellent work of consultant Rex Daly - is also a symptom of the most notable short-coming - the failure to take any steps to institutionalize an analysis capability. Any minister will spend much of his or her time in crises management and short-term decision-making. That often leads to the emergence of a trusted inner group that the Minister has most intimate contact with on a day-to-day basis. Daly's relationship to the Minister is a notable compliment to his insight and experience, but we cannot call that access by personal recognition an indicator of institutionalization. The pattern we see evolving is similar to the earlier years of the Special Studies Division. In that case as in this, an expatriate has assumed a role which anyone familiar with technical assistance knows will be productive but will not attract appropriate counterparts. In short, the strategy does not yield results beyond the period of the consultant's assignment. It is unfortunate that the parties to this project allowed this situation to develop.

4. The challenge of institutionalization is only partially organizational; the more important part is programmatic. There is little evidence of an emerging programmatic strategy for institutionalizing an enhanced capacity to evaluate policy alternatives. An organizational strategy follows from a vision and the strategies which the vision yields. Where and what is the vision of policy analysis in the Ministry of Agriculture? Here we must confirm some "givens". The Ministry is basically a production-oriented agency with interest and skills in a few basic food crops. Perhaps a MIS which takes the pulse of those commodity economies is all the Ministry really wants. As we have already noted, the Ministry may, in fact, have only limited need for policy analysis.

There is reason to believe, however, that the Ministry may be acquiring a taste for more. If it is, the present policy analysis staff presents us with a shortfall. The policy analysis staff in fact does little analysis. Its efforts, correctly or not, have been on seeking consistent answers to essentially descriptive questions: How much area did we plant? How much did we grow? How much did we eat? How large was our surplus? BAEcon does little analysis. BPI, BAI and BAEx do little analysis.

That is too bad, because while analysis can't proceed on questionable data, some of the most pressing policy questions faced by the Philippines have not been adequately engaged. For example:

- Does the Philippines have an excess rice producing capacity? Considering the IAPM project began with the premise the GRP was a surplus producer, why wasn't this question raised? Why has policy analysis spent several years cleaning data, in some cases without a clear view of the cost-effectiveness of precision thereby gained, when efforts might have been devoted to questions about payoffs to continued investment in rice irrigation or to extending forms of Masagana 99 to rainfed rice?
- What is the Food Security situation of the Philippines? That is a question requiring linkage of knowledge about international markets and the domestic food system. It is crucial question about which not enough is understood.
- The economic position of many smaller or marginal rice farmers and landless labor is precarious in many places. Can an agribusiness strategy be defined which will directly contribute to improving their socioeconomic position? What would be the appropriate mix of public and private capital in such strategies? In a policy environment characterized by division of potential agribusiness policy instruments across a wide range of government institutions, where is the institutional leverage for an agribusiness policy thrust? What is the technical leverage?

The job of policy analysis is more than answering the question "how can we do something?" It also has the responsibility of asking "what should we be doing?" and "why are we doing what we are doing?" Pursuing those questions doesn't limit one to an ad hoc organizational or programmatic strategy. Answering the first question does not preclude answering the second and third.

These are questions which require more than commodity analysis; they require analysis of alternative technology policies and institutional policies. We can find little inclination to consider how such analyses might be constructed. This is a serious problem - made worse by the current ambiguity in roles between the Ministry and the NFA.

5. Regionalization of the Ministry represents a significant challenge to policy analysis capabilities. Coupled with the proliferation of decision-making actors in the food policy arena, innovative thinking about institutionalization strategies - both in organization and programmatic terms - is required. The imminence of the Agricultural Support Services Project has brought this general question to the foreground, but we see little evidence yet that the full implications of regionalization have been digested. Resource allocation and planning decisions to be made in the regions, while in line with national policy objectives and strategies, will also reflect the diverse realities of the 12 Philippine regions. Here too decisions will be made, but will there be an appropriate analytic support base? If so, where will it be? Is Manila to back-stop the regions? Are the central services to be reproduced in the regions? If training in the regions is to be implemented, who will do the training given the very limited analytic capabilities in the central Ministry office? What would be the content of training -- a difficult question given the limited analytic track record in the central office. How can the special statistical support requirements of the Regions be best met in a manner that does not jeopardize data reliability? In regions where rice is not a major agricultural crop, where is the analytic support to come from to deal with questions that the central Ministry has not yet fully engaged? Regionalization is a significant challenge to the job of improving policy analysis. The proliferation of actors in the food policy arena is an additional complication. It may require some hard decisions to match analytic capacity to where policy leadership actually resides. Decisions here will need to be made.

Recommendations:

In light of our description of the IAPM project policy thrust activities and our evaluation of the challenges facing the Ministry in attempting to get itself on the road to institutionalizing a capacity to evaluate alternative policies, we offer the following four recommendations. They are directed at the issues of:

- integrating the statistical support systems;
- institutionalizing a national policy analysis capacity;
- confronting the challenge of regionalization; and
- The Special Problem of Agribusiness

1. Integrating the Statistical Support System:

We propose that there be created a Statistical Advisory Committee (SAC) to get the Ministry on the track of integrating its statistical support system. We recognize that suggesting a new structure is a choice of last resort, but we believe it is needed given the distribution of statistical and analytical functions within the Ministry. The Committee should be constructed around the major data users (analysts and decision-makers) in the Ministry. The Committee should have the following functions :

- A. It should perform broad governance functions for the Computer Center. We recommend that the Center be managed and staffed through a facilities management contract. That contract should cover center direction, systems and EDP programming and statistical expertise able to interface between data users and data processors. Other programming should be implemented on a project specific basis, chargeable to those projects. A facilities management contract will shift funding out of the Ministry's 01 (Personnel) account and ensure that the system operates and is reliably maintained. At a latter time, the SAC can consider direct MA operation of the Center, but it will always need to recognize the implications of the almost 2.5 to 1 difference between private sector pay scales for computer skills. Prior to the awarding of any contract for facilities management or for any computer upgrade, the Statistical Advisory Committee should conduct a study of verifiable data-based analytical outputs required by the Ministry decision-makers and translate those into data base and processing load requirements. The study should build on the current investigations of the inter-agency Statistical Advisory Board by relating the Ministry's policy-making and program management agenda to needed variables, indicators and statistical sampling characteristics. This assessment should be designed and conducted as a form of policy analysis rather than as an inventory for data currently used for statistics currently available.
- B. The SAC should assume continuing responsibility for evaluating and appraising consistency within and between statistical series. The SAC should assume the functions now split in several places for determining official Ministry estimates. Consideration should be given to providing SAC with a technical staff whose function would be examine data series for inconsistencies.
- C. The SAC should be responsible for guiding the development of the MA-MIS. As a first step, the SAC would supervise periodic and careful evaluation of the NFAC-MIS. That system

provides considerable rice data. Does it follow that NFAC's managers know more about their rice programs? While BAEcon would continue to implement the system, the SAC would be responsible for determining the proper phasing of system development, giving primary emphasis to outputs required rather than inputs possible. The SAC would also be responsible for periodically evaluating MA-MIS system utilization.

2. Institutionalizing a National Policy Analysis Capacity

We recommend that the Ministry and the GRP explore the following alternatives for institutionalizing a national policy analysis capacity. All the alternatives presented build initially around stock management policies and hence commodity analysis. That is because most stock management policies are essentially the prerogatives of national policy.

A. Significantly Upgrade the Capabilities and Status of the Policy Analysis Staff within the Ministry of Agriculture. Implementing this alternative would require taking two major steps.

- (1) Institutionalize an Institute for Agricultural Policy Analysis. The basis for such an Institute would be the existing Policy Analysis Staff. It follows that we do not recommend allowing the existing policy analysis staff to be absorbed into the Planning Service. Steps should be taken to upgrade commodity analysis capabilities in the staff. That means the staff should be spending less time looking for, evaluating and resolving inconsistencies within and between commodity series. That is not policy analysis. If it takes 12 people to do that form of statistical verification, it should be a different 12 people than those assigned to play roles on a policy analysis staff. One step is creation of the SAC. A second step is commitment by the GRP to staff the IAPA with appropriate Filipino talent. The Philippine Institute for Development Studies, created within NEDA, is an organizational model that should be carefully examined. A committee should be formed to develop a plan for the programmatic evolution of the policy capacity in the proposed Institute for Agricultural Policy Analysis. That evolution should be cognizant of the differences between analysis and statistical system improvements. Provision should be made for periodic and broad exposure of the Institute's analyses. At the minimum that means interaction through periodic meetings with economists and food policy analysts in the academic, private, and government sectors.

(2) We also recommend that a small limited technology assessment cell be established attached to the Agricultural Research Office. The cell would conduct limited scope ex ante economic and social impact assessments for that office and supervise externally contracted assessments where a larger study is needed. The special studies division of the planning service should be reorganized and absorbed into the technology assessment cell. Their special survey skills can be effectively mobilized by the TA cell. The cell should be developed with some formal relationship to the Technology Assessment Program at SEARCA as well as the Institute for Agricultural Policy Analysis.

B. Upgrade economic analysis capabilities for agricultural policy issues in the MA, NEDA, and the NFA.

Since these are the major actors in agricultural policy, it is in the GRP's interest to strengthen the level of economic analysis for agricultural policy issues in these key institutions. If this course were followed, an Inter-Agency Agricultural Policy Analysis Working Group should be established including the above three plus other groups (e.g., the Philippine Center for Economic Development, UPLB, etc). The Inter-Agency Agricultural Policy Analysis Working Group would represent a venue for more comprehensive policy analysis. Therefore, the working group should have a budget and secretariat and should be based in one of the three key agencies. If this option is followed, a modified Institute for Agricultural Policy Analysis should be created within the Ministry of Agriculture.

C. Significantly upgrade the analytic capabilities of the Bureau of Agricultural Economics.

Exercising this option would mean a significant and substantial effort to upgrade the quality and status of analysis in BAEcon. During the interim, the Policy Analysis Staff should be reduced in size and attached to the Statistical Advisory Committee for responding to short-term requests from Ministry leadership.

We believe the advantages and disadvantages of each of these options resolves around the Ministry's determination of what type of analysis program it needs. The Ministry would do well to consider an external evaluation of this issue approached from the following perspectives:

- What are the major short and longer range questions that need to be examined in support of examining agricultural policy alternatives?
- Given the distribution of functions, focus and policy initiative among different government agencies, where is analytical input for different types of policy questions most needed?

Only after these questions have been answered should the following question be examined:

- What are the best ways to attract and hold the staff needed to implement the above and how can the required mixes of insularity from and accessibility to Ministry leadership be determined and fixed?

3. Confronting the Challenge of Regionalization:

There will be differences in the types of policy decisions which will preoccupy regional Ministry directors and national Ministry leadership. Regional decision-makers will want descriptive information about food system performance in their regions, but there is not likely to be a case of regionally specific price policies. They can, then, be considered consumers of the MA-MIS and the rationalization of the statistical support system we expect would follow the creation of the proposed Statistical Advisory Committee. Institutional policies will represent more of a split between national and regional Ministries. In some instances, such as Maisan 77, the administrative operationalization of the project will be established nationally. In other instances, some regions will attempt to implement some modest program of their own. That much seems implicit in both the ASSP and NEP projects. Consequently, there may be some need for administrative capacity analysis. The area where we expect the largest relative need to be, however, is in technology policy. The RIARS can, in principle, engage in basic problem formulation as well as choosing a range of adaptive and original technological strategies. The form of analysis they will need is some form of technology assessment. That would mean a form of ex ante analysis directed at specific productivity, ecological, economic and social indicators. The work would tend to be project focused in most cases, but there is no reason to exclude the possibility of more fundamental assessments once in a while, directed at questions such as: What should we be growing? What should we be doing to pursue marginal farmer problems more directly?

We will again suggest a number of alternatives. However, a recommendation we would make that covers all the alternatives is that the Ministry make contact with the Economic and Social Impact Analysis Project being implemented by the Philippine Institute for Development Studies. Training being developed by that Program for regional NEDA offices may be appropriate, with modification, for the regionalized Ministry of Agriculture.

We recommend that consideration be given to the following alternatives for institutionalizing a capacity to analyze alternatives for regional decision-making:

- A. Develop an analytic capacity with the Regional Ministry offices. If this course is followed, it should be a regionalized version of the National Level Institute for Agricultural Policy Analysis. This is to ensure an appropriate linkage and backstop from the center to the regions. A model for this alternative is the relationship between the Institute for Philippine Culture at Ateneo de Manila University and the Social Science Research Units present in the regional Ateneo's. A training and internship program would need to be developed by the Institute for Agricultural Policy Analysis in Manila to bring their regional offices up to the mark.
- B. Institutionalize a substantially improved analytic capability in the regional offices of BAEcon. This should be done under the auspices of BAEcon's Economic Research Division. If this course is followed, some regionalization of BAEcon might have to be considered since there is some danger BAEcon regional staff might otherwise be doing BAEcon's national work.
- C. Stimulate the creation of research networks drawing on the skills of the regional universities, regional and provincial development staffs, and other analytic capabilities present. This can be a very productive vehicle for assessment analysis. A model for this approach is the Panay Island Consortium for Research on Agricultural Development (PICRAD). PICRAD includes a number of universities and provincial development staffs. This is not a device at all for short-term decision-making, but we believe there will be less of that in the regions in any case.
- D. Strengthen the agricultural policy analysis capabilities of the NEDA Regional Offices. NEDA is committed to developing its regional analytic capabilities, and to preparing and funding project-based regional development investment programs which incorporate and link the varied line agency plans. For this course to be followed, two steps are necessary. First, some form of detailing of NEDA regional staff to the regional MA directors would be required. Second, some strengthening of NEDA's central agricultural analysis capabilities would be needed to ensure an appropriate backstop for NEDA regional staff.

It is not necessary for the same pattern to be followed in all regions. Here again, however, the selection of strategy should follow from regional programmatic considerations:

- What kinds of questions will the RIARS be engaging in their first few years? Among those, which are the questions about which there is the most uncertainty? Are there questions which the RIARS may not ask, but perhaps which they should ask? Some steps in this direction have recently been taken in the form of PCARR-sponsored regional research priority-setting conferences. Those are steps, but they are often not

well connected to agency resource realities (the other side of regionalization in both financial and manpower terms). The effort needs to be built on.

- What is the policy environment in the regions? Where is policy leadership and how are functions divided, informally or otherwise? What does that imply for who will be the consumer for specific types of policy analysis? What does that imply for the likelihood that more basic strategy questions can emerge or be engaged? By whom?

Finally, it is necessary to appraise regional analytic capabilities, where are analytic strengths concentrated and how can they be built upon, and made more useful? At an early time, perhaps under ASSP, the appraisal proposed here should be implemented, but carefully guided to help identify the best strategy to meet analytic needs.

4. The Special Problem of Agribusiness:

The Ministry's efforts in Agribusiness are well motivated and show signs of promise. The Agribusiness Councils to be established in the Regional Ministries, however, will place an extreme load on existing analytical capacities. Relatively speaking, a policy framework is already in place to induce investment in larger scale export-oriented agriculture. We do not believe that a coherent policy environment currently exists for a small farmer-oriented agribusiness strategy.

We believe that the rationalization of the statistical system will be one step in the right direction. It should increase the frequency at which useful information reaches the public. (We do not believe that the most appropriate place to look for an agribusiness strategy today is in the rice economy. Unfortunately, that is where the statistical system is strongest.) We would, however, make the following recommendations.

We recommend that a comprehensive examination of the agribusiness/ small farmer linkage be initiated. The examination should look at the national policy environment; regionally specific factor endowments, and interregional economic linkages and their relationships to those areas where investment might lead unambiguously to expanded economic opportunities for marginal farmers and landless laborers. The examination should be coordinated by the Ministry but should include very active participation from NEDA, the Central Bank, and key lending institutions. The examination should identify those areas where policy is adequate, those where it is not, and those areas where technical and economic understanding are inadequate. The examination should make distinctions between institutional and functional bottlenecks to small farmer/agribusiness linkages. The result would be a regionally specific agenda indicating on what problems the RIARS

can do adaptive research, where more original research may be needed, and if or how existing institutional strategies are adequate for the purpose of bringing agribusiness options to the less well-advantaged.

A Look Down the Road:

Enhancing the capability of the Philippine Food Policy System to identify, consider, evaluate, and analyze alternatives oriented to deal with problems of food security, non-rice commodity production, and other very complex problems is a central and continuing need. Considering the purposes for which it was originally developed, the IAPM project made a moderate start, but it was overtaken by a range of changes in the project's environment and in the overall policy environment. We believe that in the time remaining to the project, consideration should be given to fully examining and possibly beginning to implement the recommendations made here. Much more, however, needs to be done. We do not believe all of the considerable tasks that remain can be appropriately accommodated under this project IAPM umbrella. We do however strongly recommend to both USAID and the GRP that they designate enhancing the capacity at national and regional levels to analyze food policy alternatives as a very high priority area for future assistance and commitment.

THE ACADEMIC THRUST

Background

The development of a well trained manpower base in agriculture and food systems was considered critical by project designers to both goals of increased production and increased incomes of small farm families. Accordingly, an academic thrust was included to enhance development of a continuing supply of professionals to serve government, universities, agricultural institutions, small farmer cooperatives and agribusinesses.

To achieve these objectives, the following activities were pursued: (1) expansion and strengthening of existing bachelor's and master's degree programs in agricultural economics by emphasizing systems approaches, including agricultural marketing and agribusiness management; (2) conducting short term, non-formal training to assist farmers and agribusiness leaders, including cooperative managers, extension workers, and (3) professional development of faculties at the University of the Philippines, Los Banos (UPLB) and Central Luzon State University (CLSU) through M.S. and Ph.D. training and non-degree faculty fellowships. U.S. grant and loan assistance finances technical advisory services, degree and non-degree training in both the U.S. and the Philippines, and commodities including library and instructional materials.

The 1979 evaluation team found original thrust objectives and strategies to be sound and feasible. However, implementation was slow, because of late arrival of consultants, slowness in initiating staff development and delayed development of new academic curricula in agricultural systems and planning of short training programs. This led to recommendations for redesign of the thrust, including the following:

- o that more time be allotted for international training, stipends for post doctoral training be increased and in-country training opportunities be relied upon to facilitate the processes of identifying and processing candidates for staff development training,
- o that in the absence of a consensus on new food systems management curricula, it would be more expeditious to expand and strengthen existing B.S. and M.S. degree programs by re-grouping courses and developing new ones,
- o that inputs from sources outside the campuses (agribusinesses, marketing firms, cooperatives, Ministry of Agriculture, etc.) be sought with regards to both degree and non-degree programs,
- o that the number of new slots for Master candidates at UPLB be reduced somewhat, while CLSU target output of B.S. Ag. graduates majoring in agricultural marketing should be increased, and

- o that the thrust be expanded to include training of extension students and agents in technology packaging and testing in cooperation with the Tech Pack Thrust.

Thrust coordinators at both UPLB and CLSU agreed to these adjustments. This meant immediately abandoning earlier efforts to institute new curricula and instead strengthening and expanding existing degree programs, as well as pushing for fuller utilization of staff development opportunities.

CLSU: The Thrust Since July, 1979

Since the La Union workshop, the Academic Thrust at CLSU has pursued four objectives: (1) expanding the Academic Program, (2) providing applied research and services support to campus agribusiness enterprises and the student cooperative, (3) providing faculty to plan and conduct short courses for cooperatives and other agribusiness enterprises, and (4) developing and implementing a specialized curriculum in total food systems.

The original project included funds for two long-term consultants to assist in implementation of the CLSU Academic Thrust. KSU was unable to obtain an agricultural marketing specialist until July, 1980, but other consultants, including the long-term advisor for the Tech Pack Thrust, assisted the Thrust Coordinator in the interim. Yet, the delayed recruiting slowed project implementation.

Nevertheless, prior to July 1980, some progress was made toward achieving selected thrust objectives. Two curricula were developed: (1) a B.S. in Animal Science with a major in feed science, emphasizing livestock production and feeding; and (2) a B.A. in post harvest technology administered by the CLSU College of Engineering. Also, a proposed curriculum leading to a B.S. in Food Systems Management was developed although not adopted by the University. No real progress, however, was made toward delivery of applied research and service support of campus agribusiness enterprises, the student cooperative, or in planning short courses for support of these.

In the ensuing nearly two years, outputs of the CLSU Academic Thrust include these efforts to incorporate food systems concerns in existing curricula:

1. The B.S. Ag. with a major in agricultural economics was revised and strengthened, including a review of overall curricula to improve and expand existing course offerings; the first graduates of the new program are expected in 1984.
2. In the meantime, ten 1981 graduates prepared theses on marketing carabeef/livestock.

3. A second major-in Agricultural Marketing- has been developed which involves a new configuration of existing courses and one new course in consumer economics; however, before formally proposing the Agricultural Marketing major it will be reviewed by agribusiness leaders and potential public sector employers of future graduates.

Organizing to present short-term, non-formal training in agricultural marketing and food systems concerns to farmers cooperatives, managera, extension workers, etc., was slow. Recently, two sessions were conducted: (1) a day and a half program for 47 Samahang Nayon (Cooperative) officers and barangay leaders in February, and (2) a somewhat longer session for 29 participants in March. These programs were intended to strengthen the cooperative movement through basic skills and management training and to improve reception of the cooperative movement. Future seminars/workshops may be longer to include skills training in areas such as accounting and they will be conducted in barangays to increase participation. A third off-campus session is planned over the summer holiday.

Staff development has been slower than originally planned. Of the total of four Ph.D., seven M.S. degree and nine faculty fellowships, originally allotted the CLSU Academic Thrust, only three of the Ph.D. slots have been utilized. None of the M.S. slots has yet been used, although seven M.S. candidates were identified recently for processing. Only four of the nine faculty fellowships have been used, and two did not involve CLSU College of Agriculture faculty.

It should be noted, in regard to the Academic Thrust, that a substantial number of library books have been ordered and about half have been delivered. To date the CLSU library staff has not been able to integrate these into the library's collection, because of the time required to re-catalog existing volumes using the newer Library of Congress System.

In assessing CLSU academic thrust accomplishments, it should be recognized that consultant recruiting problems contributed to delays in implementation. Other factors also affected the extent to which outputs fell short of targets, including: (1) overly optimistic project design, especially pertaining to rapid development of a new food systems curriculum, (2) policies which slowed processing of participant trainees and procurement of food and feed processing equipment and (3) CLSU's isolation from both KSU and Ministry of Agriculture personnel. In any case, for a variety of reasons, project resources, including both staff development opportunities and consultancies, were not fully utilized at CLSU.

This failure to achieve all thrust objectives can be attributed in some measure to CLSU's simultaneous commitment to two thrusts, academic and tech pack. The unavoidable absence of several key individuals in degree and non-degree programs in the United States

exacerbated the situation. This raises the question whether, in the case of an institution such as CLSU which had only recently embarked on an aggressive campaign to establish itself as a major regional academic and research center, it is possible to pursue so many objectives simultaneously. In the absence of long-term advisors who might have filled in for absent faculty members, it may not have been possible to pursue objectives which required such heavy inputs of CLSU administration/faculty time, at the same time that CLSU was also committed to the tech pack thrust, including the Food/Feed Grain Processing Center.

UPLB: The Thrust Since July, 1979

The academic thrust at UPLB has been directed (1) toward institutionalizing a focus on agricultural marketing and agribusiness in the programs at the College of Development Economics and Management (CDEM), (2) toward developing specialized short-term courses in agricultural marketing and agribusiness, and (3) toward staff development of CDEM and related faculties.

A long-term KSU consultant assisted CDEM full-time from 1979 until November 1980 and part time thereafter. In addition to other Thrust objectives, this consultant was personally committed to development of a research program at CDEM in agribusiness/agricultural marketing to support the new academic programs.

Despite designing a masters level program in food systems in early 1979, more than a year passed before the University Council approved instead the offering of a Master of Professional Studies (MPS) - a three semester, no thesis degree in agricultural marketing - and a Master of Management (MM) major in agribusiness. Both programs were initiated in the first semester of the 1980-81 academic year. During the past academic year, 5 students enrolled in the MM in Agribusiness program and 3 in the MPS in Agricultural Marketing, while 10 new students enrolled in the MS in Agricultural Economics. All were supported by IAPMP. During the coming academic year, 1981-82, IAPMP local fellows will be enrolled only in the two new programs (MM and MPS). From more than 60 applicants, 25 were accepted in the MM program while 19 were enrolled in MPS.

Since no students have yet completed either the MM or MPS program, it is too early to draw any but tentative conclusions. There is fairly widespread agreement that the relatively greater popularity of the new MM in Agribusiness program is due to the generally higher regard for the MM degree throughout UPLB. It is hoped, however, that the MPS (a degree also offered in several other fields) will become more popular as a shorter but in many ways no less rigorous program of graduate study well suited to government officials and others not likely to pursue further degrees. The delays in implementing the new programs will not permit much time to identify problem areas and make required adjustments before the IAPM project is scheduled

to terminate. Nonetheless, there is fairly widespread agreement that both programs are likely to remain part of CDEM's offerings, although enrollment will probably fall below next year's projected levels if project-funded local fellowships specifically tied to these programs cease when the project terminates.

Since 1978, CDEM has offered short courses in agricultural marketing and agribusiness management to officials of various government ministries. Enrollment in each of the courses has averaged between twenty and thirty participants per year. GOP agencies providing the greatest numbers of participants include: the National Food and Agriculture Council (NFAC); the Bureau of Agricultural Extension (BAEx); the Bureau of Agricultural Economics (BAEcon); and the Department of Rural Banks and Loan Association (DRBSLA); as well as CLSU, the Ministry of Agriculture, the Bureau of Cooperatives Development (BCOD), the Development Bank of the Philippines (DBP), and the National Food Authority (NFA). Many UPLB faculty members participated in both planning and teaching of the two courses.

CDEM also offers a special summer course for prospective masters candidates. This course includes instruction in economics and statistics for both incoming UPLB masters students and IAPMP fellows planning to enroll in U.S. graduate programs. Presenting this course enables UPLB to maintain a two-staged admissions policy - initial acceptance in the summer workshop with final acceptance in the MS, MM or MPS contingent on successful completion of the summer course. This system apparently enables students to achieve a common level of competence.

UPLB has utilized nearly all IAPMP Project opportunities for advanced training. Nine staff members have pursued Ph.D. studies in economics, agribusiness or cooperatives in U.S. universities. Two returned recently to UPLB to conduct research prior to completing degree requirements in the U.S.; the others are completing course work in the U.S. Eight of twelve Masters slots have been utilized by UPLB. Six faculty fellowships for non-degree training have been utilized; UPLB anticipates using the remaining three before IAPMP terminates.

Nearly full utilization of staff development opportunities provided by IAPMP has in the short run seriously depleted UPLB's teaching faculty. This has made it nearly impossible for CDEM to develop new courses for the new masters programs or even to offer full range of existing courses each semester.

In addition to the long-term consultancy, thirty months of short-term consultancy was available to UPLB under the project. One short-term advisor was retained in connection with the Agricultural Credit and Cooperatives Institute (ACCI). He assisted ACCI in developing training modules for non-degree training of officials of area cooperatives and rural credit banks but since GOP funds were not provided for conducting the workshops neither validation or modification of modules was possible.

A proposal to utilize remaining short-term consultancies has been offered by UPLB for the coming year. This would involve consultants in the areas of farm finance, economics of agrarian reform, resource economics, and agribusiness management. Ministry approval is being sought before KSU engages in identification and recruitment of candidates.

No progress was made in developing a new research program in agricultural marketing.

In comparing the achievement of thrust objectives at CLSU and UPLB, it is hardly surprising that UPLB consistently availed itself of more opportunities for both technical advisors and staff development. After all, UPLB has a much longer tradition of involvement with international institutions and donors. Its greater proximity to Manila also contributed to its greater success in utilizing project resources. The short-term effect of significant amounts of staff development, however, was essentially the same on both campuses. The teaching ranks of both institutions were severely depleted, leaving them in a weak position to carry through on existing teaching commitments, much less to develop new curricula. The solution of regrouping existing courses into new major was perhaps as much a result of this situation at both CLSU and UPLB as it was a function of the uncertainty surrounding the food systems concept.

Conclusions

The substitution of the UPLB MM in Agribusiness and the MPS in Agricultural Marketing, as well as the agricultural marketing major within the B.S. Ag. program at CLSU, appears to have adequately satisfied the Academic Thrust objective of modifying course offerings at both the undergraduate and graduate levels in the Philippines so that they more fully address agricultural systems concerns. In fact, in retrospect the original plan to develop new curricula in food/agricultural systems management on both campuses was perhaps naive. The food systems concept had not been adequately developed in the Philippines for it to catch on to the extent required for either institution to radically re-alter course offerings in the areas of agricultural marketing and production. Instead, by regrouping existing courses and planning for the development of a handful of new ones, both institutions have addressed the concern of project designers that existing programs were too heavily oriented toward production without giving sufficient attention to processing/storage/marketing issues in the Philippines, or to the integration of the two concerns.

Program revisions at each institution were slow in emerging. Accordingly, CLSU will not produce graduates of its revised B.S. Ag. program and UPLB will have a combined total of only eight graduates in its new Masters' programs by the time IAPMP is scheduled to terminate. Neither institution nor the Ministry of Agriculture will

have had an opportunity to evaluate the new curricula on the basis of student performance and/or employment experience.

Although IAPMP is fundamentally an institution building project, not many project developments have yet been institutionalized. Continuation of curricula and/or majors developed under the project is not certain, because there is no assurance that demand for the degrees will continue at sufficient levels once IAPMP fellowships are no longer specifically tied to it. Improved staff capability may also be only a short-term benefit of IAPMP. Under IAPMP, AID has contributed significantly to staff development, but donor support may have to be sought again in the future, because of demand for Filipino academics outside the University system.

Training opportunities were to supply the Philippines with a pool of trained people for a variety of government, university, cooperative, private enterprise, and other needs. However, most of the UPLB short-term course offerings have been utilized by government officials. Similarly, most of UPLB's MM and MPS candidates are government officials. The 1979 evaluation urged that training opportunities be directed especially toward extension improvement, but BAEx agents have not enrolled in large numbers. Likewise, CLSU has not yet linked agent training with the tech pack thrust.

Finally, it appears to have been a design shortcoming not to have anticipated that it would be difficult for both institutions to identify and/or free up enough candidates to utilize fully project training opportunities. The shortage of staff on hand to teach existing courses and develop new ones could have been addressed in a number of ways: (a) the GOP might have budgeted sufficient funds to hire short-term replacements, (2) short-term project consultants might have helped fill in, and/or (3) KSU might have identified U.S. graduate students to teach and do their own dissertation research here while Filipinos were pursuing their degrees in Kansas. The failure of the project to address the issue both reduced the number of trainees and made it more difficult for the institutions to embark on new programs mandated by the project.

Recommendations

- o The Academic Thrust should be acknowledged to have achieved most of its objectives, as modified following the 1979 evaluation.
- o Recognizing that IAPMP cannot address many factors which may cause outcomes to be relatively short term, the Academic Thrust should be terminated as originally planned, provided : (1) all currently enrolled trainees and those being processed are permitted time to complete their degrees, including the 12 new 1981-82 M.A. students from CLSU and UPLB; (2) in the event it is not possible to process the new students in time for admission in the fall of 1981, existing project resources are used to offer them degree training

in the Philippines and/or short-term training abroad; and (3) both UPLB and CLSU are encouraged to utilize more fully short-term consultancies already planned for within the project.

TECHNOLOGICAL PACKAGE THRUST

Background

As stated in the Project's Logical Framework, this thrust calls for research institutions (chiefly CLSU) to identify, plan, and conduct research on problems related to small farmer-production, processing, and marketing in an integrated manner. These aims were further clarified in the Project Loan and Grant Agreement which stated that "the purpose of this Project is to develop and test technological packages to integrate crop and livestock enterprises, product processing and marketing; to provide training in production post-harvest technology, by-product utilization, processing, marketing and extension education and to construct and operate a food processing center."

Central Luzon was chosen as the location for this thrust because of the need "to introduce new crop and livestock enterprises, as well as new techniques, into the rice-dominant agriculture characterizing the region." CLSU was designated as the "land demonstration" regional university in the research and development of the package concept. The intent was "to utilize technology already available and under development by PCARR, IRRI, BPI, BAI and elsewhere and to integrate these through adaptive research into workable packages which are suitable and profitable to the small farmer and will embody component from production to product marketing. Special emphasis is placed on research and processing laboratories, especially the food, feed and grain processing facilities for the testing and development of each package. The rationale for this thrust is that as rice production increases, competition will force marginal rice producers to seek other means of obtaining income. For many small farmers, including those on poor rice land, maximizing income means diversifying their operations. They can only realize the full potential of their land by rotating 2 or more crops or by simultaneous cultivation of a selected package of crops with or without production of livestock, poultry, fish or fibers."

Reorganization and Redefinition

When the thrust started in 1978, there were 3 sub-thrusts: (a) Socio-Economic Research; (b) Tech Pack Testing and Adoption (TPTA); (c) Food, Feed and Grain Processing Center. By the second quarter of 1980, the TPTA was integrated with Agricultural Commodity Research (one of the original units of the CLSU Research and Development Center) to become the Agricultural Technology Research (ATR) while the Socio-Economic Research was fused with the Rural Development Studies (another unit of the R and D center). The ATR which is essentially the expanded TPTA is composed of: Technology Generation; Systems Documentation and Evaluation; and Technology Verification, and Packaging.

This reorganization is an attempt to "weld" the Tech Pack Thrust into the existing structure of CLSU so that it can become an integral part of its functions. This represents a major effort to move TPP from a "project" to an institutionalized core function of the university.

From the point of view of CLSU, the Technological Package Thrust is an "institutional strategy designed to make available appropriate packages of technology to rural families among which choices could be made by farmers so as to improve their production, income and levels of living. In this context, the Tech Pack Thrust helps generate, verify and package appropriate technology in the production, processing and marketing activities to meet the needs and resource conditions of farm families within the target population."

The definition of Tech Pack has been a subject of much discussion at CLSU. Earlier, Dr. Warren Vincent (consultant) defined tech pack as "a socially acceptable biologically stable, and economically viable farming system." Dr. Fermina Rivera of CLSU proposed the following definition: "A tech pack may be a pure crop, pure animal, pure fish, animal-crop, animal-fish or animal-crop-fish packages of technology. It can also be a production-processing-marketing enterprise or technological mixes of all these."

The issues of what indicators to use and whether Tech Pack should be limited to a farming system were raised about the Vincent definition. The 1979 Evaluation Report argued that the most important concept in IAPMP is "the integration of production, processing, and marketing and therefore, it is "the operational integration of processing and marketing into the Technological Packages should be its most significant output."

At present, the working definition of Tech Pack is "a package of technology pertaining to any farming/cropping system or its components which is verified to be economically viable, technically feasible and can be adopted by the small farm families within their existing resources and constraints. The package of technology shall consider appropriate technologies in the production, processing and marketing of agricultural commodities."

The 1979 Evaluation likewise commented that Technological Package "looks too much like a commodity and is treated as an end product. If it is to effectively attain its dual purpose of optimizing the small farmers production and raising market efficiencies, it must really be an activity - a joint activity involving not only the government and academic institutions but also by private agri-business. Perhaps the name should be changed to "Technological Packaging" to emphasize that it is a process mechanism - output plans which may vary as inputs and surrounding conditions vary."

Tech Pack implies: (1) a familiarity with and diagnosis both of the farm resource situation including the socio-economic environment and

more specifically, the market circumstances (local, national and/or international); (2) awareness of and access to technology components from indigenous sources, from within CLSU and outside CLSU; (3) analysis and utilization of information gained from (1) and (2) in the development of technology components and system mixes which could then be tried and verified in-campus; off-campus and in farmer's fields. Ideally, the iterative rather than one-way process involves the farmer, the extension worker, the researchers and the "market-intelligence" man (whether private or government or both). This person may be an academic who has competence in marketing or a practical, real-life businessman engaged in marketing for his bread and butter.

CLSU's current view of the Technological Package Thrust as an institutional strategy and the redefinition of what constitutes a tech pack and the actual procedures they have adopted in developing a number of Tech Packs give a definite impression that Tech Pack is a process, an activity, not a pre-conceived technological package which is being promoted for adoption by farmers. In other words, technological packaging is an involved and complicated process. CLSU has expended quite a bit of time and energy in evolving procedures and conducting studies which would substantiate the process and further systematize the strategy. The Technological Package Thrust has certainly gone a long way from its status of two years ago, even if one has to go through a great deal of material to arrive at this assessment.

Highlights and Comments on Tech Pack Activities

1. To date, 16 Tech Pack components have been tested/verified separately for possible integration into cropping/farming system. These include biogas; clay bricks; rice-fish-gabi; quail production (using earthworm as substitute for fishmeal); duck production; swine production; broiler; goat-production; KABSAKA (rainfed rice cropping pattern); cassava; okra; sesame; winged beans; brickmaking; onions (solar dehydration and work on storage life of onions). Of the 16 components, one is ready for release with farmer-cooperators and one is ready without farmer-cooperators.

There are 14 Tech Pack mixes/systems, all rice-based, which are undergoing verification trials both on-and-off campus. Four out of these fourteen are ready for release (rice-peanut; rice-fish-gabi; rice-broiler; and rice-swine.) The other rice-based systems are being tested in combination with sorghum; seri mori; squash; cotton; soybean; sunflower; onion; mushroom and cucumber.

2. CLSU has likewise begun to communicate their Tech Pack activities to farmers, housewives, agricultural extension technicians, and students via training programs, workshops and seminars. Students are further involved through undergraduate thesis conducted under the close supervision of Tech Pack personnel and through apprenticeship or internship in the Tech Pack activities. All of these are steps toward the "institutionalization" of the Tech Pack Strategy in the University.

3. Numerous studies have been done to identify, describe, and define cropping patterns (irrigated and rainfed); labor requirements for major crops; production, processing and marketing practices; specific crops and livestock, etc. A host of many other subject matter areas have been investigated including indicators of impact in the Tech Pack Project villages. While each one of these research reports is informative, an overall framework which ties them together in a cumulative coherent manner is not very discernible and the utilization of research outputs from the RDS as inputs into the design and planning of outputs in the Tech Pack and processing center is not yet in evidence. Although this is usually a slow and painful process, it can be helped along considerably by more lucid research reports. It is not always obvious as to how such research results fit into the Tech Pack Thrust and at what stage each particular study might be more meaningful.

There are a number of interesting ideas which deserve to be further tested for applicability and utility such as: the scheme developed to assess readiness of each commodity for inclusion as components in a tech pack using 3 criteria: (a) Status of production research; (b) status of post harvest/post production research; and (c) market status. For example, codes for research status include: "(1) Basic research stage; (2) adaptive research stage; (3) release-ready; and (4) in common practice." Market status codes suggested are as follows: "(1) local market; (2) local market plus peripheral towns/cities; and (3) market somewhat institutionalized to include government price supports, storage and handling facilities, domestic and foreign marketing channels, etc."

This is an attempt to systematize the categorization of a whole range of technology components which would otherwise be individual, discrete and separate items to deal with. Continuous application of the scheme could lead to refinements and improved empirical base for the criteria being used.

4. Three units of the reorganized Tech Pack Thrust are engaged in activities which could lead to "territorial boundary difficulties". These are: Rural Development Studies, Systems Documentation and Evaluation of the Agricultural Technology and Research and the Technology Dissemination and Utilization System Division.

The complementarity of their functions must be more deliberately planned for and not left to chance in order to maximize the "productivity" of each unit.

CLSU should also reach out more to other institutions and agencies doing relevant research in Nueva Ecija. The consortium of universities in the area can be used to expand the research capacity of CLSU via an involvement of other consortium members in their socio-economic research.

The Academic Technical departments of CLSU seem to have only minor involvement in the Tech Pack process. A more prominent role would probably benefit the Tech Pack as well as the Academic program.

5. Is Tech Pack transferrable? Of what value is the Tech Pack experience to other institutions similar to CLSU? The specific technological components and farming systems and mixes may not be directly transferrable per se but the process or the "technology packaging" is reproducible, given adaptations to another setting.

The Food Feed Grain Processing Center

The 1979 Evaluation Team was somewhat ambivalent (to say the least) in its assessment of the FFGPC. For example, they said that this facility is "the most expensive single item in the Loan component of the IAPMP project and will require a substantial staff development program. It appears that the horsepower requirements and the technical people and laborers needed to operate the mill along with the fixed costs would place a severe burden on the annual budget at CLSU or any entity chosen to operate the proposed mill." On the other hand, they also said that "the concept paper for the food processing center has been prepared and the team feel that the rationale, objectives and plans for the physical facilities for this center are practical and feasible". The latter phrase is probably "whistling in the dark".

Two years after, the questions and issues surrounding the facility are still the same and largely unanswered. There are hopes and prospects for future association with the newly created National Food Authority but nothing definite has yet come into the immediate horizon. What else is there to say? The "old anticipated problems" have not gone away. If at all, there must be more of an urgency now to face the problems and at least outline the makings of a solution.

The Planned Output of the FFGPC for the Year 2000 mentions 44,200 cans of vegetables per Quarter or 176,800 cans a year; a similar number of canned fruits is planned plus 134,400 kgs. of poultry, etc. Rice processing is planned at 400 MT a year.

On the other hand, Study No. 000 on Profiles of Ten Tech Pack Towns reports data which would assist in lending a sense of realism in the planned outputs of the FFGPC.

The report contains information on volume of rice production; grain machineries and facilities in the area. Wholesale and retail outlets, livestock and poultry population; area and number of fishponds.

But even with the best of facilities in the FFGPC, the most optimistic estimate of production-potentials, and the most encouraging linkage with farmers, one cannot expect that all the produce (not even a major part of it) would be processed through this center. What volume can be expected and from whom?

And if all these vegetables and fruits could be canned in such quantities, could they be marketed?

This is not an indictment of the FFGPC as such but rather a reminder that marketing is a more intractable problem than production.

Our principal recommendation is that a comprehensive and rigorous feasibility study be conducted to determine just how the FFGPC should be organized, used, funded, and managed. The study, which should be completed in no more than three months, should address empirically questions such as:

- What are the current and projected demands for manpower in the agricultural processing sector? In Central Luzon? Nationally?
- What are the short term and medium term market prospects for the commodities to be processed at the facility, especially canned goods? What assumptions are made or need to be made about affiliated investments (public and private)?
- What are the short term and medium term prospects for the stability and predictability of inputs to the facility. This includes the actual commodities as well as bagging and canning materials. Here again, what assumptions are made or need to be made about associated investment patterns?
- What is a realistic assessment of FFGPC operating costs, including costs of energy? How might they be reduced? How can CLSU meet them?

The questions are only illustrative. Based on how these and similar questions are answered a number of options can then be identified and evaluated. A crucial part of that evaluation needs to be recognition of the educational functions which should be satisfied if the facility should have a formal relationship to a University.

EXTENSION/OUTREACH

Background

As described in the project paper this thrust was expected "to achieve coordinated and profitable production, processing and marketing of priority commodities produced by small farm operators." This was to be done through a set of interrelated activities (sub-thrusts) including programs for agribusiness development, cooperative marketing and improvement in extension delivery systems to provide production technology, market intelligence and credit planning for small farmers. It was expected to institutionalize a system which would increase the income of the small farmer by providing him with improved technology for increasing his productivity and improving the efficiency of public and private agencies in marketing his products.

The 1979 Evaluation team, in assessing progress on this thrust up to that time, made the following observations:

"Although the Extension/Outreach thrust is the most innovative and the most directly linked to the intended beneficiaries, it is also the most amorphous at the moment. Each sub-project in the thrust has its own impact area and target clientele---- There is no one impact area where all the sub-projects converge. Although initially some sub-projects were merely riders of IAPM project in order to avail themselves of staff development opportunities and consultancies, they do have all the ingredients of what is essential in the total project and therefore deserve to be pursued for this purpose. However, orchestrating all these sub-projects into a unified thrust promises to be a full time job."

The IAPM project workshop at La Union in May 1979 considered various proposals for obtaining better integration of the sub-projects but in the end the effort was abandoned. The Agribusiness and Cooperative Marketing components were transferred to the Agricultural Policy Thrust. The Extension Delivery System (EDS) became the single focus of the Extension/Outreach Thrust.

The Extension Delivery System (EDS)

As the IAPM project was getting underway in 1978 the Government of the Philippines was making plans for the National Extension Project (NEP) which, with World Bank assistance, would provide substantial expansion and improvement of the Agricultural Extension network. The EDS component of the IAPM project provided a fortuitous opportunity for developing a sound base for this expansion. The objective of the EDS activity was to develop an effective system for delivery of extension services to small farmers and rural families. To do this a pilot program was designed to develop and test an Extension Delivery System and determine its replicability in other areas following an assessment of its performance in selected priority areas.

Areas were selected in each of Regions I, III and IV for the four pilot projects. The system adopted in each of the pilot areas is a modification of the Training and Visit (T&V) system. The system emphasizes regular training of extension workers followed by close supervision and regular visits by supervisors to barangay-level extension technicians who, in turn, make regular visits to their extension clientele leaders. The technicians identify, select and train the extension contact leaders with and through whom they work in carrying out their programs.

Three clientele groups in the barangay are being served under the pilot program. The Farm Management Technician (FMT) serves farm producers, the Home Management Technician (HMT) serves the homemakers and the Rural Youth Development Officer (RYDO) works with the out-of-school rural youths of the area.

The organizational structure of the extension system in the San Carlos Municipality of Region I is typical of the pilot areas. A District Agricultural Extension Supervisor (DAEs) has responsibility for the extension technicians working the 50 barangays of the San Carlos project area. This includes 10 FMTs, each serving 5 barangays; 5 HMTs, each serving 10 barangays; and 3 RYDO's, each working with at least 16 barangays. Each of the technicians selects a manageable number of contact leaders. Each contact leader is expected to work closely with 10 neighbor clients.

The System places heavy emphasis on support to the field staff from supervisors and subject matter specialists at the provincial, regional and national levels. Accordingly, the EDS has organized a variety of training programs to provide ample training opportunities for supervisors and subject matter specialists. Many of these training programs have been designed to indoctrinate extension personnel in the T&V system and to reorient supervisors and subject matter specialists to their roles in support of the field technicians under this system.

Progress: -

Have the pilot projects succeeded in demonstrating an effective extension delivery system? Can and should it be replicated on a national scale? A formal evaluation has not yet been completed. Unfortunately, the results of the baseline surveys carried out in the four areas in 1979 have not yet become available. The delay is due to problems in computer processing. Apparently, the intent is still to complete the processing and to carry out another survey in 1981 which will permit measurement of the impact of the programs on farms and rural homes.

Meanwhile judgment has to be made and decisions taken based on apparent progress. The KSU consultant, William Stone, in his terminal report concludes "the Extension Delivery System, as piloted in Regions I-IV initially, expanded to Regions V-XII, and moving into general adoption, is sound extension methodology: it holds up under varying size farms

and communities; it allows flexibility in geographic assignment; and it delivers programs which have a good chance of success when accepted by farmers and their families. The methodology contains both the administration program components. It has the basic elements of the Training and Visit System and utilizes contact leaders as part of the system, and it involves clients in program development as well as implementation."

There seems to be consensus that the extension delivery system used in the pilot areas has been generally successful but that performance has not been uniformly favorable. Four Filipino rural sociologists were engaged by the project as full time consultants to work in the four pilot areas. They helped to summarize data collected in the earlier baseline survey and are now working with a part-time consultant from the University of the Philippines on a series of studies involving the field technician, the contact leaders and farm families. These studies may provide explanations for the differences in performance.

A recent survey by this group of rural sociologists of the attitudes of field technicians in the four pilot EDS areas showed that expectations need to be lowered unless field staff are provided more publications, visual aids, supplies, transportation, mini kits and special backstopping. At the same time the respondents had a very favorable attitude toward the principles and practices being piloted. Many of the constraints they noted are being relaxed as the NEP enhances the equipment, facilities and back-up services to the field.

The Bureau of Agricultural Extension has, meanwhile, accepted the system as the model for expansion, first of all to the other eight regions and expansion this year to a municipality in each of the 75 provinces as the NEP gets underway on a national scale.

While the project seems to have quite successfully demonstrated a method of extension delivery that can be, and in fact is being, institutionalized, the content, the information to be delivered, remains a problem. In the first place, despite the importance attached to it in the initial project design, virtually no progress (or effort) has been made in incorporating market intelligence in the information being provided to farmers under the EDS. Furthermore, the present extension system, which relies on subject matter specialists at the national, regional and provincial levels to provide extension program content, does not include agricultural economics among the subject matter discipline.

Among the stated objectives of this thrust was the establishment of effective and efficient linkage between research agencies and agricultural extension systems. Efforts taken to meet this objective appear to have been ad hoc and expedient rather than attempts at defining and institutionalizing a well defined relationship between the extension service and the research institutions. Meetings were arranged between PCARR representatives and extension subject matter specialists. Also, an interagency National Extension Delivery System Technical Committee

with membership from Ministry of Agriculture bureaus, the University of the Philippines at Los Banos (UPLB) and Central Luzon State University (CLSU) was appointed and charged with preparing recommendations on production technology for the extension programs. Perhaps this was the best that could be done at this time, with so many changes taking place in the organization of Agricultural agencies. The reorganization of the Ministry of Agriculture, with integration of agricultural services at the regional level, implies some changes in roles of national subject matter specialists that are not yet clearly defined. The proposed Agricultural Support Services Project (IBRD funded) now being planned will enhance the facilities and capabilities of the agricultural research stations in the regions. It is intended that these "integrated agricultural research insitutions" should have a more prominent role in adaptive research, verification and packaging of technology for dissemination to farmers. It would have been useful if the pilot projects had defined and tested arrangements which assigned appropriate roles for regional research institutions and provincial, regional and national subject matter specialists. That it was not able to do so in this period of transition is understandable.

Status of Implementation: -

The EDS activity has utilized 24 person months of long term consultancy and 18 person months of short term consultants. 1981 work plans call for 18.6 person months of short term consultancy services. This will leave 12.5 person months of shorter term consultant services unused at the end of 1981. The Bureau of Agricultural Extension has utilized one position for Ph.D. training, two M.S. positions and 18 positions for non-degree training abroad. No additional foreign training positions are contemplated under this project. Peso financed staff development programs within the Philippines will continue.

Work plans for 1981 are largely a continuation of on-going activities relative to testing the modified T&V extension delivery system. In addition an improved monitoring and evaluation system is to be developed to monitor monthly progress in implementation of the project. At the end of the year, an evaluation is to be conducted for four types of respondents - supervisors, technicians, leaders and clientele. The results of the study are to be used in identifying problems and indicating remedial action and in preparation of a manual on methodology and implementation procedures.

Recommendations

The Extension Delivery System adopted in the pilot areas has demonstrated effectiveness and replicability. The work plans for 1981 were well designed to further refine the system and to produce a more satisfactory monitoring system. Resources programmed under the IAPM project for consultancy services and participant training appear adequate to satisfactorily meet the project objectives on schedule. Additional resources for enhancement of support facilities and expansion to other areas are

being provided under the World Bank assisted National Extension project. It is recommended that assistance to this thrust be terminated as originally planned.

THE MARKETING/AGRIBUSINESS THRUST

Background

Agribusiness activities have had a mobile history in the IAPM project. Initially, they were subsumed under extension/outreach. In 1979, they were shifted to national policy. We discuss these activities separately here because we believe they do constitute an interrelated set, independent of whichever thrust served as their base.

There are 3 basic activities:

1. Agribusiness Development
2. Market Assistance Centers
3. Cooperatives Development

We will describe each activity briefly.

1. Agribusiness Development. Since 1979, this activity has focused on the establishment of Regional Agribusiness Councils. Two have been established (Regions 10 and 11). The activity has been significantly influenced by the emergence of the NFA and it is not entirely clear what this activity will do in 1981. Presumably, it will continue to focus on the Agribusiness Councils. It should be noted here that the Ministry of Agriculture staff responsible for implementing this activity are by and large contractuals with limited practical experience. This group is nevertheless involved in a range of ad hoc agribusiness-related activities. We say ad hoc to cover the flexible and opportunistic quality of the group's agribusiness activities as well as to point out the same group is part of the Ministry's Management Service. Consequently, they perform a wide variety of direct support functions for the Minister. There will be IAPM Project Consultant input to the Agribusiness Development activity in 1981. We hope that the input will not be excessively redirected towards the general support functions of the Management Service.
2. Market Assistance Centers. The basic objective of the MAC activity is to develop a mechanism for selling agricultural commodities that improves prices received by farmers through fuller knowledge of market conditions and more market-oriented production decisions. The MACs are supposed to help farmers find buyers for their produce; assist traders to get the quality and quantity of the commodity they need; and channel related services, such as credit, and other production inputs. Two MACs have been established with notable participation by 13 government agencies. The IAPM project has contributed very little to this activity since 1979.

3. Cooperatives Development. This activity has focused on improving the viability of the Area Marketing Cooperatives. The IAPM Project has played a role in the overall AMC effort, but it should be noted that the AMC program has external funding through several other projects including a major AID project. The IAPM project has focused on improving AMC Management skills. This will continue to be the project's emphasis in consultant inputs scheduled for 1981.

Currently, there are 42 AMCs. Between 3 and 14 of the AMCs are viable, depending on what criteria are being used. Improved and sustained viability will depend in part on management skills, but also on a range of other factors including weaning the AMCs away from rice-based production and marketing schemes (in the contemporary policy environment, there are few opportunities for AMCs to gain any market edge with respect to rice), and the specific operational plans of the NFA.

The committee approached this set of activities anticipating evidence of effort that in some sense would stand out from other parts of the project. We expected indications that this was, in fact, the project's leading edge. The Project Paper, for example, identified this thrust as the one which "offers the most direct opportunity to assist the small farmers in solving production and marketing problems. The purpose ... is to achieve coordinated and profitable production, processing and marketing of priority commodities." This followed from a very basic perception which guided the formulation and design of the overall IAPM project.

"..... 1975 brought the Philippines unprecedented rice and corn harvests ... This windfall brought with it a number of problems including: (a) lack of adequate storage facilities; (b) shortage of funds and breakdown of the administrative mechanism for price support payments; (c) lower price to farmers; and (d) little change in food availabilities on lower prices to the poor majority."

For rice, corn and many other commodities, a range of post harvest problems were limiting returns to productivity accruing to small farmers and generally dampening the rate of innovation and investment in small farm agriculture. Physical losses were excessive because of inadequate storage and processing and economic channels were controlled in ways which hurt both consumers and producers. Efforts by the Philippine government to constructively intervene, ranging as they did from buying crops to cooperative marketing, had not been uniformly successful - even when there was no surplus. With a surplus how would affairs be handled? How could diversification away from monocultural rice proceed with unpredictabilities and even unfairness associated with the marketing system?

The IAPM project suggested an innovative strategy to confront this perceived problem -- the integration of production and marketing functions in the design of an intervention strategy. This meant, for example, expecting the extension system to play roles that would relate it to marketing and processing functions and those who assume such functions as well as product differentiation and quality orientation among producers. It meant increasing the accuracy and availability of market intelligence so that both producers and buyers could allocate their resources more efficiently. It meant shaping a policy environment more sensitive to an agribusiness orientation for the small farm sector rather than a subsistence orientation alone.

We provide this long review of basic project perceptions because of what, in fact, the IAPM project has done in this area. It is our judgment that while what was and is being done is interesting and valuable, it was and is too small a proportion of the project's overall effort. We reach this conclusion for several reasons:

1. The basic market system orientation was and is valuable and significant. We believe, however, that much more innovative thinking is required to translate that perception into effective concrete strategies. In part, this is because less is understood about market system performance than is necessary. The IAPM project has recognized this in part through its concern for enhancing the Ministry of Agriculture's Data System and thereby generally improving understanding about what is going on. The project proceeded, however, on the basis of what are still, in some instances, either unsubstantiated assumptions about market systems or inadequate assessment of why some strategies might not have worked. Is the market system problem one of excessive middleman margins, physical and technical inefficiencies, oligopolistic control, etc.? On the answer depends the choice and viability of a strategy. We know much more about the physical movement of agricultural commodities in the Philippines than we do about the economic characteristics of that movement. That is a knowledge gap that still remains. It is appealing to assume, for example, that all agricultural marketing systems are oligopolistic, with a few middlemen reaping exploitative profits. Much Philippine strategy in market system improvement begins from this perception. We do not, however, have enough evidence to support the assumption. It may be true in some areas and in some commodities, but where and which? For example, there is some evidence that the scope of NCA warehousing and milling intervention in rice markets has made it uneconomic for private millers to modernize equipment.

The Philippines has considerable experience with cooperative marketing in agriculture. Typically, the experience has not been positive. The few organizations that have shown signs of success have generally done so by selling production inputs; only rarely have intrusions into marketing left cooperatives unscathed (except where special government support has established and protected marketing channels).

Concentration on improved management will always be helpful, but how helpful will depend, in part, on the competitiveness of the market. If the market is very competitive, the cooperatives may have to be subsidized. In highly competitive markets, good management will not yield gains; bad management however, will yield losses. If production credits are linked to marketing, as they sometimes are in the private sector, cooperatives may have to offer at least as much to effectively hold their membership. These observations are quite basic but they remain necessary starting points for work not yet done.

2. The approach to agribusiness development in the project has had two major operational characteristics. There has been a strong tendency to focus on export crops and there has been a strong inclination to look for and work with individual agribusiness entrepreneurs. We believed this is a necessary but not sufficient basis for engaging the small farm sector, an objective that was originally envisaged by the IAPM project. Export commodity production can be quite lucrative, but it requires marketing and assembly infrastructure that often are not present or at least not accessible to the majority of producers. Moreover, it requires especially careful decision-making because of the instability of most major international commodity markets. It is not the average individual who can make such linkages or survive an error in judgment. It follows that the focus on the individual as client may be inappropriate. The IAPM project came to recognize this, in part through the AMC activity and in principle, through what might be possible through MACs and the Agribusiness councils: coordinated area-wide agricultural production and marketing operations. We say in principle because we believe that it is a very complex task. Achieving this level of agribusiness involvement will not come easily. The challenge is part management and record-keeping, but a larger part is probably social organization and opportunity costs attached to participation. So far, the IAPM project has not given complete attention to these factors.
3. Basic to our first two points is the Ministry of Agriculture. What capacity does the Ministry have to develop an agribusiness policy framework, especially one that links to small farmers? What are the technological, institutional, and economic capabilities needed to develop such a framework? To implement a

program within it? Clearly, the Ministry has some distance to go in this area. The project has provided consultant inputs, but utilization has been characterized by a preference for short term problems over more fundamental questions of strategy. Beyond this, we must note again the altered environment for the IAPM project. The emergence of NFA substantially complicates matters, especially if our perspective is on strengthening the capacities of the Ministry of Agriculture.

Recommendations

We recommend that high priority be given by the GRP and AID to developing an improved policy environment consistent with and conducive to the linking of agribusiness and market system programming with the improvement of the small farm sector. Improving the policy environment in this area means first of all understanding the explicit and implicit functions of the existing policy environment. That is the baseline and it will not, of course, be limited institutionally to any one Ministry. Secondly, it means building on the innovativeness suggested by some of the IAPM project's efforts as well as a range of other GRP efforts. It is important to avoid the trap of formula programming, of assuming that the form of cooperatives is equivalent to some set of functions. What works elsewhere may not work here. What works for one commodity and market system may not work for another.

Much of what we recommend elsewhere in this report is relevant here. Integrating the Ministry's statistical support system will improve the possibility that timely and accurate economic information will be available. Conducting a thorough examination of existing economic linkages and policy orientations will provide a basis for informed evaluation of policy options.

There are other areas, some started by the IAPM project, but for various reasons stopped, which should be given serious attention. Orienting the extension system to an agribusiness and marketing focus is a long-term but very important objective. It will be partially addressed by the NEP project, but the issue of technical capacity is crucial and is not uniformly well-addressed.

Developing mechanisms at the regional level which can encourage appropriate agribusiness-small farmer linkages is another area where much needs to be done. The Agribusiness Councils may work in well-endowed regions where some linkages may already be present to build on. Does it follow that the Councils will work in all regions? In regions with limited infrastructure and agribusiness-small farmer linkages? We believe flexibility will be an important component of any strategy. The Councils should be carefully evaluated and alternatives pursued.

The Committee believes that the central importance of marketing and agribusiness in the initial IAPM project vision was justifiable then. It is even more important now. We conclude, therefore, that innovative effort should be mobilized to confront the problem of agribusiness and market system development.

OVERALL PROJECT MANAGEMENT

Introduction

The earlier evaluation addressed the issue of project management in some detail in an effort to promote both better integration and more rapid implementation of project activities. Some changes in project management were made in order to address that team's concerns, as well as a subsequent AID audit of project operations.

It is to be expected that the final project evaluation will address itself to management questions especially as they affected realization of project outcomes and project impact. At this juncture, however, an overall assessment of management issues does not seem timely. It is too late in the course of implementation to make any sort of reorganization a realistic option even if it were deemed necessary. Therefore, instead of assessing overall operations, the team focused on a selected number of issues with a view toward identifying modification in management which are feasible within the time frame of the project and which are considered important enough that they might significantly affect the extent to which project objectives are realized even at this late date.

Project Management Issues

(1) Project Assistance Completion Date. Implementation of the IAPMP was subject to the sort of significant start-up delays experienced by most projects, although in the case of this project they were compounded by the length of time involved in the host country contracting process. Since signing of the KSU contract, delays have been particularly noticeable in the identification and recruitment of consultants, in the identification and processing of participant trainees, and in procurement and installation of equipment for the Food/Feed Grain Processing Center. This has resulted in varying opinions regarding the date at which the project should be considered to have begun and hence the project assistance completion date (PACD), assuming a five year life of project. Because the PACD is perceived as a problem by many of those involved in implementing the project, the issue should be resolved so that it is understood when assistance will terminate for various thrusts and subthrusts. (In assessing project accomplishments and considering the need for extension in assistance, this evaluation team considered June 1982 as the PACD; hence recommendations for a year's extension of selected activities would carry them until June 1983).

(2) Unexpended Resources. As shall be noted in the section which follows concerning expenditure rates, substantial GOP and AID resources remain unexpended in several thrusts. It is the recommendation of this evaluation team that they be utilized wherever adequate planning has been done. This is particularly true with regard to unused Tech Pack consultancies, especially those associated with the FFGPC, as well as

both unused training opportunities and short term consultancies in the Academic Thrust.

(3) CLSU. A number of explanations have been suggested for why CLSU was not in a position to fully and rapidly utilize all staff development and consultant opportunities included in the project. In the view of this team the university might have been better able to overcome some of these obstacles had it received more assistance in planning for and scheduling training and consultancies and in meeting AID, GOP and other requirements for their utilization. If CLSU is to be in a position to make maximum use of the time that is left under the project, the Ministry of Agriculture and KSU, as well perhaps as AID, might concentrate their efforts on helping both Tech Pack and Academic Thrust implementors.

(4) MES. Following an AID audit of the project, AID indicated to project implementors that it attached importance to beefing up project evaluation activities, particularly in the area of quantifying outcomes. In fact, AID assisted the GRP Overall Project Coordinator's Office to develop current MES procedures. Implementors have been submitting the charts and narrative reports requested by GRP-OPCO on a monthly basis. While the narrative portions could yield valuable insights, the MES charts do not actually facilitate meaningful judgements regarding the extent of project accomplishments. Beginning this year the implementors have changed from monthly to quarterly reporting to reduce the onerous paper work involved. The team recommends that the use of the charts be discontinued but the narrative reports be continued. These should be prepared with a view toward guiding project phase-down and termination.

Expenditure Patterns in the IAPMP

As of December 31, 1980, a total of ₱37.6 million have been expended in actual peso terms and \$3.7 million in dollar terms. Total expenditures, if the dollars (grant) are converted to pesos (7.5 to \$1.00) amount to ₱65.4 millions. If we add dollar loan expenditures in peso equivalent this total increases to ₱73.2 millions. Eighty seven percent of the dollar grant budget was spent on consultants and 13 percent on participant training (degree, non-degree, and faculty fellows). Consultant input was highest for National Policy; followed by Extension Outreach; Tech Pack and lowest for the Academic. Almost 60 percent of the Extension/Outreach training expenses was devoted to non-degree programs. This trend was also evident in the National Policy Thrust. On the other hand, more than 80 percent of the dollar training funds spent by Tech Pack went to M.S. participants.

A breakdown of actual peso expenditures by thrust shows Tech Pack 44 percent; Administration, 32 per cent; National Policy, 11 per cent; Academic, 7 percent; and Extension/Outreach, 6 per cent. Total expenditures including actual peso and peso equivalent of dollar grant shows the following distribution: Tech Pack, 33 per cent; Administration, 32 per cent; National Policy, 14 per cent; Extension/Outreach 13 per cent; and Academic, 8 per cent. Considering peso sources of funds, CLSU lead with 41 percent; MA-NFAC, 34 per cent; NEDA, 19 per cent and UPLB, 6 per cent. When the expenditures from the dollar loan (\$1.04 millions) are taken into account, 62 per cent have gone to equipment for the FFGPC; 31 percent for Ph.D. participants; and 7 percent for CLSU Library materials and equipment.

Parenthetically, it is obvious from all these previously cited figures that IAPMP is The Project for CLSU. It is one of the major projects for MA; and only one small project for UPLB. These relative values are important in understanding how much priority or lack of priority is assigned to IAPMP related activity by the three Philippine institutions involved.

APPENDIX I

SITES VISITED:

Central Luzon State University, Munoz, Nueva Ecija, April 1-2

Extension Delivery System Pilot Project, San Carlos, Pangasinan, April 4

University of the Philippines, Los Banos, Laguna, April 8-9

PERSONS INTERVIEWED:

- | | |
|----------------------|---|
| Ables, Higinio | - Vice Chancellor for Academic Affairs, UPLB |
| Acasio, Ulysses | - KSU Consultant, Food and Feed Grain Consultant, CLSU |
| Agbisit, Elpidio J. | - Coordinator, Short-Term Training in Agricultural Marketing, Also IAPM M.S. Participant, KSU |
| Alba, Manuel S. | - Minister of Budget, GRP |
| Alburo, Florian | - School of Economics, University of the Philippines |
| Alunan, Jules | - Planning Service, Ministry of Agriculture |
| Alix, Jesus | - Director, Bureau of Agricultural Economics |
| Arogan, Corazon | - Faculty Fellowship Grantee, UPLB |
| Baskinas, Juanita | - Short Course Participant in Cooperatives, UPLB |
| Bonifacio, Manuel | - Rural Sociologist, U.P. Diliman |
| Campos, Amado C. | - President, Central Luzon State University |
| Campos, Filomena, F. | - Director of Research, Central Luzon State University |
| Carner, George | - USAID Manila |
| Cleave, John | - World Bank |
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| Cruz, Emilio | - Freshwater Aquaculture Center, CLSU |
| Cruz, Thelma | - Coordinator, Technology Dissemination and Utilization Services, CLSU |
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Appendix I 2

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Feuer, Reeshon	-	USAID
Flynn, John	-	IRRI
Graham, Bruce	-	KSU Consultant, Bureau of Agricultural Economics
Guinn, Don G.	-	Assistant to KSU Team Leader
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Lalap, Teresita	-	National Food and Agriculture Council (NFAC)
Lawas, Jose	-	Assistant Director General, NEDA
Licuanan, Josefina R.	-	Faculty Fellowship Grantee, UPLB
Lim, Manuel	-	Deputy Minister, Ministry of Agriculture
Manual, Paciencia C.	-	Coordinator, MPS, Agricultural Marketing, UPLB
Matienzo, Rodolfo M.	-	Faculty Fellowship Grantee, UPLB
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Neiss, Richard	-	Agricultural Cooperatives Development International
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Octavio, Generoso	-	Ph.D. Participant, UPLB
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Pollock, Ronald H.	-	USAID
Price, Carter	-	KSU Consultant, CLSU

Appendix I 3

- Quisumbing, Edgardo - GRP, Overall Project Coordinator
- Rentutar, Francisco G. - Director, Bureau of Agricultural Extension
- Reyes, Doming - Regional Director, NEDA, Region 3
- Reyes, Romy - Philippine Institute for Development Studies
- Rivera, Fermina T. - Rural Development Studies, CLSU
- Rodriguez, Gil - Bureau of Agricultural Economics
- Roguel, Marcelo - Dean, College of Agriculture, CLSU
- Sandoval, Pedro R. - Dean, College of Development Economics and Management, UPLB
- Sardido, Moises L. - Faculty Fellowship Grantee, UPLB
- Schwarzwalder, Anthony M. - Mission Director, USAID/Manila
- Sison, Obdulia - Director, Extension, UPLB
- Snell, James - KSU Consultant, Ministry of Agriculture, Formerly Academic Thrust, UPLB
- Terse, Clemente E., Jr. - Director, Bureau of Cooperatives Development
- Undan, Rodolfo C. - Tech Pack Testing, CLSU
- Villa-Real, Louie - Management Service, Ministry of Agriculture
- Villavicencio, Ben G. - Director, External Assistance Affairs, NEDA
- Villarente, Ambrosio - Bureau of Agricultural Extension
- Vincent, Warren - Formerly KSU Consultant, CLSU
- Voth, George - Agricultural Cooperatives Development International
- Williams, Jimmy B. - Coordinator, Master of Management, UPLB
- Wilson, C.P. - KSU Team Leader

APPENDIX II

References

1. IAPM Project Paper
2. USAID files for project letters, memoranda, documents, etc.
3. USAID Country Development Strategy Statement
4. Policy Analysis Staff Reports
5. Team Leaders Periodic Reports:

August 19, 1977 - December 31, 1978	-	Carroll V. Hess
January 1, 1979 - June 30, 1979	-	Vernon C. Larson and W. J. Jorns
July 1, 1979 - December 31, 1979	-	C. P. Wilson
January 1, 1980 - June 30, 1980	-	C. P. Wilson
July 1, 1980 - December 31, 1980	-	C. P. Wilson
6. Terminal Reports of Following Consultants:

Percy Avram
Richard Maxon
Phillip Parker
James Snell
William Stone
Warren Vincent
7. Project Implementation Plans: 1979, 1980, 1981
8. IAPM Project Evaluation Team Report of March, 1979.
9. La Union Seminar/Workshop/Proceedings Containing Thrust/Sub-Thrust Reactions to 1979 Evaluation Report.
10. Thrust Coordinator's Meeting Minutes, 1980 and 1981.
11. Executive Committee Meeting Minutes, 1980 and 1981.
12. Various informal reports, statements, memoranda, etc. provided during the evaluation period, March 23, 1981 - April 28, 1981.
13. FFGPC Concept Paper, CLSU.