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with the same amount for the expanded implementation during the CCAP test run.

With the CCAP fund, the loan ceiling per hectare has been raised to Php15,000, the amount that is closer to the required sum as determined in the Value Chain Mapping and Analysis.

Crop insurance for the farmers has been also made easier with the more affordable option of Weather Index Based Insurance (WIBI), a scheme that covers losses in cases of low rainfall (drought) or excess rainfall for rice and corn. RTR's farms are fully irrigated thus farmers only have to worry on excess rainfall to complement support in values and production skills development. Financial literacy training for farmers has also been added as among the non-financial services of the bundle, helping the farmers not only to develop their capacity for debt management but also to sharpen their entrepreneurial prowess and be counted as among the municipality's key economic players.

Tested this time as a CCAP demonstration project for the cropping season May to October 2011, RTR's expanded program, like the core one is showing sustained signs of success.

The RTR CCAP portfolio alone is reported to have assisted 178 farmers planting 326 hectares. Some 51 of these farmers were provided alternative livelihood loan mostly for swine production.

Ninety (90) farmers with 114.75 hectares enrolled in the WIBI coverage for excess rainfall, while 127 farmers with 211.25 hectares got the traditional PCIC insurance coverage.

As in its previous releases, repayment is almost 100%.

NOW ON ITS 6th year and about to end the six-month test run of the expanded implementation with financing for alternative livelihood, RTR's CCAP is looking forward to hit more milestones in the expanded implementation with financing for alternative livelihood.

The CCAP in Agusan del Norte – “Climate Resilient Farming Communities Through Risk Transfer Mechanisms” – is a demonstration project under Outcome 3 of the Spanish government-funded Millennium Development Goal Achievement Fund (MDG-F 1656) Joint Programme: “Strengthening the Philippines’ Institutional Capacity to Adapt to Climate Change.”

The International Labour Organization (ILO), a specialized agency of the United Nations is implementing this demo project in partnership with the Department of Labor and Employment (DOLE), Department of Trade and Industry (DTI) in collaboration with the provincial government of Agusan del Norte and the municipal governments of Las Nieves, R.T. Romualdez, Jabonga and Buenavista.

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Remedios T. Romualdez LGU:
Using political will to better serve constituents; protecting farmers and their families through insurance; integrating non-financial services for greater impact; employing group solidarity approach as collateral substitutes and building partnerships for capacity & resource sharing.
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IT IS A CASE of simply doing what is good for the constituents. This in got leads the Municipality of Remedios T. Romualdez (RTR), a flood prone farming town in Agusan del Norte, into a de facto pioneer in doing climate change adaptation among local government units in the country.

In it, says Engr. Raymundo Guiellos, the Municipal Planning and Development Coordinator, actually a convergence of actions aimed at improving the farming environment to ensure that farmers earn better. ’It helped that we have a team composed of motherly, aggressive members at the Municipal Agriculture Office (MAO).’ Guiellos points on how the policy initiative complemented at the operational level.

It is, adds the personnel of the Municipal Agriculture Office (MAO) led by Nepta Campo (Municipal Agriculturist), also the falling into place of all ingredients, the right personnel, facilities and opportunity presenting itself, which started the series of initiatives into what has now been adopted as climate change adaptation good practice replicated in two other towns in the province of Agusan del Norte.

This package of initiatives is implemented through the RTR’s Sustainable Organic Farming Technology Systems (SOFTS), a system packed with services designed to address the concern for sustained productivity of the rice lands and to provide funding source for the farmers, an alternative to that from traders.

This loan facility already started in RTR gave inspiration to the local government unit (LGU) loan facility, one of the three models developed and tested under the Climate Change Adaptation Project (CCAP), a demonstration project in Agusan del Norte.

Implemented by the International Labour Organization (ILO), a specialized agency of the United Nations with the Department of Labor and Employment (DOLE), Department of Trade and Industry (DTI) in collaboration with the provincial government of Agusan del Norte, CCAP has RTR as one of its priority municipalities. RTR’s initiatives – promoting organic farming and using innovative financing scheme to support it – in a way started in 1993 when the municipal council passed Municipal Ordinance 101 “Prohibiting the Burning of Rice Straws within the Rice Fields of Remedios to Romualdez, Agusan del Norte.”

The situation then was that most of the farmers in the locality were using inorganic pesticides and fertilizers such that soil tests have been showing increasing acidity. The burning of rice straws added to this negative effect – sucking the economic livelihood of the municipality.

While not strictly observed, the ordinance set the tone of the municipality’s stand on the environmental issues and agricultural technology practice in the locality. The spirit of Ordinance 101 was later incorporated in the Comprehensive Land Use Plan (CLUP) which called for the municipality, as a policy, to encourage farmers to use organic fertilizer to sustain the productivity of the municipality’s farmlands. The same call was echoed in the municipality’s stand on the environmental issues and agricultural technology practice in the locality. The spirit of Ordinance 101 was later incorporated in the Comprehensive Land Use Plan (CLUP) which called for the municipality, as a policy, to encourage farmers to use organic fertilizer to sustain the productivity of the municipality’s farmlands. The same call was echoed in the municipality’s stand on the environmental issues and agricultural technology practice in the locality.

One factor that led to the decision to embark on promoting organic farming and engage in organic fertilizer production later was the fact that the MAO happened to have a personnel – Agricultural Technologist Tuas Thu Auxtero – with extensive training (local and foreign) on organic fertilizer production. Auxtero used to work with the RTR field office of Philippine Rice Research Institute.

The RTR Organic Fertilizer Mass Production Plant was finally set up in 2008. The plant has since then been producing between 3,500 to 4,500 bags of organic fertilizer every cropping season. In the course of the CCAP, DOLE-Catara was able to provide augmentation funds for the organic fertilizer production in the amount of P450,000.

RTR’s leadership then saw that along with the environmental benefits, organic farming could lower production cost, increase the productivity of the land and ultimately, raise the income of farmers. With these assumptions in mind, the program has set zero chemical usage in at least 75 percent of its agricultural area and lower farming cost to within 60% of their current expenses by 2015 as among its objectives.

Although the program has a long precedence of environmental policy considerations, this anti-poverty endeavor actually came also as a direct response to the need for a marketing strategy to put more value to its rice, the product that the municipality has tossed up as the municipalities’ ‘one product’ under the One Town One Product (OTOP) program of DTI.

In keeping with the thrust of making the programs as a collaborative endeavor between the government and the rural based organizations (RBO), the LGU also provided capability building support to the latter, including facilitating the registration of the Municipal Agri-Fishery Council (M AFC), Barangay Farmers Associations, Rural Improvement Clubs, 4 H Clubs, Irrigators Associations and others with the Department of Labor and Employment. The LGU likewise forged partnerships with the Department of Agriculture, the Agricultural Training Institute for its Farmers’ Field School, the National Integrated Pest Management Programme, the National Irrigation Administration and PhillRice.

Another key strategy thought out to ensure that the farmers would adopt organic farming was to “incentivize” its adoption with a bundle of support services, extending production loan among them.

What came out as a RTR’s package was:

1. It is not a dole-out. The assistance comes in the form of loan with 5 percent interest per cropping or 0.83% interest rate per month in a six-month period.
2. The assistance comes bundled with relevant training and other services coming from national agencies as part of the assistance in the conduct of the “Farmers Field School”.
3. Support for farmers in ensuring access to affordable and readily available farm inputs.
4. Assistance in taking out crop insurance.
5. Loan assistance to farmers who may engage in alternative livelihood activities, with initial focus on swine production and vegetable farming.

To be able to deliver the bundled services effectively, the LGU sent its MAO personnel to appropriate trainings at national and international levels. Among the trainings they attended before and during the course of the implementation were on rice production, organic agriculture, vermin-culture, vermin-composting and on micro credit.

To secure the farmers’ investment, all those availing of loan from the facility have been required to take out crop insurance. This, including the credit life insurance is obtained from the Philippine Crop Insurance Corporation (PCIC).

Although not part of the bundle of services, the ‘neighborhood dayang’, a mutual assistance system that is equivalent to personal insurance to the farmers was reinforced as “the way to help each other” during medical emergencies and deaths. Around 90 percent of the farmers in the municipality belong to a dayang where there is one member who has defaulted payment.

The farmers could also readily see where the interests of the fund collected from them are going. The interest income that is equivalent to Php6825 per hectare per cropping is the sum being utilized for the training and other services bundled with the financial facility.

The CCAP’s ENTRY has placed RTR’s initiatives into proper climate change adaptation perspective.

As part of the process, the municipality underwent climate change vulnerability and adaptation assessment. Rice as its major crop was subjected to value chain mapping & analysis to properly set the required interventions. Aside from the agencies already working with RTR, LGU in the project, the provincial government was also formally brought into the picture as among the key players.

The CCAP also put up Php750,000 into the facility’s fund, this time established as the “Climate Change Adaptation Fund” through Sanguingan-Bayan Resolution and an accompanying Implementing Rules and Guidelines. This was matched by the ILO.

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5. Loan assistance to farmers who may engage in alternative livelihood activities, with initial focus on swine production and vegetable farming.

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