

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Eighteenth Congress
Second Regular Session



COMMITTEE REPORT NO. 1043

Submitted by the Committee on Poverty Alleviation on June 2, 2021
Re: House Resolution No. 1454

Informing the House of its findings and recommendations, pursuant thereto
Sponsors: Representatives Dahlia A. Loyola, Elisa "Olga" T. Kho, M.D., FCCP, Alfred C delos Santos, Fernando T. Cabredo, Leonardo L. Babasa, Jr., Alan 1 B. Ecleo, Romeo M. Jalosjos, Jr., Maximo Y. Dalog, Jr., Sergio C. Dagooc, Godofredo N. Guya, Domingo C. Rivera, Juliet Marie de Leon Ferrer, Paul Ruiz Daza, Manuel DG Cabochan III, Jonathan Keith T. Flores, Edward Vera Perez Maceda, Ma. Victoria V. Umali, Irene Gay F. Saulog, Rogelio D. Pacquiao, Joy Myra S. Tambunting, and Sharon S. Garin

Mr. Speaker:

The Committee on Poverty Alleviation to which was referred House Resolution No. 1454 introduced by Representatives Elisa "Olga" T. Kho, M.D., FCCP, Alfred C. delos Santos, Fernando T. Cabredo, Leonardo L. Babasa, Jr., Alan 1 B. Ecleo, Romeo M. Jalosjos, Jr., Maximo Y. Dalog, Jr., Sergio C. Dagooc and Godofredo N. Guya, entitled:

"A RESOLUTION URGING THE COMMITTEE ON RURAL DEVELOPMENT TO REVIEW THE CRITERIA AND QUALIFICATIONS OF THE POOREST OF THE POOR PROVINCES OF THE DEPARTMENT OF AGRICULTURE SPECIAL AREA FOR AGRICULTURAL DEVELOPMENT PROGRAM, AND PROVIDE RECOMMENDATIONS THEREFORE"

respectfully submits to the House its findings and recommendations.

Respectfully submitted,

A handwritten signature in black ink, appearing to be "Dahlia A. Loyola".

DR. DAHLIA A. LOYOLA
Chairperson
Committee on Poverty Alleviation

**THE HONORABLE SPEAKER
HOUSE OF REPRESENTATIVES
QUEZON CITY**

**COMMITTEE REPORT
ON
HOUSE RESOLUTION NO. 1454**

INTRODUCED BY REPRESENTATIVES ELISA “OLGA” T. KHO,M.D., FCCP, ALFRED C. DELOS SANTOS, FERNANDO T. CABREDO, LEONARDO L. BABASA, JR., ALAN 1 B. ECLEO, ROMEO M. JALOSJOS, JR., MAXIMO Y. DALOG, JR., SERGIO C. DAGOOC AND GODOFREDO N. GUYA

“A RESOLUTION

URGING THE COMMITTEE ON RURAL DEVELOPMENT TO REVIEW THE CRITERIA AND QUALIFICATIONS OF THE POOREST OF THE POOR PROVINCES OF THE DEPARTMENT OF AGRICULTURE SPECIAL AREA FOR AGRICULTURAL DEVELOPMENT PROGRAM, AND PROVIDE RECOMMENDATIONS THEREFORE”

PREFATORY STATEMENT

House Resolution No. 1454, filed by Hons. Elisa “Olga” T. Kho, M.D., FCCP, Alfred C. delos Santos, Fernando T. Cabredo, Leonardo L. Babasa, Jr., Alan 1 B. Ecleo, Romeo M. Jalosjos, Jr., Maximo Y. Dalog, Jr., Sergio C. Dagooc and Godofredo N. Guya urged the review of the criteria and qualifications of the poorest of the poor provinces of the Department of Agriculture Special Area for Agricultural Development Program. The said resolution was referred by the House of Representatives to the Committee on Poverty Alleviation on January 18, 2021.

FACTS

The Special Area for Agricultural Development (SAAD) is a six-year locally funded program of the Department of Agriculture (DA) which aims “to help alleviate poverty through provision of agricultural and related interventions in the poor farming and fisheries sector”, (Memorandum Circular No. 15, Series of 2019).

The strategy of the program is to increase food production for household consumption and the establishment of community enterprises by providing the appropriate technology, marketing and other support services for the propagation of animals, crops (food and industrial) and fisheries to individuals, families/households and organized farmers and fisherfolk including those who are not recipients of the regular program of the Department in the last two (2) years of implementation.

Two (2) sets of criteria are used: (1) For the province selection and (2) For the beneficiary selection. For the years 2017 till 2022, the Program covers thirty (30) priority provinces.

I. Pertinent Provisions of DA Memorandum Circular No. 15 Series of 2019

Section V - Beneficiary Eligibility, listed down the following criteria for selection of households to be included in the Program, to wit:

- “Must be poor households or groups - earns below the poverty threshold per province based on PSA data on Poverty Incidence (among families) who would like to engage or already engaged in agriculture and fisheries;
- May be either farmers listed in the updated Registry System of Basic Sector in Agriculture (RSBSA), DA’s database, MAO’s farmers registry, 4Ps beneficiaries, Indigenous Peoples (IP) group, or members of accredited farmer organizations and cooperatives;
- Preferably, must not be a recipient of similar interventions from DA in the last two years upon implementation; and
- Any poor group not formally organized who would like to avail SAAD Program will be assisted by SAAD in registering with appropriate agency or authority and for their accreditation, provided, they will undergo the requirement training course/s by SAAD.”

MC No. 15 series of 2018 listed down the thirty (30) provinces. The first ten (10) provinces for FY 2017 were selected based on PSA data in 2012. The remaining twenty (20) provinces were selected based on PSA 2015 data. 30 Poverty-Stricken Provinces covered by the Program:

REGION	SAAD PROVINCES			TOTAL NO.
	FY 2017-2022	FY 2018-2022	FY 2019-2022	FY 2017-2022
CAR	Apayao		Mountain Province	3
MIMAROPA			Occidental Mindoro	1
5		Catanduanes Sorsogon Masbate		3
6			Negros Occidental Antique	2
7	Negros Oriental	Siquior		3
8	Eastern Samar Northern Samar Western Samar	Leyte Southern Leyte		5
9	Zamboanga del Norte	Sulu		2
10	Lanao del Sur	Bukidnon	Misamis Occidental Lanao del Norte	4
11		Compostela Valley		1
12	Maguindanao North Cotabato Sarangani	Sultan Kudarat		4
13			Agusan del Sur Surigao del Sur	2
TOTAL				30

II. Pertinent Provisions of Executive Order No. 70

Issued on December 4, 2018, EO No. 70 entitled “Institutionalizing the Whole-of-Nation Approach in Attaining Inclusive and Sustainable Peace, Creating a National Task Force to End Local Communist Armed Conflict, and Directing the Adoption of a National Peace Framework” invokes one of the objectives of the Philippine Development Plan 2017 which is to attain inclusive and sustainable peace through intensified development and other peace-building initiatives in conflict-affected and vulnerable communities;

Section 1: Institutionalizing the Whole-of-Nation Approach. The Whole-of-Nation Approach is hereby institutionalized as a government policy for the attainment of inclusive and sustainable peace. Towards this end, the Government shall prioritize and harmonize the delivery of basic services and social development packages in conflict-affected areas and vulnerable communities, facilitate societal inclusivity, and ensure active participation of all sectors of society in the pursuit of the country’s peace agenda;

Section 4. Powers and Functions [of the Task Force to End Local Communist Armed Conflict].

i. Recommend to the Office of the Presidential Adviser on the Peace Process projects and conflict-affected areas where the PAYapa at MAsaganang PamayaNAN Program may be implemented, subject to the provisions of the General Appropriations Act;

Section 9. Funding. The initial funding requirements of the implementation of this Order shall be charged against existing appropriations of member-agencies of the Task Force and such other appropriate funding sources as the DBM may identify, and when necessary, the Contingent Fund, subject to relevant laws, rules and regulations.

The succeeding year’s appropriations for the operation of the National Secretariat shall be included in the budget proposal of the OP. The funding requirement for the implementation of the programs, plans and activities in the Framework, shall be included in the respective annual budgets of the concerned agencies, subject to the usual budget preparation process.

ISSUES

House Resolution No. 1454 raised this **main issue**: ***What criteria are best used in the selection and inclusion of beneficiaries to the DA Special Area for Agricultural Development?***

The Committee seeks to address this issue by answering the following questions:

1. What are the criteria actually used by the DA Special Area for Agricultural Development?
2. Are the criteria used by the SAAD Program able to include the deserving poor beneficiaries among target farmers and fisherfolk?

3. What measures can be undertaken to ensure the inclusion of intended and targeted beneficiaries of the SAAD Program?

DISCUSSIONS

During the Deliberation on March 15, 2021

Chairperson Dahlia A. Loyola introduced the Special Area for Agricultural Development (SAAD) as one of the government's poverty alleviation programs which specifically targets indigent farmers and fisherfolk sector. She shared some official information from the Philippine Statistics Authority (PSA) showing the high poverty incidence among farmers and fisherfolks in 2018. Citing the report of National Statistician Claire Dennis S. Mapa, Hon. Loyola showed that among the fourteen (14) basic sectors identified by RA No. 8425 otherwise known as "Social Reform Agenda Act", farmers at 31.6% incidence and fisherfolks at 26.2% are shown to have the greatest number of poor individuals.

The Chair also showed comparative poverty statistics of these sectors across years where PSA was able to conduct Family Income and Expenditures Survey (FIES): 2006, 2009, 2012, 2015 and 2018. She pointed out that based on the data, there has been a reduction in the poverty incidence of these sectors. However, they still have the most number of poor through the years. In addition, the poverty incidences among farmers and fisherfolks are way above the national average which point to the severity of poverty in these sectors.

Hon. Elisa Olga T. Kho, Chairperson of the Committee on Rural Development, explained that said program is expected to help address rural poverty. She cited that the Resolution which she and other members of her Committee filed aims to bring out better ways of targeting and selecting beneficiaries to be included in said program.

Hon. Alan 1 B Ecleo, Co-author of HR No. 1454, lamented that his province Dinagat Islands is not part of the 30 poorest provinces covered by SAAD despite the fact that based on the PSA poverty statistics, Dinagat Islands was ranked 23rd and 14th poorest province with poverty incidence of 34.6% and 26.5% in 2015 and 2018, respectively. He also noted that DA has allotted smaller budget for projects in Dinagat Islands in particular, and the CARAGA region at large. Hon. Ecleo criticized the DA for its error of not including Dinagat Islands in the program and requested the agency to correct its mistake.

Dir. Nieva Natural from National Economic and Development Authority (NEDA) shared her agency's proposed criteria for selecting the beneficiaries of SAAD, to wit;

- Updated Registry of Basic Sectors in Agriculture (RBSA) as primary reference in targeting beneficiaries
- Updated poverty statistics generated by PSA (2018 FIES)
- Vulnerability of poor provinces to natural hazards

On the part of the Department of Budget and Management, Ms. Maryann Ricohermoso said they recommend an assessment to know if the program is on track or it has achieved its objective as far as livelihood of the target beneficiaries of the program is concerned. She added that the results of impact assessment could be the basis in identifying beneficiaries and forms of intervention to be provided for identified areas. She assured the Committee that the program still has a budget until 2022 and the results of program assessments once available would be considered for the possible extension of the program after its termination.

DA U/Sec. Ariel T. Cayanan reported that they are now upgrading the RBSA and are planning to use municipal-level poverty statistics in targeting SAAD beneficiaries when the said data are made available based on the 2018 FIES. He added that DA has yet to conduct its own assessment of the outputs of the program, but has engaged some State Universities and Colleges (SUCs), local agricultural offices, units and other stakeholders to do independent evaluations of SAAD.

FINDINGS

Based on the deliberation on House Resolution No.1454, the Committee found out that the Department of Agriculture used two (2) kinds of selection criteria: (1) Provincial Selection and (2) Beneficiary Selection.

For Provincial selection, the DA based its 2017 selection of the provinces for the SAAD program on PSA's 2012 poverty statistics, while for 2018 and 2019, the agency based their selection of poor provinces on the PSA's 2015 poverty statistics. The "Island Equity" principle, where three (3) provinces each for Luzon, Visayas, and Mindanao was also used.

For Beneficiary Selection, the DA used the following criteria, to wit:

- Poor households or groups per province based on PSA data on poverty incidence;
- Preferably not a recipient of banner interventions from DA for at least two (2) years;
- Formal and informal group - if informal, must be willing to be registered/formalized; and
- Belonging to any of the following: farmers listed in the updated Registry System of Basic Sector in Agriculture (RSBSA), DA's database, MAO's farmers registry, 4Ps beneficiaries, Indigenous People's (IP) group, or members of accredited farmer organizations and cooperatives.

Exclusion error refers to the failure to target and include beneficiaries which satisfy the criteria set for selection of the program. The province of Dinagat Islands is a specific case of exclusion error. The Family Income and Expenditures Survey (FIES) which was conducted by the Philippine Statistics Authority (PSA) assessed this

province to be the 23rd and 14th poorest province with poverty incidence of 34.6% and 26.5% in 2015 and 2018, respectively. Since the Program aimed to cover the thirty poorest provinces, then Dinagat Islands should have been selected even at the beginning of the implementation.

CONCLUSIONS

The Committee sought to answer the questions raised in this inquiry as follows:

Question 1: What were the criteria actually used by the DA in its Special Area for Agricultural Development Program?

Answer: The SAAD Program used two (2) sets of criteria: (a) Provincial, which made use of PSA's list of poorest provinces and (b) Beneficiary Selection, which pertains to the poverty level of households, their non-availability of other DA interventions, and their inclusion in any database on farmers and fisherfolk.

Question 2: Were the criteria used by the SAAD Program able to include the deserving poor beneficiaries among target farmers and fisherfolk?

Answer: The failure to use the latest list of poorest provinces generated by the 2018 FIES resulted in the exclusion of some of the poorest provinces, especially those listed in the top thirty (30) poorest provinces. The province of Dinagat Islands is one of these.

Question 3: What measures can be undertaken to ensure the inclusion of intended and targeted beneficiaries of the SAAD Program?

Answer: The Department of Agriculture, in its continuing endeavor to target, select and help the poor farmer and fisherfolk sectors must use updated poverty statistics.

RECOMMENDATIONS

To be effective in the delivery of social protection and welfare programs, it is crucial to be accurate in targeting and selecting the intended and deserving beneficiaries. Thus, the Committee recommends the following to address the concerns and issues over the SAAD Program:

1. The SAAD Program must use available updated poverty statistics, particularly the data generated by the Philippine Statistics Authority (PSA).
2. The Beneficiary Selection criterion is recommended in order to address pockets of poverty, for even provinces which are not listed among the poorest in the country may still have extremely poor households in the farming and fishery sectors.
3. The Beneficiary Selection may use data from the Community-Based Monitoring System (CBMS) of the local government units (LGUs). These data are more comprehensive, updated, and specific to localities and capture the real poverty

incidence at the municipal and city levels. This is particularly promising in view of the full implementation of Republic Act No. 11315 or the CBMS Act.

4. The SAAD program may immediately implement and effectively remedy the program's omission, by including in the "Tier 2" of the program the other provinces listed by the PSA in 2018 as poorest.

5. The Department of Agriculture must immediately conduct an impact evaluation of the program, compare it with the results and recommendations of independent studies, and undertake courses of action to improve on areas which were identified to need improvements.

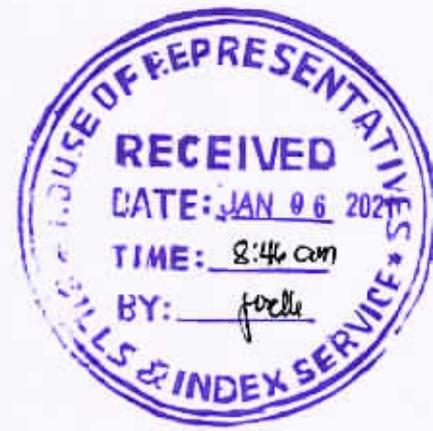


Republic of the Philippines

House of Representatives
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
Second Regular Session

House Resolution No. **1454**



Introduced by Representatives ELISA "OLGA" T. KHO, M.D., FCCP, ALFRED C. DE LOS SANTOS, FERNANDO T. CABREDO, LEONARDO L. BABASA, JR., ALAN 1 B. ECLEO, ROMEO M. JALOSJOS, JR., MAXIMO Y. DALOG, JR. SERGIO C. DAGOOC, EUFEMIA C. CULLAMAT, AND GODOFREDO N. GUYA

A RESOLUTION

URGING THE HOUSE COMMITTEE ON RURAL DEVELOPMENT TO REVIEW THE CRITERIA AND QUALIFICATIONS OF THE POOREST OF THE POOR PROVINCES OF THE DEPARTMENT OF AGRICULTURE SPECIAL AREA FOR AGRICULTURAL DEVELOPMENT PROGRAM, AND PROVIDE RECOMMENDATIONS THEREFORE

WHEREAS, Article II, Section 9 of the Philippine Constitution provides that the State "shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, an improved standard of living, and an improved quality of life for all";

WHEREAS, in the past forty (40) years, the economic growth in the Philippines has registered in terms of Gross Domestic Production, rise of new industries, increase in foreign investments, and rapid urbanization; however, this economic progress has not translated in reducing the poverty incidence in the rural areas where in the poor remains poor;

WHEREAS, farmers, fisherfolks and individuals residing in the rural areas posted the highest poverty incidence among the 10 of 14 basic sectors identified in the Social Reform and Poverty Alleviation Act or Republic Act 8425, at 40.8%, 36.8%, and 34.0% respectively based on the 2018 Poverty Incidence Report of the Philippine Statistics Authority (PSA)*;

WHEREAS, the continuing problem of poverty in the Philippines is shown in the national government's priority assistance program for the poorest of the poor provinces identified by the PSA, and those covered under Executive Order No. 70, series of 2018**, where 10million Filipinos are employed in the agricultural sector;

WHEREAS, the Special Area for Agricultural Development (SAAD) Program of the Department of Agriculture (DA) was created in 2016 and implemented in 2017 to contribute in the poverty reduction and inclusive growth through the provision of quality and timely agricultural interventions on animals, crops and fisheries (capture fishery and aquaculture) to identified beneficiaries; **WHEREAS**, Memorandum Circular No. 15, Series of 2019 of the Department of Agriculture provides guidelines in the implementation of the SAAD Program for the remaining FY 2020-2022 in its project areas covering farmer and fisherfolk beneficiaries which are not recipients of DA's regular programs interventions (at least 2 years) but complementing DA's mandate to alleviate poverty in the poor farmers and fisheries sector;

WHEREAS, this difficult economic situation is further aggravated with the impact of the Corona Virus

Disease (COVID) 19 pandemic, as shown in the latest report dated October 2020 of the National Economic Development Authority (NEDA) which cited postings of additional 4.5 million poor Filipinos , additional 2.3 million unemployed, and additional hungry people at 23.7 million***, and the damages to life, livelihood and properties, agriculture and infrastructure of the recent catastrophic typhoons Quinta, Rolly and Ulysses estimated at Php41.61 billion****;

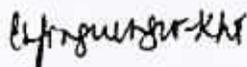
WHEREAS, with this increasing poverty incidence in the poorest of the poor provinces impacted by the pandemic and natural disasters, the SAAD Program faces the serious compounding challenge to intensify the implementation of its project services with its limited budget and resources, and inadequate manpower complement especially in the field operations. The SAAD must therefore be provided sufficient period of time and commensurate budget to address this serious challenge;

WHEREAS, with this new development, the challenge remains for the Committee on Rural Development to closely review and recommend with the SAAD Program of the Department of Agriculture (DA), the Philippine Statistics Authority (PSA) and the Department of Social Welfare and Development (DSWD) on: a) the criteria and beneficiary eligibility of poor households; b) the identification of additional and reasonable criteria of other poorest of the poor provinces and municipalities which are geographically isolated and disadvantaged in delivering basic services to the communities; c) the setting of additional official parameters responsive to the impact of the pandemic and severe natural disasters; and d) the proposal for additional and sufficient appropriations on provisions of agricultural and related interventions in the poor farming and fisheries sector;

WHEREAS, with the review and recommendations shall allow the SAAD Program to include additional provinces and municipalities to be covered for the year 2021 onwards and provide additional funding to cover such expansion, all in compliance to the implementation guidelines set by the program.

NOW THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, the House Committee on Rural Development is urged to review the current criteria of identified poorest of the poor provinces of the SAAD Program, and submit recommendations therefore.

Adopted.

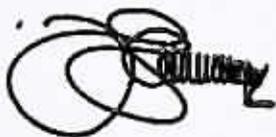


REP. ELISA "OLGA" T. KHO, M.D. FCCP
2nd District, Masbate

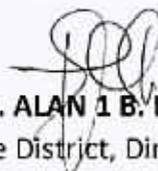


REP. ALFRED C. DE LOS SANTOS
Senior Vice Chairperson
Ang Probinsyano Party-List

REP. FERNANDO T. CABREDO
Vice Chairperson
3rd District, Albay

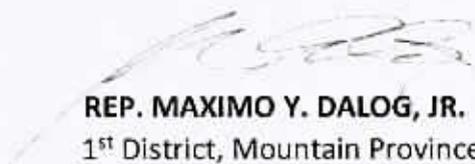


REP. LEONARDO L. BABASA, JR.
2nd District, Zamboanga Del Sur



REP. ALAN B. ECLEO
Lone District, Dinagat Island

REP. ROMEO M. JALOSIOS, JR.
1st District, Zamboanga Del Norte



REP. MAXIMO Y. DALOG, JR.
1st District, Mountain Province

REP. SERGIO C. DAGOO
Association of Philippine Electric
Cooperatives, Party-List

REP. EUFEMIA C. CULLAMAT
BAYAN MUNA, Party List

REP. GODOFREDO N. GUYA
Rural Electric Consumers Beneficiaries Development
And Advancement Party List

*(PSA report released on June 3, 2020)

**Executive Order No. 70, Series of 2018, Institutionalizing The Whole of Nation Approach in Attaining Inclusive and Sustainable Peace, Creating a National Task Force To End The Armed Communist Conflict, and Directing The Adoption of A National Peace Framework*

***NEDA Acting Director General Karl Chua: Impact of COVID-19 on The Economy and the People, and The Need To Manage Risk, 22

October 2020

****data from DA – FPOPD and NDRRMC