NORTH COTABATO RURAL ENTERPRISE DEVELOPMENT PROGRAM II

A Terminal Review

Napoleon D. Amoyen
Teresita N. Angeles
Marlina C. Lacuesta

Introduction

Of the 60.5 million Filipinos, approximately 36 million or 60 percent live in the rural areas and are dependent on agriculture for their livelihood. Sixty-five percent of the rural population live in the lowlands and coastal areas while the rest are in the uplands.

While various development policies and programs of the Philippine government since the postwar years have stressed overall income and growth throughout the country, these have been mainly concentrated in Metro Manila. The rural population is at a relative disadvantage when compared to their urban counterparts. Various studies have revealed that more than half of the rural families live below the poverty line (compared to only one-fifth of urban families).

Analyzing the nature, extent, and trends of rural poverty within the context of development, Sison and Varela thus concluded that "a great proportion of the poorest of the poor is found in the rural sector", citing both "the inherent and persistent socio-economic and political structures which exclude the poorest segments of the rural population from participating in productive economic activity"[1], including government policies in support of the postwar development strategy which was generally biased against agriculture.

[1] These consist of such factors as occupational correlates (agriculture-based occupations vis-a-vis those in non-agriculture), low agricultural productivity, unequal distribution of resources and unequal access to resources.

Such scenarios have thus sent the appropriate signals to both the public and private sector to address the needs of these marginal members of Philippine society caught in the vicious cycle of poverty and low productivity, lack of access to resources, and subsequently inequality.

As with other government and non-government organizations which have recognized the need to improve the farmers' access to necessary resources, the Diocese of Kidapawan in North Cotabato launched the North Cotabato Rural Enterprise Development Program (NCREDP) in 1989 to improve the income and living conditions of the population through five self-help community cooperatives.

The primary goals of the program consisted of increasing farmers' income through the provision of non-collateral, low interest loans, and developing self-sustaining cooperatives that could serve the credit and marketing needs of the members, including the upgrading of farmers' skills through more productive farming technology and strengthening the cooperatives' technical and managerial skills.

The objectives of the program were:

1. to extend financial and technical assistance to at least five self-help cooperatives.

2. to extend assistance to at least 550 farmers from the five self-help cooperatives and thus enable them to realize increases in income by at least P1,910 per hectare per cropping.

3. to assist at least 72 percent (or 400) of the beneficiaries to generate a capital build-up of at least P4,500 each out of individual share capital contributions.

4. to generate at least P690,000 capital build-up out of the members' share capital contributions.

5. to train 550 farmers on appropriate/productive farm technologies and management skills, including value

formation, budgeting, cooperative and small business enterprise.

6. to train at least 10 leaders from the 5 self-help groups on organizational and basic cooperative management, enterprise management, leadership, community organizing, financial management, and credit and marketing operations.

7. to assist farmer-beneficiaries in avoiding at least two layers of exploitative traders or middlemen through marketing assistance.

8. to assist these self-help groups to develop into full-fledged cooperatives, each with a legal personality and able to undertake socio-economic activities, and

9. to assist at least 5 cooperatives to organize into a federation, with goals to serve and undertake activities addressing the needs of the member cooperatives.

In an endeavor to increase the income of the farmer beneficiaries of the five (5) self-help and self-sustaining cooperatives through loans, training and technical assistance, the following schematic framework has evolved:

INPUTS	OUTPUTS
Loans	Increased income of the farmer beneficiaries
Training	Development of self-sustaining cooperatives

As indicated in the diagram, program inputs (loans, training and technical assistance) will facilitate increasing the income of the farmer-beneficiaries and subsequently develop self-sustaining cooperatives. The loans will provide the farmer-beneficiaries the necessary financial assistance to increase their income, consequently contributing to the development of self-sustaining cooperatives. Training and technical assistance will equip the farmer-beneficiaries

with the appropriate knowledge, attitudes and skills in increasing farm income and helping in the development of self-sustaining cooperatives.

Given the above, the present report hopes to provide the necessary feedback information for the Diocese of Kidapawan, by assessing over-all program-goals vis-a-vis results, particularly in increasing income of farmer-beneficiaries and developing self-sustaining cooperatives.

On the whole, the study seeks to determine the nature and extent of attainment of objectives of the North Cotabato Enterprise Development Program. Specifically it aims to:

1. identify indicators necessary in evaluating and maintaining the progress, results and impact of the program.

2. identify and assess the project's accomplishments vis-a-vis objectives set, including its strengths and weaknesses.

3. assess the effectivity of the strategies and approaches used in the program.

4. determine the program's impact in capital build-up, participation of beneficiaries in the program decision-making and planning process, and in their respective organization of cooperatives.

5. determine other factors affecting program performance.

6. formulate recommendations to improve the project scheme.

As in any systematically organized program or project, the assessment or evaluation of program goals and results is regarded as on integral program-component. At its terminal stage, the importance of any evaluation activity is underscored by the following considerations:

1. As a cost-saving measure, evaluation helps to determine whether the time, money and effort expended for the project

are justifiable and merit continuance or possible expansion in other areas.

2. Evaluation similarly identifies strengths and weaknesses of the project so that appropriate corrective measures can be formulated by program-planners. Likewise, feedback from the beneficiaries will provide significant guidelines in the development of similar projects in the future.

The pretest-posttest research design was used in this study. This design facilitated the determination of changes introduced by the NCREDP among the farmer-members of the five (5) self-help cooperatives, particularly the changes effected by the loans, training and technical assistance provided by the program.

The present terminal study was conducted in five (5) of the 14 areas where the Diocese of Kidapawan has organized cooperatives. The study-sites consisted of New Cebu in President Roxas, Antipas, Magpet, Matalam and M'lang, selected on the basis of their management potentials, good leadership, desire to improve economically, and willingness to abide by the project's policies and guidelines

Cooperative managers and the farmer-beneficiaries served as the respondents of the study. The five cooperative managers provided information on the mechanics of coordination, the facilitating factors/problems encountered in the coordinative efforts, and the actual bottlenecks experienced in the implementation of the program. The farmer-beneficiaries, on the other hand, served as the source of assessment of the program's financial assistance, training and technical assistance.

The purposive sampling design was used in this study. Prior to the field interview, a list of beneficiaries was secured from the five (5) self-help cooperatives through the CRS Mindanao Regional Office, after which elimination of beneficiaries not covered during the 1989 baseline survey was done. Baseline interviewees who, however, were not program beneficiaries were likewise considered in the terminal evaluation. This was to facilitate comparison of changes among the farmer-beneficiaries of the program. Of the baseline interviewees, a total of 329 respondents (i.e. 159 farmer-

beneficiaries and 170 non-beneficiaries) were interviewed for the 1992 terminal study. This was due to the deaths, transfer of residence, or refusal of the other baseline interviewees to be interviewed.

Three methods were employed in the collection of data. These included (1) a review of secondary data-sources (i.e. annual reports, financial reports, and other pertinent reports of the NCREDP), (2) interviews of the managers of the five (5) self-help cooperatives, and, (3) interviews of both program-beneficiaries and non-beneficiaries.

A study guide was used for the records review, including the interviews of the five (5) cooperative managers. A structured interview schedule, translated into Cebuano was used for the farmer-beneficiaries and non-beneficiaries.

The interview schedule included the following main topics:

I. Personal Data
II. Farm Data
III. Farm Practices
IV. Production
V. Post-harvest Facilities
VI. Marketing
VII. Trainings Attended
VIII. Technical Assistance (Hands On)
IX. Loan Assistance
X. Participation
XI. Comments and Recommendations for the Cooperative
XII. Income and Savings.

Univariate and bivariate tables were used to analyze and compare baseline and terminal data. Simple frequency and percentage distributions, including central tendency measures, were also used.

Accomplishments of the Five Self-Help Cooperatives

A total of P6,102,861.99 worth of loans was extended to 1,924 individual farmers from Phases I to V, with New Cebu (P1,646,450.75) and M'lang (P1,190,041.60) reporting the highest amount of loans received and Magpet, the lowest (P1,028,945.60). As a whole, the average collection rate of loans released from Phases I to V was 76.6 percent (or P4,672,907.59), with M'lang and New Cebu reporting the highest rate of repayments (92.4% or P1,099,994.74 and 80.9% or P133,315.75, respectively), and with Magpet (61.2% or P630,143.92) and Matalam (64.7% or P728,284.14), the lowest. Such loans incurred an interest of P526,455.30. M'lang registered the highest loan-interest collected (101.5%), and Antipas, the lowest (64%).

The total capital build-up generated from Phases I to V was P1,846,005.80, of which a little over one fourth (26.4% or P487,500) was contributed by New Cebu farmer-beneficiaries. Antipas contributed the lowest (16.4% or P303,750). However, more than a third of the total capital build-up generated (38.5% or P710,150.84) was collected, with New Cebu registering the highest amount (40.1% or P195,561.25) and Magpet, the lowest (23.5% or P83,940.85).

Reviewing the trends, however, the rate of collection for loan releases, loan-interests and capital build-up generally decreased from Phase I to Phase V. Such patterns were indicative somehow of the capacity and type of monitoring tools, including the policies which the project management has installed.

A review of records revealed that a total of 2,086 farmer-members were provided financial assistance from Phases I to VI. The number of farmer-members who provided financial assistance increased continuously from Phase I (286) to Phase III (487) then decreased to 462 in Phase VI. New Cebu reported the highest number of farmer-beneficiaries (547) and Antipas, the lowest (326).

An analysis of the names of the reported 2,086 beneficiaries showed a total of 802 farmer-members actually provided financial assistance, with the lowest number of farmer-members in M'lang (110) and the highest in New Cebu (228). The data further revealed that four (4) out of five (5) self-help cooperatives had assisted

more than the targeted 110 farmer-members that should have been provided financial assistance by the end of the three-year program. M'lang provided assistance to the required number of 110 farmer-members.

Further analysis of the status of the listed beneficiaries revealed the following categories:

1. *Continuing Beneficiaries*
   - 1a - availed of the loan from the first phase to the last phase.
   - 1b - availed of the loan from any one of the phases (2,3,4 and 5) to the last phase.

2. *Drop-outs*
   - 2a - availed of loan in the first phase then dropped.
   - 2b - availed of loan in two consecutive phases then dropped.
   - 2c - availed of loan in three consecutive phases then dropped.
   - 2d - availed of loan in four consecutive phases then dropped.
   - 2e - availed of loan in five consecutive phases then dropped
   - 2f - availed of loan in five phases, returned, then dropped.

3. *Last phase beneficiaries (availed of the last phase only)*

4. *Return-beneficiaries*
   - 4a - availed of loan in an earlier phase, dropped, then returned at a later phase up to the last phase.
   - 4b - availed of loan at an earlier phase/s, dropped, then returned in the last phase
   - 4c - availed of loan in an earlier phase/s, dropped, returned, dropped, then returned in the last phase

The highest percentages were drop-out beneficiaries (61.7% or 495), followed by the continuing beneficiaries (21.9% or 219 farmer-beneficiaries), "last phase beneficiaries" (8.7% or 70) and return-beneficiaries (7.6% or 61 farmer-beneficiaries). The case of the

drop-out beneficiaries was explained by the cooperative managers as caused mainly by the beneficiaries' failure to repay their loans, transfer of residence, or the pawning of farm inputs to other farmers.

By the end of the program, a capital build-up of P690,000 per cooperative was projected. However, records reported that only M'lang attained such an objective with a capital build-up of P707,643.36, an amount higher by P17,643.36 than the projected capital build-up. New Cebu reported more than half (55.8% or P385,129.54) of the projected P690,000. Matalam indicated the lowest capital build-up (26.2%).

Though only M'lang attained the P690,000 capital build-up which each cooperative-beneficiary should have generated at the end of the three-year program, it is commendable to note that all of the cooperative-beneficiaries exerted efforts to attain the set capital build-up as evidenced by the increases in capital build-up from their baseline to terminal figures. The initial capital build-up of the five self-help cooperatives increased more than three times (363.8%) by the end of the three-year program, with New Cebu indicating the highest increase (906.8%) and Antipas, the lowest (134.8%).

At the end of the three-year program, it was envisioned that each farmer-beneficiary should have generated a capital build-up of P4,500 through the financial assistance program. The records show that a total of 802 out of 1,891 farmer-members were extended financial assistance, resulting in a total of P1,067,205.72 or an average of P1,330.70 per beneficiary capital share. [2] The non-beneficiaries, on the other hand, generated a total capital share of P692,356.46 or an average of P635.55 per non-beneficiary; a figure nearly half of the mean capital share per beneficiary.

The data further revealed that while the New Cebu farmer-beneficiaries generated the highest amount of capital build-up (P455,082.79) and the Matalam farmer-beneficiaries, the lowest (P155,850.95), the M'lang non-beneficiaries reported the highest

[2] No data on the capital build-up for farmer-beneficiaries from Magpet was available; thus figures are only for Matalam, M'lang, Antipas and New Cebu.

amount of capital build-up generated (P429,781.23) and those from New Cebu, the lowest (P92,211.37).

Given the targeted amount of capital build-up each farmer-beneficiary should have generated by the end of the three-year program, data revealed that there were more farmer-beneficiaries (n=32) who had generated an amount equal to or greater than the P4,500 from the four survey sites (Antipas, Matalam, M'lang and New Cebu) compared to non-beneficiaries (n=17). This seems to imply that the financial assistance provided was truly helpful in generating the capital build-up for some farmer-beneficiaries as forced savings.

Trainings

The three-year program likewise addressed the need for institutional development, i.e. through various training activities for both cooperative leaders and farmer-clients.

As insurance for the effective management of the activities designed for the program, program implementors outlined various trainings for the leaders of the cooperatives. At least eight types of trainings were conducted for the cooperative leaders. These included the "Trainors' Training", "Financial-related", "Marketing Management", "Basic Management Course", "Consumer Management", "Skills Development-related", "Technical-related" and "Cooperative Development Agenda".

The most frequently mentioned trainings conducted for the cooperative leaders were "Financial-related" (28 sessions) followed by "Skills Development Training (12 sessions), "Trainors' Training" (8 sessions), and "Marketing Management" (6 sessions).

Antipas indicated the most varied number of trainings conducted for the cooperative leaders (7 types), with M'lang and New Cebu the lowest number of trainings conducted for the cooperative leaders.

The number of cooperative leader-participants attending the different sessions conducted ranged from one to 59 participants.

Training related to financial management had a total of 59 participants, followed by "Trainors' Training" (35 participants), and "Skills Development Training" (17 participants). Two participants mentioned attending the session on "Cooperative Development Agenda".

On the part of the program beneficiaries, the training program hoped to provide them the necessary information relative to the acquisition of various skills to enhance farming strategies and consequently to help increase their farm income. The records indicated at least 16 types of trainings provided the farmer-beneficiaries, with "Pre-membership Seminars (PMS)" being most mentioned (31 sessions), followed by the "PMS and Refresher Course" (21 sessions), and those related to "Farm Management and Budgeting" (15 sessions).

Matalam cooperatives conducted the greatest variety of trainings for the beneficiaries (11 types of trainings), with Antipas, the lowest (6 types of trainings).

The "Pre-membership Seminar" was reported to be the most attended cooperative-training, not only among the beneficiaries but the non-beneficiaries as well (737 participants), followed by the "Pre-membership Seminars and Refresher Course" (645 participants) and those on "Farm Management and Budgeting" (374 participants).

The GKK-KFI Terminal Report, dated October 5, 1992, revealed that the farmers had successfully minimized establishing credit and marketing relationships with exploitative traders. This could perhaps be due to the marketing linkages the five self-help cooperatives had established in response to the marketing needs of the members. An interview with the manager of the Antipas cooperative confirmed that a direct marketing linkage with Manila-based buyers had been explored for their corn produce. [3]

All five self-help cooperatives have successfully acquired a legal personality, i.e. they have been officially registered with the

[3] An interview with Mr. Dometillo Bernabe, manager of San Vicente Ferrer Cooperative (Antipas). October 3, 1992.

Cooperative Development Authority. The Magpet cooperative was registered in the Rural Cooperative Development Administration Office (RCDAO) at the time the program was implemented.

The program envisioned that the five self-help cooperatives would form into a federation to effectively serve the needs of the members. However, an interview with four cooperative managers[4] revealed that the formation of a federation for the five self-help cooperatives did not materialize inasmuch as a federation of the cooperatives in Davao del Sur and Cotabato was already in existence. As a result of the discussions held among the NCREDP-based cooperative managers, the five self-help cooperatives are now part of the Cotabato-Davao del Sur Federation of Cooperatives (CDSFC).

Membership of the cooperatives increased significantly from its baseline status of 764 individual members and 22 group-members. Individual members increased more than two-fold (i.e., by 1,127 or 147.5%), while group-membership almost doubled in the New Cebu cooperative. M'lang reported the highest increase in individual membership (449%), and New Cebu, the lowest (37.5%).

By the end of the three-year program all the cooperatives reported increases in the total capital share of the members (P1,844,977.04) from its baseline figures (P339,651). This may be attributed to the increasing membership in the five self-help cooperatives. The cooperative in New Cebu reported a significant increase in the total capital share of the members, increasing at least 9 times (906.8%) from its baseline level of P38,260 by the end of the three-year program

The reported current assets of the cooperatives likewise revealed significant increases. New Cebu increased 35 times (3,511.2%) in current assets (P2,482,074.19) from its baseline level of P68,733.30. Matalam showed the lowest increase in current assets (187.8%).

[4] Based on separate interviews with Mr. Antonio Tuburan of M'lang (October 2, 1992), Mr. Dometillo Bernabe of Antipas (October 3, 1992), Mr. Juanito Quijote of Magpet (October 4, 1992) and the technician of the New Cebu cooperative (October 3, 1992).

Except for Antipas and Matalam, all the other cooperatives registered positive net incomes. Antipas and Matalam indicated deficits (91.8% and 171.3%, respectively) from their baseline net income (P31,234 and P241,350.12, respectively).

The positive net income earners showed New Cebu earning a net income 96 times higher (9610.1% or P275,506.18) compared to its baseline net income of P2,866.85, with M'lang the lowest (54.2%).

It is interesting to note that by the end of the three-year program, the cooperatives generally had not reported any new operational activities other than those established during the mid-term review. Production credit appeared to be the only additional operational activity among the cooperatives.

M'lang did not report any specific regular marketing linkages at the time of the survey. Any accumulated farm produce was directly sold to those offering higher farm-gate prices.[5] Over and above their local (e.g. AMC in Kidapawan) and Davao City-based marketing linkages, the other four cooperatives (i.e. Antipas, Magpet, Matalam and New Cebu) had linked with a specific group, the so-called "Big Seven", in the interest of increasing the volume of farm produce necessary to meet the demands of the established marketing outfits in Manila. Their first shipment of 11 vans of corn (with 250 sacks per van) to Manila was made on October 5, 1992. [6] Such efforts of the four cooperatives suggest a certain level of business-oriented management capabilities among the cooperative managers, including a strong sense of service and commitment not only to the individual cooperative members *per se* but to their respective cooperative-organizations as well.

Various literature on cooperatives report that one compounding factor in the low return of investment of the farmers in farm production is the non-availability of post-harvest facilities (PHF). The availability of post-harvest facilities somehow determines the extent of marketing assistance needed by the farmers in the interest

[5] An interview with the cooperative manager, Mr. Antonio Tuburan, October 2, 1992.

[6] An interview with the cooperative manager of the Antipas cooperative, Mr. Dometillo Bernabe, October 3, 1992.

of increasing their incomes. Access to PHF may thus develop among the farmers various marketing skills, e.g. deciding when and where to sell their farm produce to ensure high income returns.

Among the cooperatives, Matalam and Magpet appeared to have limited post-harvest facilities. Matalam maintains a warehouse while Magpet just recently purchased a "three-fourths" mini hauler-truck. The rest reported owning more post-harvest facilities. M'lang has a warehouse under construction, a solar drier with a capacity of 100 bags of either rice or corn, one 10-wheeler hauler-truck purchased through a loan from the Land Bank, one 6-wheeler truck, a one-ton truck and a jitney. Antipas, likewise reported a 6-wheeler hauler-truck, a "three-fourths" type hauler, a drier with a capacity of 60 sacks, a corn sheller, and a warehouse which can store 1,800 sacks of corn or palay. New Cebu was able to acquire the following post-harvest facilities: one thresher, one drier that can accommodate 180 sacks of palay or corn, a 6-wheeler hauler-truck, a "three-fourths" type of hauler, two motorcycles, a sheller, and a warehouse with a capacity of 3,000 bags of farm produce.

In the absence of the records on "Farmers' Income Analysis Sheets" from Phases I to VI, Phase VI income analysis was used instead to present the interplay of farm expenses, gross and net incomes. The gross expenses per hectare ranged from the lowest, P3,816, (Magpet) to as high as P9,541 (M'lang). The total gross farming income per hectare for the Phase IV period was established at P9,399.97 or P2,344.50 a month, with M'lang the highest (P19,543.38), followed by New Cebu (P7,577.93). Antipas reported the lowest total gross farming income per hectare (P4,820.23). The mean net income per hectare was P3,471.31 or P867.83 monthly. Again, M'lang appeared to have earned the highest mean net farming income per hectare (P7,723.13) while Antipas indicated the lowest (P886.75).

Generally, the terminal review revealed that the average gross farming income per hectare decreased compared to the baseline data, with only M'lang showing an increase in average gross farming income per hectare from its baseline level. However, the average net farming income showed an increase (P3,471.31) from its baseline level of P2,916 per hectare or a 19 percent (19%) increase

during the three year period. New Cebu and M'lang showed an increase in mean net farming income per hectare compared to their baseline performance.

The low performance relative to the gross and net farming income per hectare may be attributed to the long dry spell experienced by the farmers from 1991 to 1992, particularly in those survey sites where the main farm produce is corn. The drought-period discouraged corn-farmers to plant and harvest their farm produce. The majority of the individual farmers from these areas thus reported having negative gross and net farming income, with the different suggesting the amount of farm inputs utilized in anticipation of rainy season which never came.

More than half (58.2% or 237 farmers) of those who received financial assistance reported income decreases from the previous cropping (Phase III). Specifically, more than half of those loan-beneficiaries revealed lower farm incomes in Antipas and Matalam compared to their baseline income.

Among those reporting farm income increases, a 140.3 percent increase per hectare was indicated, with Magpet (108.7%), M'lang (152.5%) and New Cebu (199.7%) reporting larger increases from their respective baseline level. Those reporting decreases in farming income from the previous income generally revealed a 70.5 percent decrease. Magpet farmer-beneficiaries showed the highest decrease (115.9%) from previous income and M'lang, the lowest (36.1%).

The Five-Self Help Cooperatives

San Vicente Ferrer Consumers Cooperative, Inc. (Antipas).

Having organized four cooperative satellites, this cooperative has started the construction of a canteen that will serve both the staff and the students from the nearby school, including other residents interested in availing of the canteen services. At least three barrio-based cooperatives have identified this cooperative as that with which they want to be affiliated. These cooperatives have been provided marketing assistance, i.e. purchase of

commodities from Davao City with corresponding charges, as service fees and transportation costs, ranging from P5 to P10 per box or the like. It has purchased 400 square meters of land for P20,000 and increased its staff to 19.

San Jose Katilingban Consumers Cooperative, Inc. (Magpet).

During the first quarter of 1992, this cooperative transferred to a new location (near the market) from the original office provided by the Catholic rectory, making their services more available and accessible to the members. A newly-hired driver handles the hauler-truck. It has since organized 17 *seldas*.

M'lang Multi-purpose Cooperative, Inc.

This cooperative has also transferred to a new location, i.e. to a site 10-meters distance from its previous site. It has likewise organized 25 satellite-cooperatives.

Farmers' Service Cooperative, Inc. (New Cebu).

The New Cebu cooperative has acquired a new name, i.e. "New Cebu Farmers' Multi-purpose Cooperative". It now holds office in the Samaria house of the parish.

Matalam Sto. Niño Consumers Coop, Inc. (Matalam).

Matalam Cooperative has hired a technician who also acts as the cooperative's collector. It has since acquired two sets of handheld radios and a motorbike for monitoring and collection purposes. It has established a credit-line with Philippine Business for Social Progress (PBSP) for its *palay* procurement activities and acquired a commodity loan from the Land Bank of the Philippines. It has facilitated the involvement of 80 farmer-members in cattle-fattening activities through the Land Bank of the Philippines.

The main source of credit for the five self-help cooperatives was the Land Bank of the Philippines through its commodity loan assistance program. The M'lang cooperative was able to obtain loans through tie-ups with the Land Bank and the National Irrigation Administration, over and above the commodity loans availed of directly from the Land Bank of the Philippines. Antipas, Magpet, Matalam and New Cebu likewise availed of commodity loans from the Land Bank. Other sources of credit were likewise identified, such as the Oblates of Mary Immaculate and the provincial government of North Cotabato, among others.

Specific Problem Areas

Focusing on the problems encountered by the five self-help cooperatives relative to their involvement with the NCREDP, the following were identified:

Antipas. The manager noted that the credit committee is ineffective in making the necessary changes in the weakness of its members despite being reprimanded by the manager. They readily recognized their faults but always failed to change for the better. Except for one active member, the audit committee was perceived to be inactive. Other problems cited included the manager's inability to terminate the cooperative members hired as contractual-staff, given the lesser work-demands of the cooperative, for fear of being misinterpreted (i.e. these individuals may outrightly claim that the cooperative is also theirs). The low repayment rates of loans acquired from the GKK-KFI and Land Bank of the Philippines by the beneficiaries were likewise cited despite the restructuring schemes implemented, with some beneficiaries discontinuing their transactions and instead availing of the services of the traders. The manager also cited the insufficient working capital. A problem with attitudes was likewise mentioned, given the general perception of the members that the cooperative is their "savior", i.e. there to provide for such emergency needs as sickness, immediate cash-need, and others.

New Cebu. New Cebu likewise reported low loan repayment rates, including those loans availed of from various sources.

Magpet. The cooperative manager, Mr. Quijote, mentioned the insufficient funds for cooperative operation and lack of post-harvest facilities. The lack of regular market for the members' farm products was likewise cited causing members to sell to those offering higher farm-gate buyers. Seventy eight farmer-beneficiaries have stopped their loan-repayments, with some borrowers either selling or hocking their farm inputs to other farmers. Finally, the absence of any clear criteria, based on Cooperative by-laws, for eliminating non-patronizing members was cited.

M'lang. Constraints on the strict implementation of the policies by the marketing staff were reported by the manager. Other problems cited included the low loan-repayment rates, absence of regulated marketing linkages, and the direct-selling of farm produce to traders by those beneficiaries residing in far-flung areas of the municipality.

Matalam. The problems of the Matalam cooperative focused on the limited cooperative working capital and the absence of a hauler-truck to compete with the local traders plying the Kidapawan-Kabacan route.

The Gagmay'ng Kristohanong Katilingban-Kidapawan Foundation, Inc.

The North Cotabato Rural Enterprise Development Program (NCREDP), which started mid-1989, was originally managed by the Social Action Center of the Diocese of Kidapawan. However, because of the program's expanding operations, the Gagmay'ng Kristohanong Katilingban Kidapawan Foundation, Inc. (GKK-KFI) was subsequently established to allow the proper program-focused activities.

The GKK-KFI has seven board members and an operational staff composed of an executive director, an administrative officer, who likewise acts as the secretary and cashier, a bookkeeper, an organization related problems expert, and three community organizers.

While the GKK-KFI appears to have met the program's expectations, it is likewise worth noting the following:

a. There is a need to establish a proper and efficient Management Information System, evidenced by the contents of the reports and the forms of reports submitted to the Foundation by the five self-help cooperatives. Financial-statement reports vary from one cooperative to the other and there is no clear monitoring system for the periodic review and assessment of the five cooperatives.

b. An accurate, regular and appropriate record-keeping system must be installed. The available files do not include periodic reports on the actual status of the programs, particularly on the cooperative-level, whether on the quantitative or qualitative aspects of the programs.

c. Coordination between the Foundation and the five cooperatives and among the cooperatives themselves was installed through regular monthly meetings with the cooperative managers. These activities provided opportunities for discussing the status of the program on the cooperative level, including the provision of organizational development assistance and training usually identified through a consultative process between the two cooperative leaders and members. However, the cooperative managers noted the constant monitoring and supervision of the cooperatives in the first two phases of the production loans by Mr. Francisco Magnifico and Mr. Jun Obello.

The Effects of the Program on GKK-KFI, Five Self-help Cooperatives, Beneficiaries and Community

The following part of this report presents the effects of the program on the program-implementor organization (GKK-KFI), five self-help cooperatives, beneficiaries and the community.

On GKK-KFI. From its initial activity as program implementor of the production loan program funded by the Catholic Relief Services (CRS), the GKK-KFI has grown into a multi-sectoral non-government organization. Recognizing the sectoral needs of the various residents of the Diocese of Kidapawan, it has developed various programs for women, Muslims and other tribal groups. It has proven its bankability partially through the track records instituted by the CRS-funded credit assistance program, and support from the Diocese of Kidapawan. Such bankability has likewise been supported by the various forms of financial assistance received for its programs, from the Department of Trade and Industry-Region XII, Cardinal Leger, OXFAM UK-Ireland, the Canadian Government, the Sweet Catholic Lenten Fund, the Department of Labor and Employment and the Italian Bishops' Conference. This has enabled the Diocese to adapt to the emerging realities and opportunities for organizational development and effectively deliver services to the residents of the Diocese.

The program has developed the five self-help cooperatives from a "uni-cooperative" operation of consumer-goods trading to a "multi-cooperative", i.e. expanding operations to marketing and credit and saving institutions. Likewise, the self-sustaining directed cooperatives have established various linkages with locally-based entities. Land Bank of the Philippines has been tapped for the acquisition of post-harvest facilities, specifically hauler-trucks and marketing capital, not to mention commodity and production loans. Training needs, on the other hand, have been provided by the CCDSMC. Marketing linkages (whether local, Davao City-based or Manila-based) have likewise been explored. Furthermore, the five self-help cooperatives have become socially and politically involved in the activities initiated by the Diocese.

The program, though minimal, has facilitated increases in the farm income of the beneficiaries through trainings, technical

assistance and production loans. The minimal effect on income of the program has been attributed to the long dry spell experienced in the areas. The program likewise developed among the farmer-beneficiaries a sense of the value of savings, of the responsibilities of being a cooperative patron, and of the need to avoid exploitative relationships with middlemen or traders. This has been achieved through concerted efforts and the political will to promote collective responsibility for change. This explains the positive support of the beneficiaries to the program.

The capabilities of the farmer-members who have since organized into a cooperative have begun to build inroads into the once trader-dominated economy of the community. As a result of the CRS-funded production loan program, exploitative local traders were threatened by the growing solidarity of the cooperative members to support their respective cooperatives. Some traders (e.g. in M'lang) have discontinued their activities while others have successfully established a link by lending their post-harvest facilities to the cooperatives (e.g. warehouses, driers and hauler-trucks). Still others refuse to extend agricultural development-related services to the cooperative members. Likewise, the cooperatives, including the GKK-KFI, have gained the trust and recognition of the local government which has invited them to sit in the provincial and municipal councils.

Study Findings From the Membership

This section presents data collected from the respondent members of the five self-help cooperatives. On the whole, the members were further classified into beneficiaries and non-beneficiaries of the production loans during the three-year period. The production loans served as one mechanism to increase farmers' income and subsequently develop self-sustaining cooperatives.

The respondents reported a total of 730.91 hectares presently cultivated, with M'lang farmers indicating the highest number of hectares cultivated (365.8 has.) and Matalam, the lowest (72.3 has.). They cultivated an average of 2.22 hectares, with Magpet having the highest (3.1 has.) and Matalam and M'lang, the lowest (2 has.)

The majority of the respondents did not expand their farms from 1989 to 1992. Slightly over a tenth (14%) of the respondents did expand farm size during the same period from less than one hectare (M'lang) to 2.875 hectares (Magpet).

Those who reported non-expansion of their farm-areas were further asked whether they had reduced their farm area from 1989 to 1992. Data findings indicated that more than three-fourths (86.6%) had not reduced their areas. Only 13.4 percent did, ranging from an average of less than one hectare (Antipas) to as high as 2.17 hectares (Magpet).

The crops planted in the cultivated areas were varied, with palay being the most popular (56.8%). Survey sites varied in the main crops planted. The majority of the respondents from M'lang (86.7%) were planting palay while those in Matalam had planted palay and corn (55.9%). The Magpet crops were more varied, i.e. palay, corn, and other crops. The farmers from Antipas and New Cebu, on the other hand, planted mostly rice and corn which were occasionally intercropped with other crops. On the average, 1.6 hectares were cultivated for palay, 1.5 hectares for corn and bananas, 1.4 hectares for rubber, 2.1 hectares for coconut, 1 hectare for peanuts and coffee, and less than one hectare for fruit trees.

Data regarding the farm practices of the beneficiaries and non-beneficiaries included use of farm inputs (fertilizers and chemicals), sources of farm inputs, and reasons for buying from the sources, and problems encountered and actions taken to solve such problems. The use of farm inputs (fertilizers and chemicals), as a built-in requirement for availing of production loans, was one strategy used to increase farm-incomes.

The extent of fertilizer-use among the respondents was significantly high, i.e., 99.4 percent for the beneficiaries and 86.5 percent for the non-beneficiaries. A comparison across the survey sites revealed that, except for Magpet, all the beneficiaries used fertilizers. It is interesting to note, however, that the four non-beneficiaries from Antipas were fertilizer-users as well. The three most widely used fertilizers by the beneficiaries and non-beneficiaries were urea, ammonium phosphate, and ammonium sulfate. (The same fertilizer-types were mentioned by the

respondents in the baseline data.)

The cooperatives were cited as the major source of fertilizers for beneficiaries (90.6%) and non-beneficiaries (70.1%) alike. Such findings suggest a major shift in the respondents, relationship with local traders who have otherwise been perceived to be exploiting the cash-strapped local farmers. Baseline results revealed that fertilizers were then mainly procured from the traders, i.e. 96 percent of the respondents.

For the beneficiaries, the fertilizers were procured from the cooperative, primarily because it was part of the production loan program (66.8%). On the other hand, the findings that fertilizers were similarly procured from the cooperative by the non-beneficiaries (58.3%) were even more interesting. Those beneficiaries who availed of fertilizers from the traders did so mainly because these were not available from the cooperative.

Approximately two-thirds of the non-beneficiaries (65.3%) across all the survey-sites described their land as "irrigated" farms. However, all the non-beneficiaries from Antipas reported having rainfed farms. The beneficiaries, on the other hand, were almost equally divided into two main types, i.e. irrigated (50.3%) and rainfed (49.6%).

Research findings revealed a total of 119 and 143 rice farmer-beneficiaries, and non-beneficiaries, respectively. (However, none of the non-beneficiary respondents from Antipas were planting rice at the time of the survey.) The rice farmers planted a total of 405.7 hectares, 186.6 hectares (46%) of which were planted by the beneficiaries while the other 219.1 hectares (54%) were cultivated by non-beneficiaries. Comparing the two groups, the beneficiaries and non-beneficiaries planted an average of 1.6 hectares and 1.5 hectares, respectively.

Among the beneficiaries, respondents from New Cebu reported the highest average number of hectares planted with rice (1.8 hectares per respondent), with Magpet reporting the lowest (1.2 hectares per respondent). The non-beneficiaries from New Cebu reported an average of 3 hectares planted with rice while those from Magpet and Matalam reported the lowest (1 hectare each).

The corn farmers, on the other hand, planted a total of 173.55 hectares, i.e. 135.85 hectares for the beneficiaries and 37.7 hectares for non-beneficiaries. Beneficiaries from Magpet indicated the highest average number of hectares planted with corn (3.4 hectares) and New Cebu, the lowest (0.9 hectares). The non-beneficiaries from Antipas reported the highest number of hectares planted with corn (2.1 hectares) while Magpet and M'lang indicated the lowest (0.9 hectares each).

To facilitate analysis of the volume of production and considering the long dry spell in 1992, the respondents were asked whether they were able to harvest any farm produce within the first eight months of 1992 rather than focusing solely on the last cropping.

The data revealed that only a few of the rice farmer-respondents (70 beneficiaries and 49 non-beneficiaries) were able to harvest farm produce for the first eight months of 1992. The corn-farmer respondents similarly reported fewer harvests for the first eight months of 1992.

The respondents reported having one or two harvests for both rice and corn for the first eight months of 1992. However, the majority of the beneficiaries and non-beneficiaries reported having a single harvest within the eight-month period (97.1% and 93.9%, respectively). Similarly, corn was harvested only once by the majority of the beneficiaries and non-beneficiaries during the period (98.4% and 95.2%, respectively).

Some exceptions, however, were reported. Two beneficiaries from M'lang, one non-beneficiary from Magpet, and two non-beneficiaries from M'lang reported harvesting *palay* twice for the first eight months of 1992. On the other hand, one beneficiary from Matalam and one non-beneficiary from Antipas reported two corn-harvests during the same period.

The volume of production per hectare for rice and corn appeared to be low for both beneficiaries (41.3 sacks of rice per hectare and 32.2 sacks of non-shelled corn per hectare) and non-beneficiaries (66.2 sacks of rice per hectare and 40.8 sacks of non-

shelled corn per hectare) compared to the average figures established in the 1989 baseline, i.e. 75.67 sacks of rice per hectare and 65.1 sacks of non-shelled corn per hectare. As indicated earlier, such findings may be attributed to the long drought period experienced by the respondents in 1992.

Upon closer investigation of the data, the average rice and corn harvest per hectare appeared to be higher among the non-beneficiaries compared to the beneficiaries. Rice harvest per hectare was comparatively higher among the M'lang beneficiaries (62.8 sacks per hectare) and non-beneficiaries (72.3%) than those in the other survey sites. Such differences may be attributed to differences in water source, i.e. M'lang being a widely irrigated area *vis-a-vis* the other survey sites.

Corn harvest per hectare, on the other hand, was relatively high among New Cebu respondents (58.8 sacks of non-shelled corn per hectare for the non-beneficiaries). This could perhaps be due to the greater number of corn-farmers (39 farmers) in New Cebu with an average of 1.5 hectares for corn production compared to the other survey areas, including the relatively plain corn areas it has.

Farmer beneficiaries were generally a rice-eating group (50.4%) while the non-beneficiaries preferred corn (62.1%). The data revealed high proportion of rice-consumption among the beneficiaries from Antipas (75.3%) and Matalam (85.5%) and the non-beneficiaries from Magpet (81.4%) and Matalam (73.3%). On the other hand, except for the beneficiaries from Magpet, the majority of the non-beneficiaries from all the survey sites generally consumed more than half of their corn produce.

Post-harvest facilities play a very important role in the farming activities of the farmers. They facilitate the processing of the harvest and will develop the capabilities of farmers to store farm produce whenever necessary so as to avail of higher prices.

The following section discuss the respondents' knowledge and awareness of the post-harvest facilities, namely the various services offered by their respective cooperatives, the type of post-harvest facilities known, and the mechanism for making respondents aware

of the existence of such facilities. A related discussion will focus on the utilization of post-harvest facilities (including the reasons for non-use), the fees or charges made for the use of such facilities (including the reasons for their free use, if appropriate), the problems encountered in their use and the solutions undertaken to solve such problems.

The survey results revealed a high awareness among the respondents (79.9% for beneficiaries and 67.6% for non-beneficiaries) regarding the existence of post-harvest facilities in their respective cooperatives. All the beneficiaries from Antipas and New Cebu and non-beneficiaries from Antipas were aware of such facilities in their cooperatives.

On the whole, six types of post-harvest facilities were mentioned. Among the beneficiaries, the most frequently mentioned were the warehouses (87.4%), hauler-trucks (86.6%), and driers (85.8%). The non-beneficiaries, on the other hand, reported mainly warehouses and driers.

M'lang beneficiaries and non-beneficiaries indicated the greatest number of known post-harvest facilities offered by their cooperatives (six types), while the beneficiaries and non-beneficiaries in Magpet reported the fewest types of post-harvest facilities known to be offered by their cooperatives.

Research findings indicated at least five strategies utilized in informing the respondents about the post-harvest facilities in their cooperatives. The beneficiaries were usually informed during training activities (40.9%) while the non-beneficiaries mainly learned about such facilities from other cooperative members (40%).

Among those respondents aware of the post-harvest facilities, a high proportion has actually used these facilities (89.8% of the beneficiaries and 66.9% of the non-beneficiaries). None of the respondents from Magpet reported having used any post-harvest facility, given their inaccessible farm-areas and direct-selling practices of fresh farm produce.

Among the respondents, the post-harvest facilities most widely used were the hauler-trucks (78.1% of the beneficiaries and 76.6%

of the non-beneficiaries) and driers (47.4% of the beneficiaries and 33.8% of the non-beneficiaries).

On the other hand, the beneficiaries who failed to use any of the post-harvest facilities said mainly that they did not need them, i.e. either they were "not storing farm produce" (46.2%) or they "they had (their) own drier(s)" (23.1%). The beneficiaries gave similar reasons for not using such facilities. To a lesser extent, other reasons cited by the beneficiaries included "the limited access to or inappropriateness of such post-harvest facilities" among others. The non-beneficiaries cited mainly the distant location of their farms from such post-harvest facilities, and their practice of selling their fresh farm produce directly.

Those who claimed using the post-harvest facilities of their cooperatives were asked about the fees or charges made on their use. A significant majority of the beneficiaries (85.1%) claimed that there were corresponding fees paid, while a smaller proportion of the non-beneficiaries (58.4%) reported similar charges. All the beneficiaries from Antipas and New Cebu (including the non-beneficiaries of the latter) reported making such payments. Forty-nine respondents (17 beneficiaries and 32 non-beneficiaries) reported the free use of the facilities.

Those respondents who paid for the use of such facilities reported various arrangements. The charges for the hauler-trucks were computed on a "per-kilo" basis while those for the driers and warehouses were computed on a "per-sack" basis. The respondents (both beneficiaries and non-beneficiaries) were usually charged from P0.05 to P0.25 per kilo for hauler-trucks while those using the warehouses and driers were usually charged from P1 to P2 per sack. The beneficiaries who used the warehouses were usually charged from P1 to P2 per sack while the non-beneficiaries were charged less than P1.

More than half (57.9%) of the beneficiaries and over three-fourths of the non-beneficiaries (76.7%) did not meet any problems in using the post-harvest facilities of their cooperatives. Those who did mentioned mainly the insufficient number of facilities to serve all the cooperative members. Specifically, all the non-beneficiaries from Antipas, Matalam and New Cebu (including

the beneficiaries from Matalam) reported that no problems were encountered in using such facilities.

Of the 66 respondents (48 beneficiaries and 18 non-beneficiaries) asked about the solutions used in response to the problems met, 35 respondents (53%) were generally passive, i.e. they solved their problems by "just waiting until the desired post-harvest facilities were available." Twenty others, appeared to have been more resourceful either renting other privately owned post-harvesting facilities or using their neighbors' facilities.

Marketing

This section contains various marketing-related data, namely, sales practices, reasons for not selling all of their farm produce, the usual buyers of their farm produce, reasons for selling farm produce to the usual buyer, when farm produce is usually sold, preferred buyer of farm produce, reasons for preference of certain buyers, perceived advantages of selling farm produce to the cooperatives, marketing problems encountered, and solutions undertaken to solve such marketing problems.

A significant majority of the beneficiaries (76.1%) and non-beneficiaries (88.8%) did not sell all their farm produce. Similar patterns were observed across all survey sites for both types of respondents. It is interesting to note that none of the non-beneficiaries from Matalam sold any of their farm produce. For both types of respondents, the single most-mentioned reason cited for not selling all their produce was their family consumption.

To whom did these respondents sell their farm produce? Who were their direct buyers? Data findings revealed that more than three-fourths (78.9%) of the beneficiaries sold their farm produce to the cooperatives while close to half (47.4%) of the non-beneficiaries sold their produce to the traders. Except for the respondents from Magpet, beneficiaries and non-beneficiaries alike in all survey sites generally sold their farm produce to cooperatives. All Magpet respondents, in contrast to the others, reported selling their produce to the traders rather than to the cooperatives.

Among the beneficiaries, selling farm produce to the cooperatives was motivated mainly by their desire to patronize their cooperative (94.1%), since such sales were considered as "payments for the loans availed of" (94.1%). The non-beneficiaries, on the other hand, were motivated in selling their farm produce to the cooperative because of the "high buying price" (90%). As cooperative members themselves, they likewise considered it as one way of patronizing the cooperative (70%). In the same vein, those beneficiaries selling their produce to the traders were motivated by the "immediate need for cash" (71.4%). Non-beneficiaries, meanwhile, cited the purchasing strategies employed by the traders, i.e. directly picking up their farm products (81.8%).

The beneficiaries generally observed two schedules in selling their farm products, i.e. either selling farm produce right after threshing (47.2%) or after drying (46.5%). The non-beneficiaries mainly sold their farm produce right after threshing activities (66.5%). The respondents were further asked about the buyers they preferred. The majority of both groups (81.1% of the beneficiaries and 70.6% of the non-beneficiaries) cited selling to the cooperatives as one strategy for patronizing them.

Those who preferred to sell their farm produce to the cooperatives were further asked about the perceived advantages in selling to such associations. Research findings revealed that the beneficiaries and the non-beneficiaries alike cited mainly increased savings as one perceived advantage. Other advantages mentioned included the chance of availing of low-cost credits, the high buying price of cooperatives, and access to the post-harvest facilities of the cooperatives.

Those who reported selling their farm produce to the cooperatives were likewise asked about any problems encountered in doing so. At least 17 out of 34 beneficiaries and four out of ten non-beneficiaries admitted having encountered problems in selling their produce to the cooperative. Both groups cited the limited funds available to pay for the produce delivered to the cooperative. Still others mentioned the limited number of hauler-trucks, the poor roads and the low buying price.

The solutions mentioned suggest either a certain degree of

passivity or sense of powerlessness among the respondents, being content mainly with "waiting till the cooperative has the money to pay for the produce delivered". While the respondents may have wanted to do something about such problems, the situation may simply have been perceived to be beyond their control.

Trainings

Trainings have been considered as one major component of the NCREDP, i.e. as a way to ensure that member-beneficiaries are provided the necessary inputs and skills, both in farming techniques and in non-farming related activities. This section thus presents the level of attendance of the respondents at trainings sponsored by the cooperatives, trainings actually attended, the perceived usefulness of the trainings attended, and the reasons for considering such trainings useful (or otherwise).

There were more beneficiaries (81.1%) attending the cooperative sponsored trainings relative to the non-beneficiaries (54.1%). Interestingly, all the non-beneficiaries from Antipas and Matalam reported having attended such cooperative trainings.

The respondents attended at least 18 types of cooperative trainings. Both beneficiaries and non-beneficiaries mentioned mainly the "pre-membership" seminar and trainings in farming techniques. Beneficiaries from Antipas were involved in the largest variety of trainings (13 types), while Magpet beneficiaries had the least varied (3 types). Among the non-beneficiaries, M'lang respondents reported the most varied trainings (9 types), while New Cebu indicated the least (2 types).

A significant number of beneficiaries (89.1%) and non-beneficiaries (93.5%) considered such trainings useful. On the other hand, some beneficiaries from Antipas (9%), Matalam (4.5%), M'lang (12.1%) and New Cebu (4.3%) and some non-beneficiaries from Antipas (50%) and M'lang (2.9%) claimed otherwise.

Those respondents who regarded the trainings useful were further asked how these trainings were found to be useful. The respondents cited mainly their improved understanding of

cooperatives and the additional knowledge gained. Still others mentioned improvements in their savings-habits and in their personalities, and the "practical farming knowledge" gained, among others.

Those who did not consider such trainings useful, on the other hand, were likewise asked to explain their perceptions. Among the nine beneficiaries concerned, five claimed that the knowledge gained was never applied. The four non-beneficiaries who similarly did not find the trainings useful complained about the cumbersome preparation of organic fertilizers and the limited supply of materials necessary in preparing the latter.

Field Assistance

To supplement the trainings provided by the cooperatives for their members, hands-on technical assistance was likewise envisioned to guide the members appropriately in their actual application of the knowledge and skills derived either from trainings attended or from other sources. This section presents the respondents' level of awareness of the technical assistance provided by the cooperatives, and the types of technical assistance received. Related questions focused on whether the technical assistance received was found to be useful, and the reasons for considering such technical assistance as useful (or otherwise). Respondents were likewise asked about the field visits conducted by any of the cooperative staff and about the farming techniques taught during such visits. Finally, the results of using such farming techniques were likewise investigated, i.e. the manner in which farming techniques had improved production (and the reasons for believing otherwise), the problems encountered in availing of the hands-on technical assistance, and the solutions undertaken to solve the problems met.

The respondents were generally aware (84.9% for the beneficiaries and 70% for the non-beneficiaries) of the hands-on technical assistance provided by the cooperatives to its members. All the non-beneficiaries from Antipas and Matalam reported knowing about the technical assistance provided by their cooperatives.

Those aware of the technical assistance offered by the cooperatives (135 beneficiaries and 119 non-beneficiaries) were further asked about the technical assistance availed of (if any). More than two-thirds (70%) of the beneficiaries and close to half of the non-beneficiaries claimed to have received some forms of technical assistance.

While 10 types of technical services were received by the beneficiaries and non-beneficiaries alike, the most mentioned was the proper application of fertilizers and chemicals (46.8% and 45.5%, respectively). The non-beneficiaries from M'lang received the most varied technical assistance (8 types) while both beneficiaries and non-beneficiaries from Magpet reported only one type. The other forms of technical assistance received by the respondents were related to "organic farming", "proper planting system", and "corn technology".

The technical assistance received was found to be useful by a significant majority of both beneficiaries (75.5%) and non-beneficiaries (74.5%). All beneficiaries from Magpet, including the non-beneficiaries from Matalam and New Cebu, had similar responses. Those who regarded the technical assistance useful cited mainly the knowledge gained (42.2% and 36.6% of beneficiaries and non-beneficiaries, respectively), and the practical application of these techniques (31% and 29.3% of beneficiaries and non-beneficiaries, respectively). On the other hand, those who did not find the technical assistance useful singularly cited the non-application of knowledge gained.

More than three-fourths (79.2%) of the beneficiaries reported having been visited in their farms by the cooperative staff to discuss farming techniques. On the whole, more than half (53.5%) of the non-beneficiaries claimed otherwise. At the same time, one notes with interest that all the non-beneficiaries from Matalam reported such visits.

At least eight types of farming techniques were taught, the most mentioned being the proper use of fertilizers and chemicals (57.9% of the beneficiaries and 58.2% of the non-beneficiaries). New Cebu beneficiaries reported the widest variety of farming techniques (8 types) followed by the non-beneficiaries from M'lang (7 types). The non-beneficiaries from Antipas mentioned only a

single farming technique.

Those taught farming techniques by the cooperative staff were further asked whether their farming techniques had improved or not. A significant majority of the beneficiaries (79.4%) and non-beneficiaries (75.9%) responded positively, as evidenced by their claims of improved farm production, applied knowledge and skills, and pest control.

On the other hand, 45 respondents reported that there were no perceived improvements in their farming techniques. The reasons cited were the crop-failures experienced as a result of the drought period, even as others claimed not having applied their learning or not having learned anything new.

Twenty-seven respondents (23 beneficiaries and 4 non-beneficiaries) admitted having some problems in availing of the technical assistance offered by the cooperatives to their members. The most-cited problem (20 respondents) concerned the non-availability of a technician and consequently, the delayed response to their farming problems by the technicians (6 respondents).

Ten respondents (8 beneficiaries and 2 non-beneficiaries) failed to do anything about their problems while six others (4 beneficiaries and 2 non-beneficiaries) simply waited for the technician. Two beneficiaries, however, claimed having solved their own problems.

Loan Assistance

This section on loan assistance focuses on the receipt (or non-receipt) of such assistance by the respondents, including their knowledge and awareness of the specific requirements of the program.

Receipt of Loan for the Last Twelve Months. Nearly all (93.7%) of the beneficiaries have availed of loans for the last 12 months. The other 6.3 percent did not renew their loan application during the last Phase (VI) of the production loan program. Likewise, it is interesting to note cases of non-beneficiaries (58.2%) availing of

loans for the last 12 months, the last phase of the Production Loan Program. This is due to members of the cooperative.

Awareness of the Requirements of Cooperative Loans. The majority of the beneficiaries (88.7%) and non-beneficiaries (60.6%) were aware of the requirements of the cooperative loans. All the non-beneficiaries from Matalam likewise reported being aware of the cooperative loan requirements. Understandably, more non-beneficiaries from Magpet claimed not having any knowledge of the requirements on loans offered by their cooperative.

Requirement Known for the Cooperative Loans. Asked about the requirements in applying for the cooperative loans, the respondents mentioned at least 10 requirements for members to qualify for such loans, the most mentioned (101 respondents) being the "completed and approved loan papers". To a lesser extent, 68 respondents mentioned that one should be "a member in good standing (MIGS)" while 53 cited "one's membership in the cooperative". Thirty-seven respondents mentioned that "one must have a capital share of at least P5,000", while 23 others indicated one's attendance in the pre-membership seminar.

Participation in the Cooperative Activities

Participation refers to the active involvement of the cooperative members in the activities of the cooperatives. The extent of participation of the members in such activities is indicative of the extent that cooperativism has been promoted by the cooperatives. Thus, this section discusses the respondents, participation (or non-participation) in cooperative activities, their reasons for not participating in such activities, the cooperative activities participated in, and their self-ratings regarding participation in cooperative activities.

Survey findings showed a significantly high level of participation in cooperative activities - both for the beneficiaries (95%) and non-beneficiaries (76.5%). All the beneficiaries from Antipas, Magpet and New Cebu and the non-beneficiaries from Antipas and Matalam claimed having participated in such activities.

failed to participate in cooperative activities. Asked regarding their non-participation, twenty non-beneficiaries cited their distant residences while 11 others simply described themselves as inactive members. Similarly, the beneficiaries noted their inactive membership in the cooperatives due to their distant residences.

The cooperative activities mainly participated in by 151 beneficiaries and 130 non-beneficiaries were the cooperative general assemblies, meetings, and cooperative-trainings. To a much lesser extent, respondents were involved with *dagyaw (bayanihan* or communal labor), field trips, and Board of Directors meetings . When asked to rate their participation in cooperative activities, more than half of the beneficiaries (63.6%) and non-beneficiaries (51.5%) rated their participation as "active".

Other Assistance Received by the Respondents

Recognizing the role of other agencies relative to the development of the marginal members of society, one underlying assumption in the study was that the respondents would most likely avail of the services offered by these agencies. This portion of the report thus looks into the assistance received by the respondents from agencies other than the cooperatives.

Survey results showed that less than a fourth (23%) of the total respondents received assistance from other agencies. All the six non-beneficiaries from New Cebu claimed that they had not received any type of agency-based assistance.

Those who claimed to have received some form of assistance from other agencies (45 beneficiaries and 31 non-beneficiaries) were likewise asked on the specific assistance received. At least 14 types of assistance were reported, with beneficiaries and non-beneficiaries together mentioning mainly fertilizers (25 respondents) and production loans (14 respondents). M'lang respondents reported the most varied types of assistance received (from 7 to 8 types). To a limited extent, other forms of assistance received from the other agencies were commodity loans, calamity funds, rice-assistance, and others.

Most of the assistance received by the respondents were provided by government agencies (e.g. Department of Agriculture, Department of Natural Resources and Environment, and National Food Authority), individuals (e.g. local officials, Governor Diaz and chemical dealers), and non-government organizations (e.g. women's groups, farmers organizations, and GKK-KFI).

Comments and Recommendations

To determine the strengths and weaknesses of the cooperatives, the respondents were asked to comment on the cooperatives, specifically in terms of management, technical assistance, loan assistance, post-harvest facilities, trainings, and cooperative technicians.

On the whole, more than half of the respondents (56% of the beneficiaries and 63.6% of the non-beneficiaries) failed to comment on the cooperative management. Those who did cited mainly its "good management" (47 beneficiaries and 33 non-beneficiaries). On the other hand, 21 respondents perceived that the staff had limited management skills, while 13 others noted "unclear management policies".

A total of 147 respondents (44.7%) failed to give their insights on the technical assistance received from the cooperative. At least 35 beneficiaries, along with 56 non-beneficiaries, recommended that the current technical assistance program be continued. Twelve respondents cited the additional knowledge gained. Negative insights were likewise given. While forty-eight respondents believed that no technical assistance was provided, 46 others described such assistance as limited.

The loan assistance program was received positively by many of the respondents, who cited the financial assistance given for their farm inputs and the low interest-charges. At least 54 respondents recommended that the loan assistance be continued. However, nearly half (42%) of the respondents failed to comment on the cooperative loan assistance program.

Close to half (43%) of the respondents likewise failed to give

any insights regarding post-harvest facilities. The comments given, however, focused on the limited number of facilities (23%) and the absence of post-harvest facilities in the barrios (17%). At least 39 respondents (12%) considered them useful.

More than half (55%) failed to comment on the cooperative-trainings given. At least 55 respondents (17%) considered such trainings useful, while others (21%) found them limited. Approximately a third (32%) of the respondents did not give any insights regarding the cooperative technicians. Those who did gave mainly positive responses, i.e. finding them "active" (20%) and "good" (19%) and regularly visiting the farms (14%). Negative responses were likewise given, e.g. considering their services (19%) and number (10%) limited.

Noting the comments discussed earlier, what recommendations were given by the respondents so as to improve their cooperatives? On the part of the management, the respondents recommended mainly that more management trainings be given, along with more technical services. Other recommendations were that loans be increased from P3,000 to P5,000 per hectare, and that shellers and driers be provided to improve post-harvest facilities. More trainings for members were similarly recommended, as well as for technicians, and an increase in the number of the latter.

Savings

The savings-related variables consisted of engaging in non-cooperative-based savings and depositories, utilization of such savings, crop-sharing arrangements with the cooperative as payment for their capital build-up, and reasons for not observing such arrangements.

Survey results revealed that except for 36 respondents (22 beneficiaries and 14 non-beneficiaries), all the respondents (representing 89%) were engaged solely in cooperative-savings. Such findings reflect the extent of the "forced savings" behavior among the respondents, i.e. their compliance with cooperative regulations without which such savings might not even

cooperative regulations without which such savings might not even be possible.

Twenty-one respondents said that they had deposited their savings in the bank, showing their level of exposure to the formal banking system, and their readiness to avail of the bank's safe-keeping services. However, ten other respondents said they were engaged in informal savings, and simply maintained their savings in their homes. Finally, some beneficiaries from New Cebu reported that they were engaged in various forms of savings outside the cooperative, e.g. in banks, homes, credit-unions, and other cooperatives.

Household savings were reportedly practiced by ten respondents because of the distance of banks or other savings-institutions from their residences. Another beneficiary in M'lang reported that he had "deposited" (invested) money in a local lending activity (locally known as the "5-6" system wherein a borrower pays P1 for every P5 borrowed).

The 36 respondents having non-cooperative savings reported varied uses for such funds. While 15 respondents (10 beneficiaries and 5 non-beneficiaries) simply maintained their savings as such, others considered these as either contingency funds (10 respondents) or funds for the education of their children (8 respondents). Two others reported having used their savings for farm production.

A related measure of the respondents' saving capacity was manifested in the form of post-harvest crop-sharing arrangements with the cooperative as part of their capital build-up shares. Data revealed that nearly two-thirds (62.6%) of the respondents (specifically 77% of the beneficiaries and 47% of the non-beneficiaries) were involved in such arrangements while the rest (126 respondents representing 32% of the total) were not.

Asked why no crop-sharing arrangements were made by these 126 respondents, they cited mainly their low farm yields. To a lesser extent, other reasons given were the "failure in farm produce due to drought" (26%), or the fact that their "farm produce was just enough for the family" (20%).

Income

Utilizing income-related variables, the respondents assessed their incomes by comparing such incomes with household expenses. Questions were also raised about their coping mechanisms in the face of inadequate income and any perceived changes in farm income between 1989 and 1992. They were asked what the specific changes in income were, what specific lifestyle changes occurred, how their 1989 income compared with that in 1992, and finally, what their perceptions were on whether their incomes had improved as a result of their membership in the cooperative or not and the reasons for such perceptions.

Comparing their farm income with their family expenses during the given period, more than three-fourths (79%) of the respondents (consisting of 120 beneficiaries and 139 non-beneficiaries) revealed that their farm income was not enough to meet family expenses. Forty respondents (12%) considered their incomes adequate, while ten others (3%) regarded their incomes in excess of expenses.

How did those respondents with inadequate farm income handle their family expenses? What mechanisms were undertaken so as to bridge the gap between income and expenses? To cope with such difficulties, the respondents generally borrowed from money lenders (26.7% of the beneficiaries and 36% of the non-beneficiaries). Others either sought assistance from relatives and friends (11%) or simply "sold farm produce" (10%). Nine respondents mentioned using their past savings.

Approximately three-fourths of the respondents (80.5% of the beneficiaries and 68.2% of the non-beneficiaries) perceived changes in farm incomes from 1989 to 1992. Asked about the specific income changes, however, nearly two-thirds (61%) of these respondents reported negative changes while the rest (36%) perceived positive income changes.

Those reporting positive changes in their incomes were further asked about any perceived changes in their lifestyles due to such income increases. The majority of the beneficiaries (73.2%) and

Asked about specific perceived changes in their lifestyles as a result of the increase in farming income, most of those claiming a change (33.3% of the beneficiaries and 54.4% of the non-beneficiaries) reported using the additional income for the education of their children. Other changes mentioned included providing credit to individuals, bank-savings, cooperative-savings, purchase of appliances, and payment of outstanding loans/credits, among others.

To determine the effects of the NCREDP production loans and other loans of program-assistance on the incomes of the targeted recipients of the program, the beneficiaries and non-beneficiaries were asked to compare their 1992 farming income with their 1989 farming income. A 10-point ladder scale was utilized where "10" indicated the "most affluent" stage and "1" "the worst". Research findings revealed that most of the beneficiaries rated both 1989 and 1992 incomes on ladder step number "5". On the other hand, most of the non-beneficiaries rated their 1989 income on ladder step number "5" and their 1992 income on step number "6". Such results suggest that the non-beneficiaries perceived themselves to be earning relatively higher incomes in 1992 compared to 1989, while the beneficiaries did not perceive any income changes at all.

However, mean ratings showed a downtrend in 1992 farming income relative to 1989 for both beneficiaries (from 4.8 in 1989 to 4.6 in 1992) and non-beneficiaries (from 4.7 in 1989 to 4.2 in 1992). While the beneficiaries registered below the mid-point, 5, they were still relatively better off, given the relatively lower 0.2 decrease in their mean rating from 1989 to 1992. Non-beneficiaries, on the other hand, indicated a decrease of 0.5 in their 1992 farm income compared to the 1989 mean ratings. These decreases in farming income could perhaps have been due to the long dry spell experienced by both beneficiaries and non-beneficiaries.

Across the survey sites, only Magpet non-beneficiaries (from 4.1 in 1989 to 5 in 1992) and beneficiaries from New Cebu (from 4.2 in 1989 and 4.8 in 1992) indicated increases in their farming income between 1989 and 1992. Increases in farming income among Magpet non-beneficiaries may be explained by their participation

in the production of table-bananas (specifically the "Lacatan" species), coconut, rubber and coffee since 1991.

A significant majority of the respondents (60% of the beneficiaries and 44% of the non-beneficiaries) perceived some improvements in their income since their membership in the cooperatives. On the other hand, 95 non-beneficiaries claimed otherwise. Interestingly, three non-beneficiaries from Matalam similarly perceived improvements in their incomes. Asked about their perceived improvements in income, the respondents noted mainly their "increased farm income" (39%), their savings (20%) "debt-payments" (19%), and access to cheaper consumer goods (18%). To a lesser extent, others cited the lower-interest loans, cheaper farm-inputs and potentials for farm-expansions.

For the 158 respondents (63 beneficiaries and 95 non-beneficiaries) who did not perceive any improvements in their income, the singular most important reason cited was their crop-failures as a result of the drought (49%). Thirty-four respondents simply felt "no change" in their incomes. Eighteen others cited the high cost of farm-inputs and the low buying-price for their produce while sixteen respondents explained that their "produce (was) just enough for the(ir) family". To a lesser extent, other reasons cited were the poor technical assistance, non-cooperative credit, and the fact that "farm produce (was) just enough to pay (for one's) debts."

Summary of Findings and Recommendations

This was a terminal study on the North Cotabato Rural Enterprise Development Program (NCREDP) which looked at the indicators necessary in evaluating and monitoring the progress, results, and impact of the program. Related research interests focused on identifying and assessing the project's accomplishments *vis-a-vis* objectives, including its strengths and weaknesses. Some of the questions asked were: How effective were the strategies and approaches used in the program? What was the program's impact on capital build-up and the participation of beneficiaries in their respective cooperatives? What factors affected the program's performance? As with similar studies of this nature, the final section

deals with the formulation of recommendations to improve the project scheme in the hope of providing some basis for future program planners to design strategies and approaches that will better ensure the project's success.

The findings were as follows:

1. A total of 1,924 individual farmers were reported to have been provided P6,102,811.99 worth of loans from Phases I-V, earning an interest of P526,455.30 and generating a total capital build-up of P1,846,005.80.

2. The collection rate for the loans released to the farmers was 76.6 percent, with 81.9 percent of the loan-interest and 38.5 percent of the capital build-up generated being collected.

3. A close analysis of the names of individual farmers provided with loan assistance from Phases I to VI revealed a total of 802 actual farmers extended financial assistance.

4. Except for M'lang, all the five self-help cooperatives exceeded the target of 110 farmer-members that should have been provided financial assistance. M'lang has just met the standards set of 110 farmer-members.

5. The majority (61.7%) of the 802 farmer-beneficiaries were invariably drop-outs of the financial assistance program. Only 21.9 percent or 219 beneficiaries were continuing production loan recipients.

6. Only the M'lang cooperative generated a capital build-up more than the targeted P690,000 by the end of the three-year program.

7. The capital build-up generated by the five self-help cooperatives increased more than three times (363.8%) from its baseline figure of P377,721.

8. Around 4 percent (32 members) of the 802 farmer-

beneficiaries reported a capital build-up equal to or greater than the assumed capital build-up a beneficiary should have generated by the end of the three-year program.

9. There were more leaders (i.e. ranging from 1 to 59, indicating a figure more than the projected 10 leaders per cooperative) that were provided cooperative management-related training, usually related to financial management and skills development.

10. More than 550 farmer-members were recipients of cooperative-sponsored trainings.

11. Farmer-beneficiaries successfully minimized establishing credit and marketing relationships with local traders.

12. All the five self-help cooperatives were duly registered, thus acquiring legal personality.

13. Rather than establishing a separate federation, the five self-help cooperatives instead acquired membership in the Cotabato-Davao del Sur Federation of Cooperatives.

14. Cooperative membership almost doubled (147.8%) by the end of the three-year program from its baseline figure.

15. Members' capital share increased by at least five times (443.2%) by the end of the three-year program, compared to its baseline figure.

16. Current assets of the five self-help cooperatives increased by at least seven times (607.85%) from its baseline status.

17. Total current assets of the five self-help cooperatives increased by at least eight times (700.4%) from its baseline status.

18. Net income of the five self-help cooperatives decreased by at least 31.8 percent from its baseline status by the end of the three-year program. This is due to the negative net income of the Matalam cooperative.

19. The mean gross farm expenses per hectare per cropping were computed at P5,521.

20. The mean gross farm income per hectare per cropping was P9,377.97 or P2,344.50 per month.

21. The mean net farm income per hectare per cropping was P3,471.31 or P867.83 per month.

Beneficiaries vis-a-vis Non-beneficiaries

1. The respondents cultivated an average of 2.22 hectares of land.

2. The majority of the respondents (86%) reported non-expansion of farm-size from 1989 to 1992; those who did, expanded their farm size by an average of 1.23 hectares.

3. The majority of the respondents (86.6%) did not reduce their farm-size; those who did reduced their farm size by an average of 1.22 hectares.

4. A variety of crops have been reported planted by the respondents, with rice as the most popular (56.8%).

5. An average of 1.6 and 1.5 hectares per respondent were planted with rice and corn, respectively.

6. There was a high rate fertilizer usage among the beneficiaries (99.4%) and non-beneficiaries (86.5%), usually urea, ammonium sulfate, and ammonium phosphate.

7. Cooperatives were the major source of fertilizers for both beneficiaries (90.6%) and non-beneficiaries (70.1%) compared to the baseline data where traders served as the main source of fertilizers.

8. Beneficiaries mentioned that sourcing of fertilizers from the cooperatives was but part of the production loan program while the non-beneficiaries did so as regular

patrons of the cooperative.

9. Chemical-usage was likewise high among the respondents (74.8% of the beneficiaries and 85.3% of the non-beneficiaries), with cooperatives serving as the main source. Beneficiaries explained this situation as being part of the production loan program while the non-beneficiaries said that they did so as part of their membership-role.

10. Hostathion, Thiodan, Trebon and Nuvacron were the four most frequently mentioned chemicals used.

11. Unavailability of fertilizers and chemicals from the cooperative forced some respondents to avail of such from the traders.

12. "Delayed release" and "limited/no stocks" were the two most frequently mentioned farm-input procurement problems of the beneficiaries (43.8% and 40.3%) and the non-beneficiaries (22.5% and 29%), with those concerned simply requesting cash from the cooperative to buy the farm inputs outside the cooperative (60.4% of the beneficiaries and 69.9% of the non-beneficiaries).

13. The beneficiaries' type of farm was almost equally divided between "irrigated" (50.3%) and "rainfed"(49.7%) while the majority of the non-beneficiaries reported having "irrigated" farms.

14. Rice-farmer beneficiaries and non-beneficiaries planted an average of 1.6 and 1.5 hectares, respectively.

15. Corn-farmer beneficiaries and non-beneficiaries planted an average of 1.5 and 1.1 hectares, respectively.

16. A limited number of rice-farmer respondents (70 beneficiaries and 49 non-beneficiaries) reported any harvest for the first eight months of 1992., so with the corn-farmer respondents (62 beneficiaries and 21 non-beneficiaries).

17. The volume of rice and corn production for both

beneficiaries and non-beneficiaries appeared to be low compared to the baseline figures due to the long dry spell.

18. Beneficiaries were generally rice-consumers (50.4%) while non-beneficiaries mainly preferred corn (62.1%).

19. There was a high level of awareness among the respondents regarding the existence of the post-harvest facilities in their cooperatives, with the beneficiaries usually being informed through cooperative training activities and the non-beneficiaries learning about these through their co-members.

20. Warehouses (87.4%), hauler-trucks (86.6%), and driers (85.8%) were the three most frequently mentioned post-harvest facilities which the beneficiaries were aware of, while the non-beneficiaries were mostly aware of the warehouses and driers.

21. Use of the post-harvest facilities (usually the hauler-trucks and driers) was high for both the beneficiaries (89.8%) and non-beneficiaries (66.9%).

22. Those who did not use the post-harvest facilities explained that these were not needed, either because they were not storing farm produce (direct-selling) or they had their own driers.

23. A high proportion of the beneficiaries (85.1%) and non-beneficiaries (58.4%) reported that corresponding charges were made for the use of the post-harvest facilities.

24. Some respondents reported the free use of the post-harvest facilities, particularly in M'lang and Matalam.

25. The amount of charges for the use of the post-harvest facilities varied with the type of facility, i.e. the use of hauler-trucks was paid for on a per-kilo-basis (usually from P0.05 to P0.25 per kilo for both beneficiaries and non-beneficiaries) while use of warehouses and driers was paid for on a per-sack-basis.

26. The limited number of post-harvest facilities was cited by the respondents as a major problem regarding the use of the facilities with no definite solutions undertaken.

27. The majority of the beneficiaries (75.5%) and non-beneficiaries (88.8%) did not sell their entire farm produce, as some portions were used for household consumption.

28. The majority of the beneficiaries (78.9%) sold their produce to the cooperatives while close to half of the non-beneficiaries (47.3%) sold to traders.

29. The sale of farm produce to traders was justified by the beneficiaries in terms of their "immediate need for cash" while the non-beneficiaries cited the advantage of the traders' picking up their farm produce directly from their farms.

30. Beneficiaries sold their farm produce either right after threshing or drying while the non-beneficiaries did so right after threshing.

31. Both beneficiaries (81.1%) and non-beneficiaries (70.5%) preferred to sell their produce to the cooperatives by way of patronizing the cooperative.

32. The main advantage cited by the respondents in selling their produce to the cooperatives was the increase in savings.

33. The basic problem encountered by the respondents in marketing their produce to the cooperatives was the limited funds available to pay for their farm produce; these were met with passive indifference.

34. Attendance in cooperative-sponsored trainings was high among the beneficiaries (81.1%) compared to the non-beneficiaries (54.1%); usually they attended the "pre-membership"trainings and farming-techniques trainings.

35. A significant majority of the beneficiaries (89.1%) and non-

beneficiaries (93.4%) cited the usefulness of the trainings, usually noting the improved understanding of cooperatives and the additional knowledge gained as the main benefits.

36. The failure to apply knowledge gained from the trainings was cited as the primary reason for perceiving trainings as not useful.

37. There was a high level of awareness among the beneficiaries (84.9%) and non-beneficiaries (70%) regarding the hands-on technical assistance provided by the cooperatives, with more than two-thirds (70%) of the beneficiaries and close to half (46%) of the non-beneficiaries reporting actual use of such services.

38. The usefulness of the field technical assistance provided was noted by the majority of the beneficiaries (75.5%) and non-beneficiaries (74.5%), usually in terms of knowledge accumulation and practical application of these techniques.

39. Non-usefulness of the field technical assistance, on the other hand, was related to the non-application of knowledge gained.

40. A high proportion of the beneficiaries (79.2%) and non-beneficiaries (53.5%) reported that their farms were visited by the cooperative staff in order to discuss the proper use of fertilizers and chemicals.

41. The majority of those who were visited (79.4% of the beneficiaries and 75.9% of the non-beneficiaries) reported improvements in their farm techniques, as evidenced by their improved farm production, applied knowledge and skills, and pest control.

42. Non-availability of the technician and the delayed response of the technician regarding their farm-related problems were the two most frequently mentioned problems relative to availing of the hands-on technical assistance.

43. Nearly all (93.7%) of the beneficiaries availed of the last

Phase (VI) of the CRS production loans.

44. Non-beneficiaries of the CRS production loans, however, availed of similar assistance provided by the Land Bank for all cooperative members.

45. Cooperative loan-requirements were widely known to the beneficiaries (88.7%) and non-beneficiaries (60.6%).

46. Participation in cooperative activities was high among the beneficiaries (95%) and non-beneficiaries (76.5%), usually in general assemblies, meetings, and cooperative-sponsored trainings.

47. Participation of some members in cooperative activities was constrained by their being inactive members and living in distant areas.

48. The respondents' self-rating on participation in cooperative activities was generally "active".

49. Only a few respondents were recipients of assistance from other agencies, usually fertilizers and production loans which were provided mainly by government agencies such as the Department of Agriculture (DA), Department of Environment and Natural Resources (DENR), and National Food Authority (NFA).

50. While some respondents recognized the "good cooperative management" of their respective cooperatives, some noted the limited skills of the staff and the unclear management policies.

51. One recommendation was to continue providing technical assistance.

52. The "production-loan program" was significantly supported by the respondents.

53. The limited number or total absence of the post-harvest facilities were commonly/frequently reported by the respondents.

54. Some respondents considered the trainings as limited.

55. Cooperative technicians were observed to be "active", "good", and regular in their visits to the farmers' farms.

56. Still other recommendations focused on the need for management to undergo trainings on cooperative management, for more technical services, for an increase of loan ceilings from P3,000 to P5,000 per hectare, for an increase in the number of driers and shellers, for trainings to be conducted, for the number of cooperative technicians to be increased, and for more trainings for these technicians.

57. Only a few of the respondents (36 individuals) reported that they were engaging in non-cooperative-based savings, usually at the bank 21 respondents for contingency purposes and for the education of their children.

58. Crop-sharing arrangements as part of the capital build-up scheme were made by more than three-fourths (77%) of the beneficiaries and close to half (47%) of the non-beneficiaries.

59. The low farm-yield prevented the respondents from actually practicing crop-sharing arrangements as envisioned.

60. Inadequate income relative to expenses was experienced by 120 beneficiaries and 139 non-beneficiaries. This was mainly solved by availing of informal credit, i.e. by borrowing from local money lenders.

61. Almost three-fourths (74.2%) of the respondents (128 beneficiaries and 116 non-beneficiaries) perceived changes in their farm income from 1989 to 1992. These were generally negative changes.

62. The majority of the beneficiaries (73.2%) and non-beneficiaries (67.4%) reported changes in their lifestyle caused by increase in farm income, mainly using such increases as tuition-payments for their children.

63. Based on an income-ladder scale, the data showed that farm income decreased between 1989 and 1992 for both beneficiaries (i.e. from a mean of 4.8 in 1989 to 4.6 in 1992) and non-beneficiaries (i.e. mean of 4.7 in 1989 to 4.2 in 1992).

64. Sixty percent of the beneficiaries and 44 percent of the non-beneficiaries perceived improvements in their incomes as a result of cooperative membership, claiming increases in farm income, savings, debt-reductions, and access to cheaper consumer goods.

65. Crop-failures due to the drought-period were cited as the major reason for not perceiving any income improvements since availing of cooperative membership.

Recommendations

1. On the basis of the findings recorded above, it can be said that at least six out of nine program objectives have been attained, to wit:

   a). extending financial and technical assistance to at least five self-help cooperatives;

   b). extending financial assistance to more than 550 farmer-members;

   c). training more than 550 farmer-members on effective farming techniques and related trainings;

   d). training more than 10 leaders per cooperative on cooperative management

   e). facilitating avoidance of the exploitative claws of the local traders; and

   f). acquisition of legal personality for the five self-help cooperatives.

Such findings suggest a significant level of effectivity and efficiency in the primary strategies and approaches employed in program implementation. At the same time, the data show that the strategies and approaches utilized produced only a minimal optimum effect on the farm-income per hectare that was expected in order to generate the capital build-up of the beneficiaries. This was due mainly, however, to the drought experienced by the farmers between 1989 and 1992.

These findings would seem to indicate the advisability of maintaining the current strategies and approaches and also the need for some modification for better results.

2. As a built-in mechanism for influencing farmer-beneficiaries, the capital build-up formation required under the production loan program appeared to be successful in making the beneficiaries gradually recognize the value of savings. While they may have failed to appreciate its value in the short-run, a close analysis of the long-range capital build-up highlights its role and importance in laying the basis for the ability of the beneficiaries and non-beneficiaries alike to avail of the services provided by the cooperative. To appropriately increase the capital build-up, not only for the individual beneficiaries and non-beneficiaries but for the five self-help cooperatives as well, the project management, together with the five cooperatives, are encouraged to be creative and resourceful in facilitating other economic activities through which members can earn additional income. The cattle fattening program, facilitated by the Matalam cooperative through its link with the Land Bank of the Philippines, is one example.

3. Participation of the beneficiaries in the program's decision-making and planning process appears to be limited, mainly to reviewing and criticizing the prepared plans submitted by the officers and key staff-members. This suggests a "top-down" rather than a participative management style. However, at the cooperative level, the survey results show that the members are actively participating in other activities. This situation will most likely occur in any

organization with many members considering the time, effort, and money the organization will spend. This level of participation indicates the level of cohesion among members. The decision to maintain or modify this situation should be reviewed, based on the prioritized management style of the cooperatives. Likewise consideration of the reasons for non-participation of members in cooperative activities must also be included in the review.

4. The number of staff-members implementing the program will likewise affect the performance of the program. At the project management and even in the cooperative level, staff-members played multiple roles. Such multiple roles resulted in job-related dysfunctions such as half-baked service delivery, unclear decision-making processes and delayed and sometimes disorganized reports. This denotes the type of conceptualization and planning that the program has undergone, suggesting the need for proper project planning, development and review, i.e. furnishing appropriate guidelines for staffing-patterns, implementation, monitoring and evaluation.

5. The type of management information system installed in the program will most likely affect the program's performance. Record keeping of the project management and the cooperatives indicated unclear entries including various forms used in financial statement reports. A carefully designed management information system will provide the necessary directions and development of tools for periodic monitoring of data relative to the successful program performance. A training program may be organized on the installation of a management information system, including financial management, where collective accountabilities are strongly promoted. A well-designed program is equated with sound financial management reflected in proper financial status reporting.

6. Survey findings show a downtrend in collection rates of loan releases, loan-interests, and capital build-up generated from Phase 1 to Phase 5. Collection rates appeared to be high in Phase 1 and gradually decreasing

up to Phase 5, a situation due perhaps to the long dry spell affecting the farm-yield level of the farmers.

This affects not only the regularity of loan repayments of the beneficiaries, but likewise the type of management information system, the level of policy implementation, and the level of accountabilities of the project management and the cooperatives in program implementation. Thus, the installation of an appropriate management information system is imperative. This will not only strengthen the monitoring capabilities of the project management and the cooperatives but likewise periodically inform the project management and the cooperatives about the program status for appropriate decisions and corollary actions.

7. The records show a total of 2,086 farmer-members provided financial assistance from Phase 1 to Phase 5. However, a close analysis of the names recorded reveal only 802 farmer-beneficiaries from the five self-help cooperatives. This reflects the type of recording system the project management has installed. Thus, it is suggested that the project management should provide the form to the cooperatives to clearly monitor the extent of spread of the program services among the farmer-members.

Similar problems are indicated in the records of the number of cooperative leaders provided cooperative management- related trainings. Only numbers are reported minus the names. This does not clearly provide information on the extent of leadership-development activities of these cooperatives. A specific interest is to monitor whether the 10 cooperative leaders have been continually provided trainings, as envisioned, up to the end of the three-year program.

8. Research findings reveal that the credit assistance has been effective in promoting the use of inorganic fertilizers and chemicals to the beneficiaries and non-beneficiaries as well a program strategy provided for farmer-members so as to avoid dealing with exploitative local traders. However, such positive effects notwithstanding, the other "hidden"

of the beneficiaries and their household members, on soil fertility, and on the environment should have been monitored as well. Certain research findings have revealed that Endosulfan, classified by the World Health Organization (WHO) as moderately hazardous is marketed in the Philippines as Thiodan, Contra 35 EC, Endox 35 EC, Atlas Endosulfan 35 EC, and Endosulfan 35 EC (Philippine Daily Inquirer: 1993, 10). Perhaps this is an opportune time to suggest that agricultural development-related project proposals should be analyzed on the basis of being environment-friendly, over and above the other criteria considered. Likewise, use of inorganic farm inputs should be coupled with a massive educational campaign regarding their application and safe use or, perhaps, organic farming should be implemented instead. The latter will promote not only sustainable but also environment-friendly rural agricultural development

9. While the cooperative-sponsored trainings and technical assistance provided were reported as "useful", these were, however, usually on the level of knowledge acquisition only with just a minimal number applying the skills learned due to cumbersome activities involved in their application. A more effective indicator of usefulness would be the number of respondents actually applying the skills learned. Thus, it is suggested that trainings conducted should include actual demonstration. A constant monitoring in this regard should be installed through the use of re-entry plans proposed by training-participants and submitted after the training indicating the manner the skills learned will be integrated into their farming activities.

10. To more effectively attain the objectives of the program, it is recommended that the comments and recommendations of the respondents regarding the cooperative management should be reviewed and made part of the program directions.

11. Given the capabilities of the cooperatives, a group among the cooperative members may be formed to review the existing agricultural policies that hinder maximum growth of the farmers so that appropriate cooperative advocacy

activities, relative to farmer's welfare might be undertaken.

12. One suggestion of the respondents about the loan assistance was to increase the amount of loan from P3,000 to P5,000 per hectare. To effectively meet the financial assistance needed by the farmers on a hectare-basis, an inflationary-based computation should be made on an annual basis.

13. As a whole, the program was successful in increasing the income of the farmer-beneficiaries, albeit minimally, mainly through the loan assistance, training and technical assistance given so as to gradually develop self-sustaining cooperatives. The indicators outlined earlier appear to have been successfully met, suggesting the feasible replication of the program. However, a careful analysis of the NCREDP experience is a must in order to clearly spell out the other indicators that merit replication.

14. Other indicators worth including, over and above those explicitly identified by the program, for monitoring and evaluation might well include the number of drop-outs and their reasons; the number of continuing beneficiaries; the presence and absence of organizational structure; efficient record keeping; and the quality of services/assistance rendered in terms of timeliness, relevance, adequacy, equity, progressiveness, continuity and demeanor.