



**PROSPERITY**  
**FOR EVERY FAMILY**



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# **Inclusive Growth Through Agriculture and Green Finance**

Roberto R. Calingo, Peace and Equity Foundation

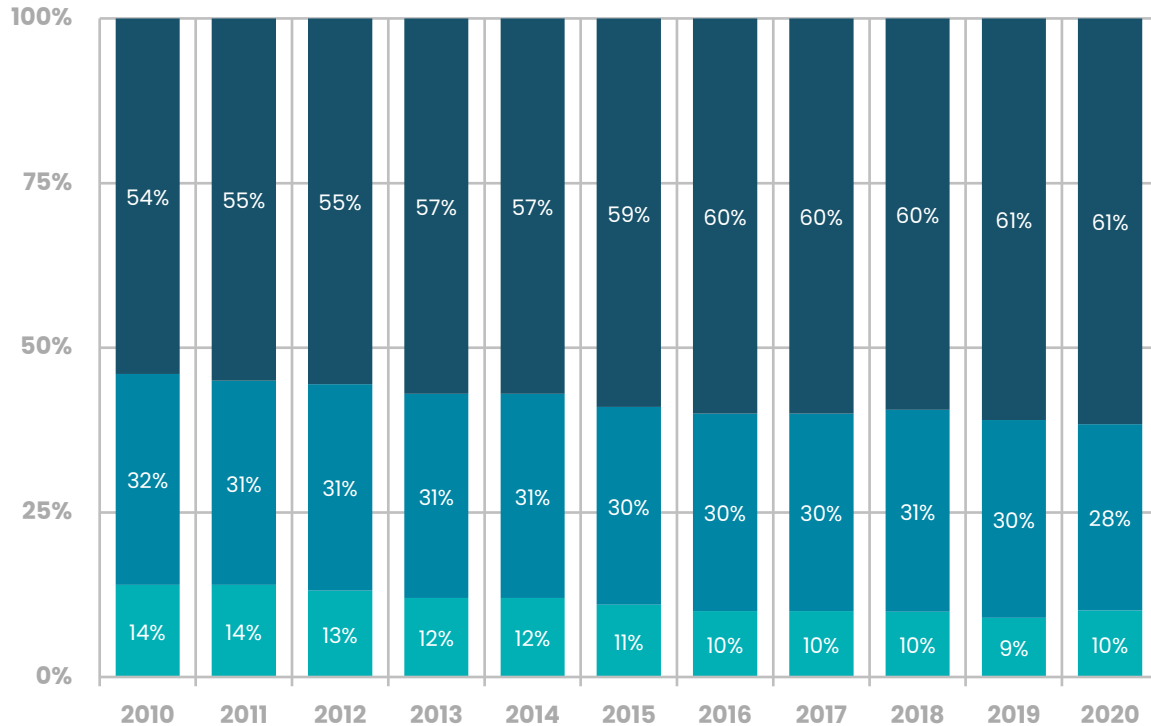
MCPI Annual Conference, 25 August 2022

# Growth Rate by Sector



	2018	2019	2020	2021	2022 (Q2)
<b>AGRICULTURE</b>	<b>1.1</b>	<b>1.2</b>	<b>-0.2</b>	<b>-0.3</b>	<b>0.2</b>
<b>INDUSTRY SECTOR</b>	<b>7.3</b>	<b>5.5</b>	<b>-13.1</b>	<b>8.5</b>	<b>8.4</b>
<b>A. Mining &amp; Quarrying</b>	2.0	3.4	-18.6	5.0	6.5
<b>B. Manufacturing</b>	5.1	3.8	-9.8	8.8	5.95
<b>C. Electricity, Gas &amp; Water</b>	6.5	6.2	-0.4	4.5	5.5
<b>D. Construction</b>	14.3	9.7	-25.5	10.0	16.85
<b>SERVICES</b>	<b>6.7</b>	<b>7.2</b>	<b>-9.1</b>	<b>5.4</b>	<b>8.7</b>
<b>A. Wholesale &amp; Retail Trade, Repair Motor Veh.</b>	5.9	7.8	-6.1	4.2	8.35
<b>B. Transportation &amp; Storage</b>	7.7	6.4	-30.6	6.3	26.7
<b>C. Accommodation &amp; Food Services</b>	8.6	5.6	-45.5	7.2	25.1
<b>D. Information &amp; Comms</b>	6.7	8.0	5.1	9.2	9.05
<b>E. Financial &amp; Insurance Activities</b>	8.4	11.9	5.6	4.7	5.95
<b>F. Real Estate &amp; Ownership of Dwellings</b>	5.4	4.1	-16.7	2.2	4.9
<b>G. Prof &amp; Business Services</b>	3.8	2.0	-9.6	6.2	8.0
<b>H. Public Admin &amp; Defense</b>	15.2	13.5	4.5	5.7	4.95
<b>I. Education</b>	8.9	4.7	-10.2	8.3	6.9
<b>J. Human Health &amp; Social Work</b>	-0.3	4.9	-5.1	14.1	1.6
<b>K. Other Services</b>	4.5	6.7	-41.0	2.0	31.1
<b>Gross Domestic Product</b>	<b>6.3</b>	<b>6.1</b>	<b>-9.5</b>	<b>5.7</b>	<b>7.4</b>
<b>Net Primary Income</b>	<b>2.0</b>	<b>-1.6</b>	<b>-31.1</b>	<b>-51.3</b>	<b>85.1</b>
<b>Gross National Income</b>	<b>5.9</b>	<b>5.4</b>	<b>-11.5</b>	<b>1.7</b>	<b>9.95</b>

# Share of Economic Growth in GDP 2010–2020



## Chronically low agricultural growth

- slow rise in labor productivity
- uneconomic land size and weak supply chain organization
- climate change

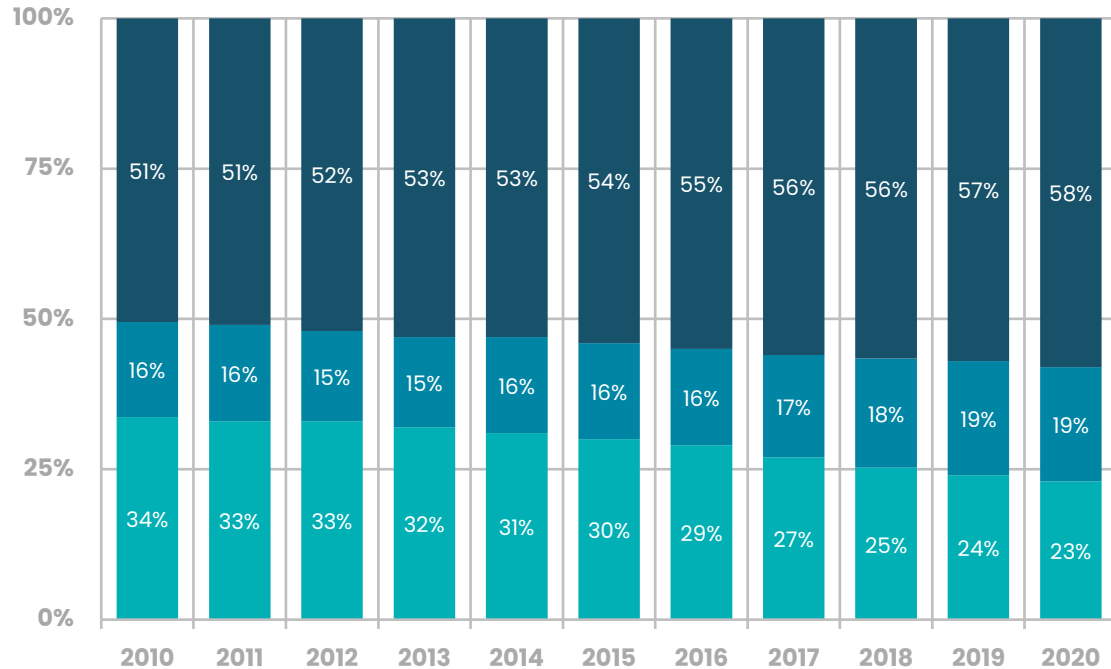
AGRICULTURE

INDUSTRY

SERVICES

# Distribution of Employment by Sector 2009–2019 (PSA)

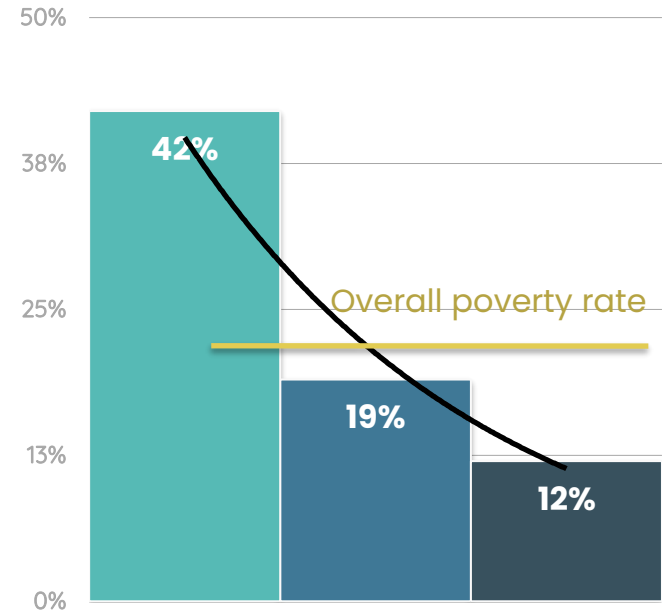
People are moving out of agriculture



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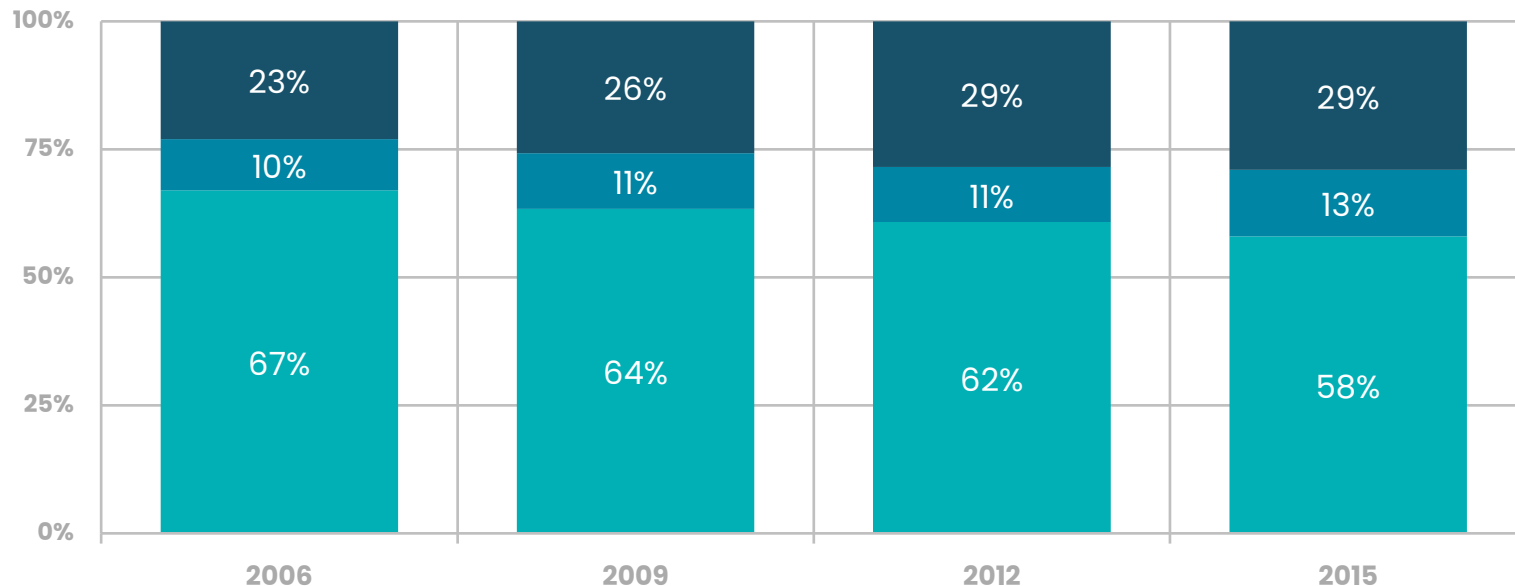


Overall poverty rate

Source: World Bank

...but most of the poor Filipinos are employed in the agri sector!

## Share of Employment of the Poor by Sector



Source: World Bank

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INDUSTRY

SERVICES

# Labor Productivity and Growth Rate by Sector 2013–2017

	2013	2014	2015	2016	2017
In Php	P177,098	P185,389	P196,179	P198,125	P214,849
Growth Rate	5.6%	2.7%	5.6%	2.1%	8.4%
<b>Agriculture</b>	P59,734	P60,910	P63,728	P64,256	P72,013
	3.3%	0.3%	5.2%	-2.2%	12.1%
<b>Industry</b>	P373,369	P387,752	P405,643	P384,137	P399,878
	5.70%	2.60%	3.40%	-3.90%	4.10%
<b>Services</b>	P187,988	P196,075	P204,753	P204,689	P219,336
	3.9%	2.0%	4.0%	3.1%	7.2%

Source: PSA

# Who are the poor?

Poverty incidence of 16.6% in 2018 and 18.1% in 2021 (PSA 2021)



- Family income below P144,984 per year
- Large family size (13% <3 members; 37% 6 members; 54% 8 members)



- Have less schooling at best high school graduate and some elementary education (headed 43% of poor HH)



- Largely engaged in agriculture and live in rural areas (2018 PSA)
- Farmers (31.6%)
  - Fishers (26.2%)



# Peace and Equity Foundation

## Our Vision

An end to poverty

*Self-sustaining and resilient households and communities*

## Our Mission

Bring as many households out of poverty thru collective action among local partners



**460,000**

Households reached

**13,000**

Household RE Access

**1,900**

Projects

**P2.20 B**

Total investments

# Strong economic outcomes

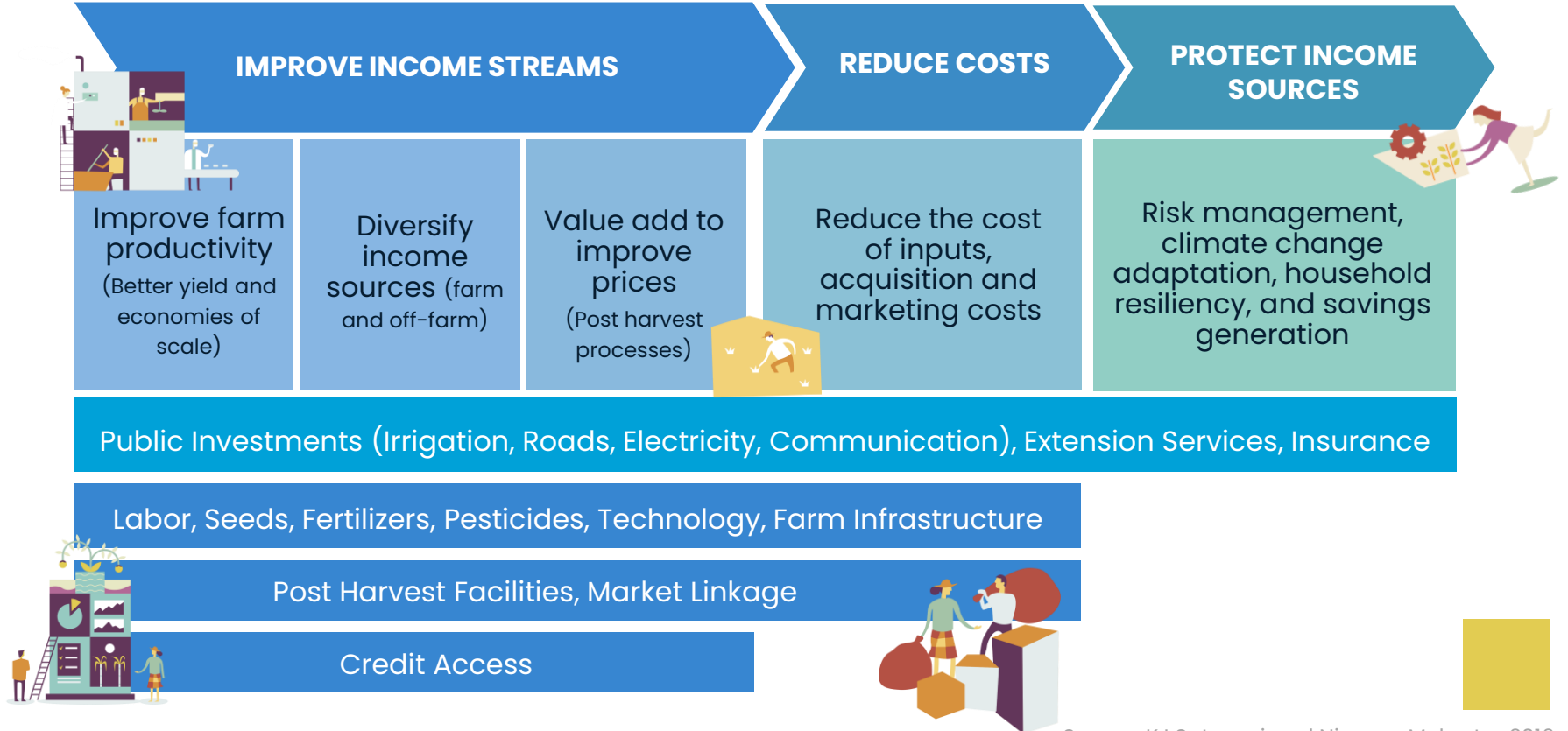
## Resiliency

### Social Enterprise Strategy

- Enterprise Development
- Institution Building
- Collaborative Partnerships
- Knowledge Management
- Communications
- Fund Management
- Competency Development
- Governance



# Enhancing Farmers' Income\*



# Area Stories

# Guimba

## Nueva Ecija

- Resources: 15,000 ha of flat rice farms; 12,600 rice farmers
- Rice productivity (7 tons/ha. at P12.00/kilo) is higher than the national average (4.5 tons/ha.)
- Active stakeholders: PhilRice, LGU, DA, ASKI, Cooperatives, private companies, and financial institutions
- Farmers earn an average of P75,000/ha/year with landholding of 1.5 ha with an annual income of P112,000
- Target is to improve income to P180,000/year



# Guimba Nueva Ecija



- Increase yield to 10MT/ha
- Reduce production cost between P7-8/kg
- Increase annual income to P180,000/ha

## Build and disseminate rice production model

- Demo farm for new rice production established
- Harvest (dry season): higher yield 9 tons/ha, with a slightly lower cost: P11.00/kg
- Potential projects: DA Swine & Rice crop insurance

## Build organizational capacity of partner/s

- CENTER IB Assessment: Gaps on succession and operations planning, and financial policies

## Build 2 functioning collaborative groups

- Connected with 7 stakeholders on rice industry
- PhilRice and CLSU for documentation of demo farm results
- Yovel East, Inc for alternative fertilizer
- AXA Philippines for crop insurance



# Guimba Nueva Ecija

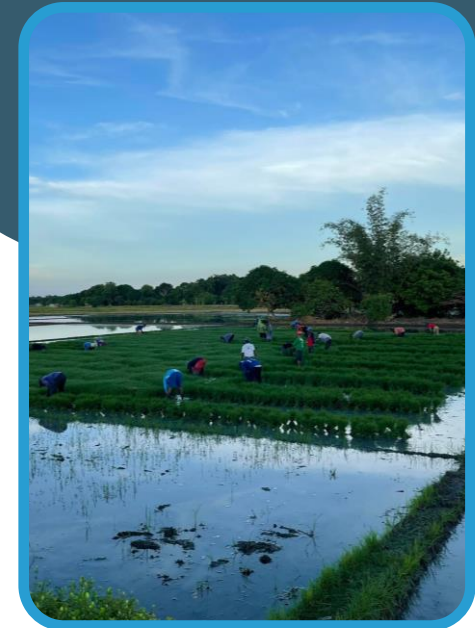
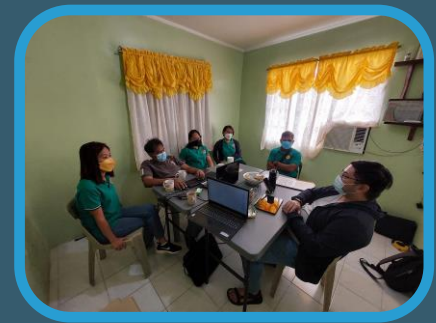
- Target: Around **200 farmers** with **300 ha** of rice farms
- **Rice production models and capacity building** for CENTER expansion, adoption of new rice production technology, and improve rice support services.
- DA programs to **strengthen partner's capacity**
- Work with **rice industry stakeholders** and prepare for possible development/progress due to Mandanas-Garcia ruling roll-out

## Enterprise Development

- **Adoption of new rice production technology, technology upgrades, crop insurance, DA Swine Project, Demo farm completion, feasibility study**

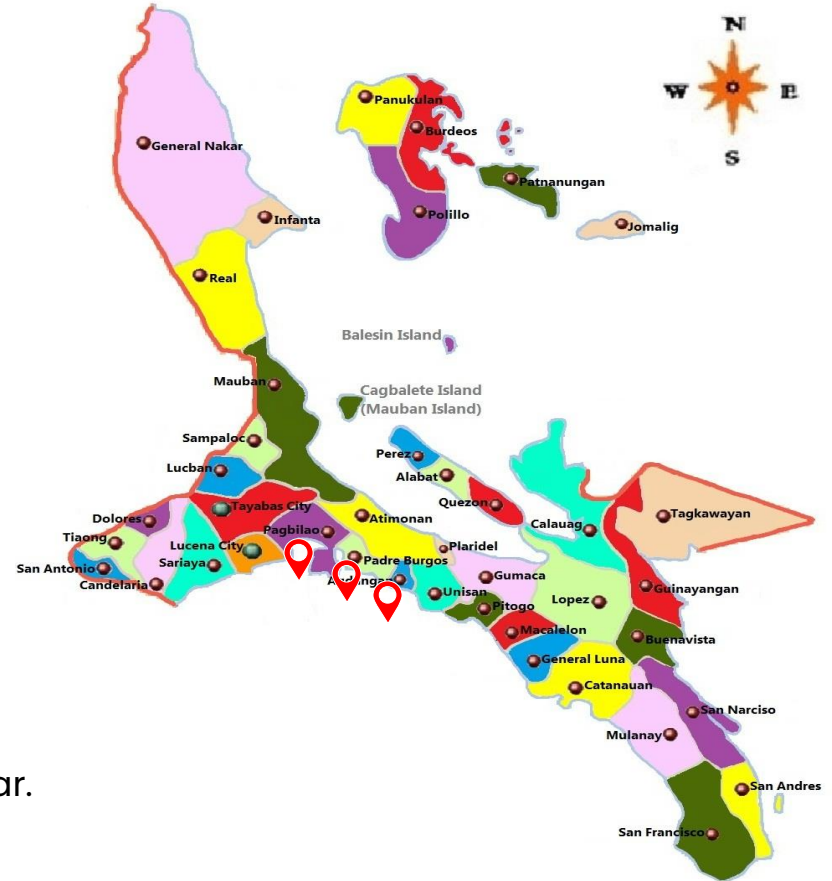
## Institution Building & Collab

- **Capbuild program for CENTER to support expansion**
- **CENTER accreditation as member of local development council**
- **Project with PhilRice Employee Coop**



# Padre Burgos, Agdangan and Unisan Quezon

- The area has abundant resources and there is a presence of able partners and collaborators
- The province has the highest poverty incidence in Region 4A at 22%
- Households are not food poor, but their income is not sustainable in case of emergencies or significant expenses
- Top coconut-producing province. Farmers earn an average of P24,000/year from coconut farming
- There are about 2,500 HH rely on fishing. Fishers earn P48,000/year. Target is to have a P120,000 income/year.





# Padre Burgos, Agdangan and Unisan Quezon

## Capacities of SEs and other development partners strengthened

- Coconut projects were developed
- Open sea fishing support
- Establishment of coastal enterprise
- Fish consolidation and marketing were initiated
- Ecological resources revitalized

## Functioning collaborative systems in place

- Partnerships with LGU and line agencies forged
- Exploratory partnerships are underway



Enable local organizations to deliver income diversification programs



# Padre Burgos, Agdangan and Unisan Quezon

## Fishing

- 7 ha fishpond generated P1 M sales now expanded to 49 ha
- Fishcage generated P280,000 sales per year

## Coconut Farming

- Greenlife sales P40 M/year with 300 farmers earning P600/month and 56 tappers earning P10,000/month
- Tropical Prime with 160 households with an additional income of P1,500/month from coconut coir livelihood



Enable local organizations to deliver income diversification programs



# Padre Burgos, Agdangan and Unisan Quezon

From a baseline income of P 48,000/year, fisherfolks can earn up to P120,000/year.

Secure sustainability by partnering for interventions on environmental conservation, working with value chain stakeholders, capacitating local organizations and supporting replication/expansion activities.



## Enterprise Development

- Explore a 1-ton micro ice facility to help Y&H in the consolidation and marketing
- Scale up consolidation and marketing Y&H in fish trading
- Replicate the successes of Y&H in aquaculture in the other areas

## Institution Building & Collab

- Capacity Building for organizations for replication of aqua culture
- Institutionalized collab structure with stakeholders

# Insights

## On Agriculture

1. Agriculture sector always lagged behind including the welfare of small scale farmers and fishers
2. Short-term versus Structural Solutions
3. Build as many stakeholders to make growth inclusive
4. Demonstration-Adoption-Commercialization Phases
5. Role of the entrepreneur and link to value chains

## On Energy Access

1. Energy poverty and high poverty incidence
2. Home lighting alone will not be successful
3. Productive Use of Renewable Energy
4. Ecosystem for RE must be built (Technology provider, Financial Institution, Organizer)
5. Essential role of electric cooperatives





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**THANK YOU!**