

**Magnitude and Status of Official
Development Assistance (ODA) for
the
Agriculture,
Agrarian Reform and
Natural Resources (AARNR) Sector**

Outline

- I. Overview of the AARNR Medium Term Public Investment Program (MTPIP) for 2005-2010
 - MTPIP as it relates to the Agribusiness and Environment and Natural Resources Chapters of the MTPDP 2004-2010
 - Prioritization Criteria
 - Profile of RD Agencies' MTPIP

- II. Issues affecting ODA Availment

I. AARNR Medium Term Public
Investment Program (MTPIP) for
2005-2010

Current Situation

- Sector **remains uncompetitive** due to
 - high cost of inputs (fertilizers, chemicals, seeds)
 - large post-harvest losses
 - Philippine losses for rice as much as 34%
 - Poor access to recommended packages of technology
 - e.g. certified HYV of rice, partially due to inadequate farmer know-how, skills and technical support

Current Situation

- **Continuing high rates of un/under-employment** due to
 - Low degree of farming intensity and diversification
 - e.g. mono-cropping coconut farmers are gainfully employed for only about 50 days per year
 - Inadequate off-farm and non-farm job generation because of lack of entrepreneurship and low skill levels of farmers

Sector Goal/Output for Agribusiness

Goal 1

Development of at least 2M has. of new land for agribusiness in order to contribute 2M out of the 10M jobs targeted as a legacy by 2010.

Goal 2

Making food plentiful at competitive prices where the cost of priority wage goods (rice, corn, sugar, vegetable, poultry, pork, fish) must be reduced

Sector Goal/Output for Environment & Natural Resources

Thrust 1

Sustainable and more productive utilization of natural resources to promote investments and entrepreneurship.

Thrust 2

Promote responsible mining that adheres to the principles of sustainable development: economic growth, environmental protection and social equity. Responsible mining reduces poverty and benefits local and indigenous communities.

Sector Goal/Output for Environment & Natural Resources

Thrust 3

Focus and strengthen the protection of vulnerable and ecologically fragile areas, especially watersheds and areas where biodiversity is highly threatened.

Thrust 4

Create healthier environment for the population.

Thrust 5

Mitigate the occurrence of natural disasters to prevent the loss of lives and properties.

MTPIP Programming - Framework

1. Programming **shift towards more catalytic interventions** in Credit Facilitation, Irrigation Development, Other Infrastructure/Production Support, Extension & Training, Post-harvest Development, R&D, Market Development, & Information Support Services
2. RD agencies expected to **shift more resources towards value-adding & post-production interventions** in agro-processing, marketing & logistics improvement & sustainable use of natural resources

MTPIP Programming – [Prioritization Criteria](#)

Prioritization criteria for PAPs in the AARNR sector:

- **interim point-scoring system** higher points leads to higher priority ranking.
- measures PAPs' contribution to desired outcomes, alignment with committed agency outputs and recommended areas for interventions under the SEER.

Two Step Processing

Step 1. Screening Criteria

- (a) Responsiveness
- (b) Appropriateness



Step 2. Ranking Criteria

- (1) Need/Effectiveness
- (2) Responsiveness to PSAs
- (3) Efficiency

**Table 1. Annual Profile of DA, DAR and DENR ('s) MTPIP
By Number of ODA Projects and by Financing Source
(In Billion PhP)**

Year	No. of Projects		Total Projects	Financing Source		Total Amount
	On-going	Pipeline		NG Appropriation	Other Sources	
2005	113	0	113	7.3	1.7	9.0
2006	103	44	147	13.8	2.7	16.5
2007	81	59	140	18.0	2.8	20.8
2008	51	58	109	17.7	3.5	21.2
2009	3	49	52	14.5	2.8	17.2
2010	4	60	64	16.9	5.6	22.5
Total				88.2	19.1	107.2

Note: For DENR, there is no available annual cost for pipeline project in 2006 (PROFORM) thus the total annual investment was lumped in year 2006

**Table 2. Annual Profile of DA's MTPIP
by Number of ODA Projects and by Financing Source
(in Billion PhP)**

Year	On-going	Pipeline	Total Projects	NG Appropriation Funds	Others	Total Amount
2005	82	0	82	3.0	0.4	3.4
2006	74	38	112	5.0	0.9	6.0
2007	57	44	101	9.1	1.4	10.5
2008	37	41	78	10.4	1.7	12.0
2009	2	37	39	6.0	1.7	7.8
2010	3	52	55	9.3	3.9	13.1
TOTAL				42.8	10.0	52.8

**Table 3. Annual Profile of DAR's MTPIP
By Number of ODA Projects and by Financing Source
(In Billion PhP)**

Year	No. of Projects			Funding Source		
	On-going	Pipeline	Total Projects	NG Appropriation	Other Sources	Total Amount
2005	16	0	16	3.8	1.1	4.9
2006	17	5	22	4.6	1.6	6.2
2007	13	15	28	8.9	1.3	10.2
2008	6	17	23	7.3	1.5	8.8
2009	1	12	13	8.5	1.0	9.5
2010	1	7	8	7.6	0.3	7.9
Total				40.7	6.8	47.5

**Table 4. Annual Profile of DENR's MTPIP
By Number of ODA Projects and by Financing Source
(In Billion PhP)**

Year	No. of Projects			Financing Source		Total
	On-Going	Pipeline	Total Projects	NG Appropriation Funds	Other Sources	
2005	15		15	0.47	0.16	0.63
2006	12	1	13	4.20	0.17	4.37
2007	11		1	0.01	0.14	0.14
2008	8				0.39	0.39
2009					0.00	
2010		1		0.00	1.41	1.41
Total				4.67	2.28	6.95

Figure 1. AARNR Investment Requirement by Super Region, 2005-2010, in Billion PhP

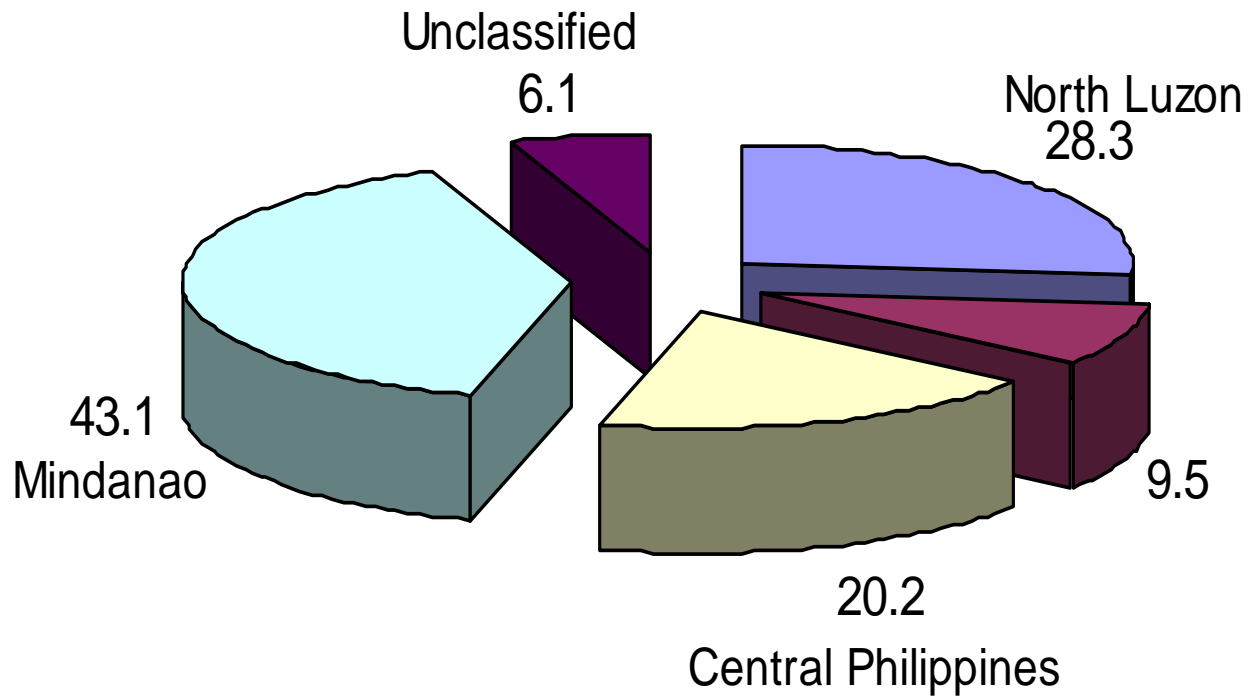


Figure 2. DA's Investment Requirement by Super Region 2005-2010, in Billion PhP

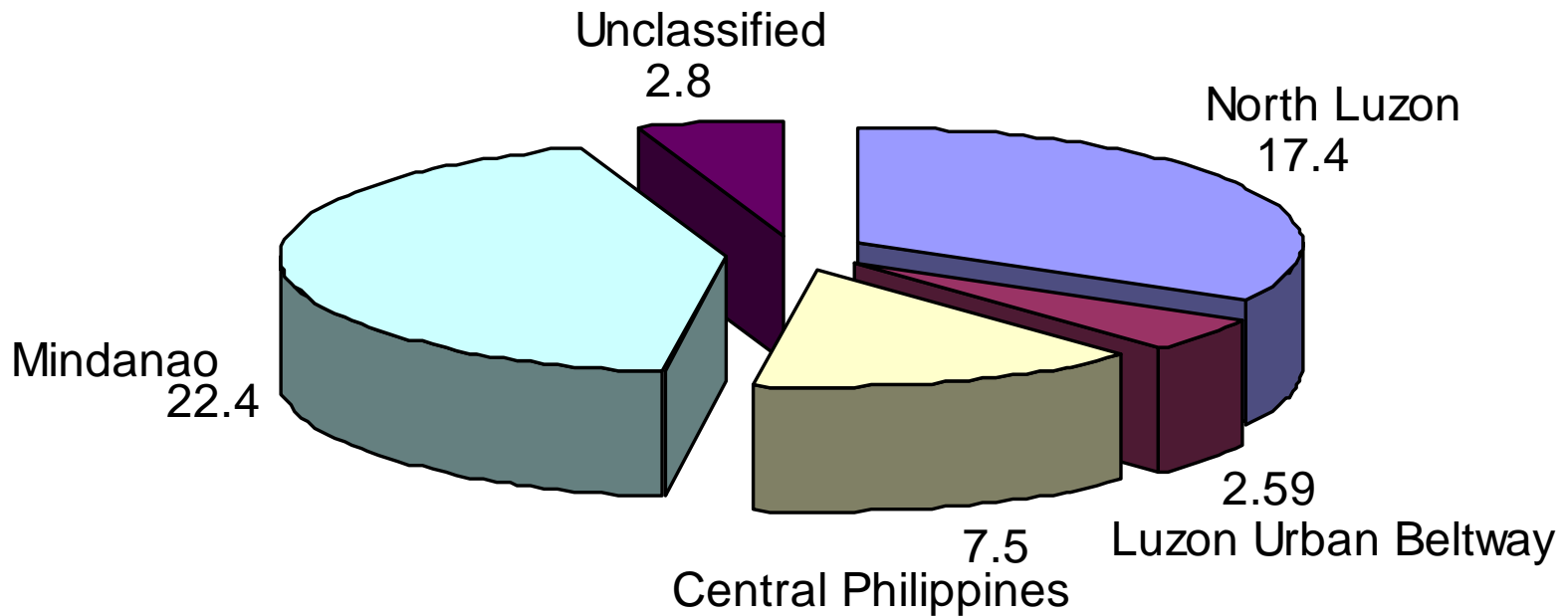


Figure 3. DAR's Investment Requirement by Super Region, 2005-2010, in Billion PhP

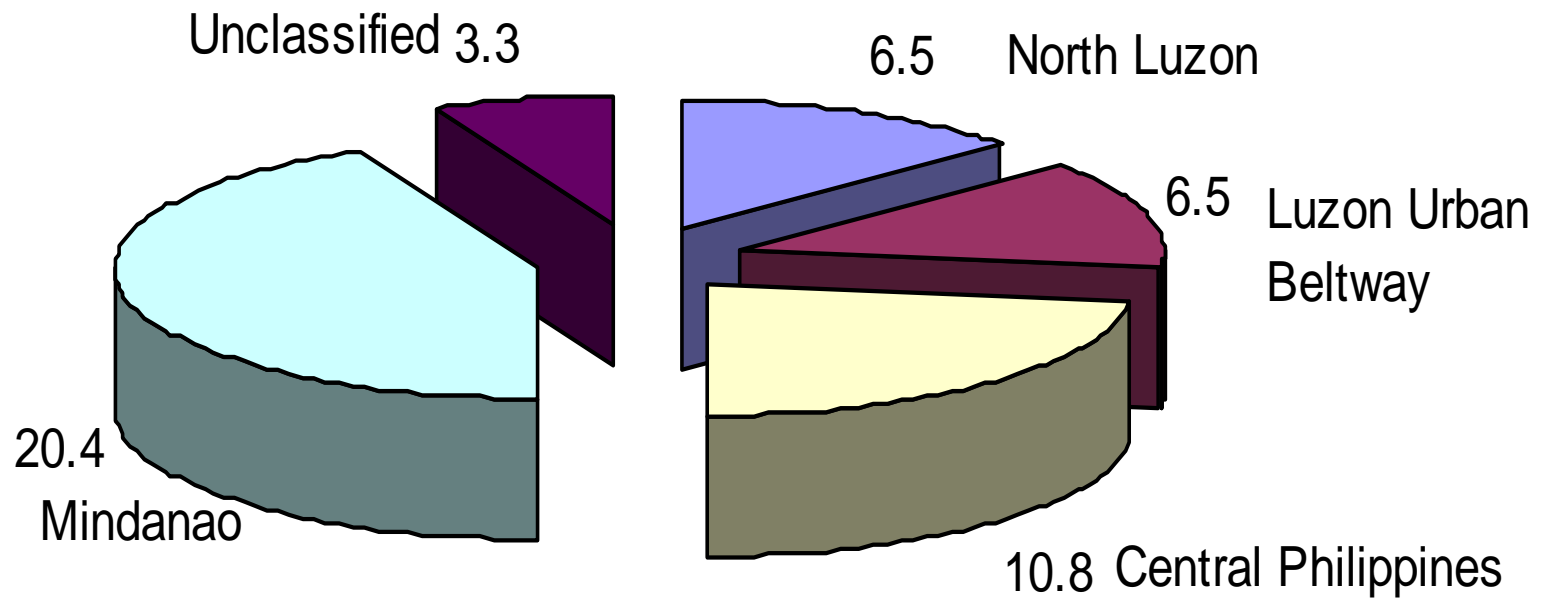
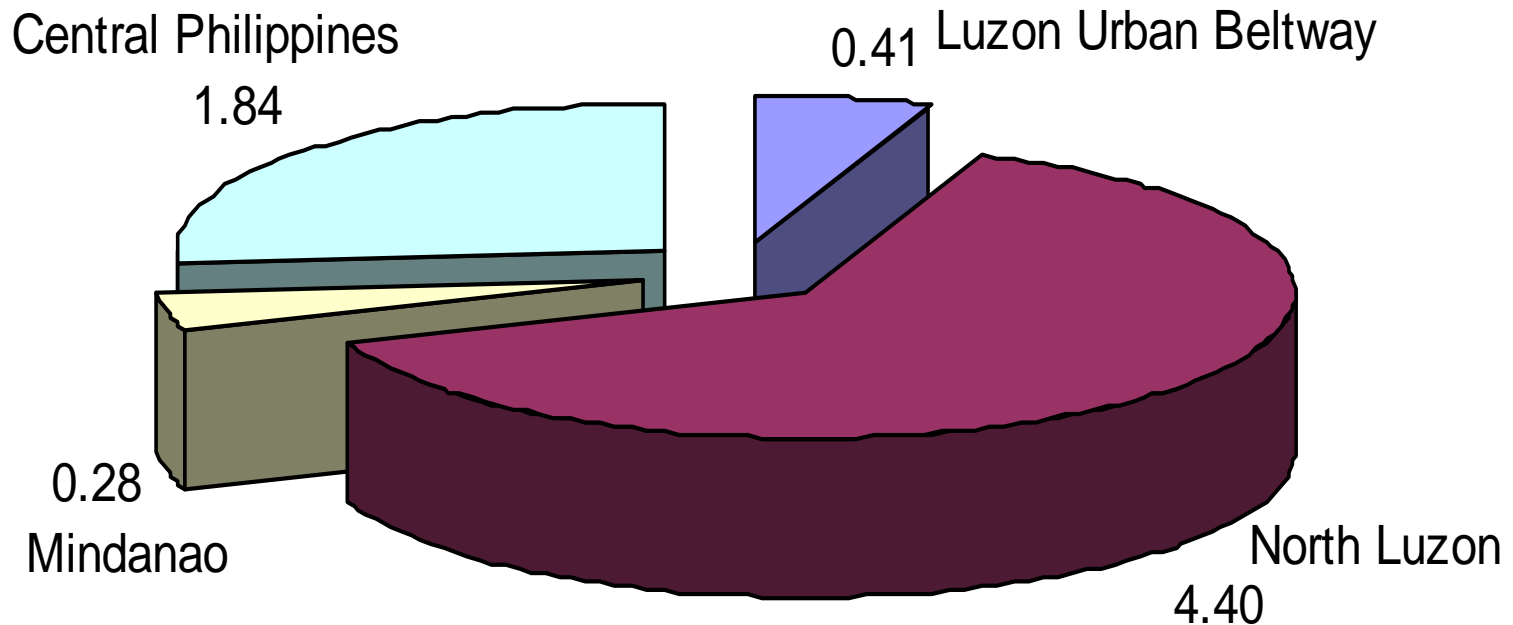


Figure 4. DENR's Investment Requirement by Super Region, 2005-2010, in Billion PhP



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