



Community Enterprise Development as Pathway Out of Poverty

CONSOLIDATED COMMUNITY FIELD ASSESSMENT

Municipality of Paracelis, Mountain Province

10 December 2013

For the whole month of November, the JSDF-CDED team conducted rapid field assessments in eight barangays of Paracelis. The assessment of Butigue was conducted in October.

Paracelis has a population of 22,850 as of 2007 and the total number of households is 4,483. The municipality's total labor force is 9,244 with an unemployment rate of 5.38%.

Based on the assessment, the primary cash crop of the residents of the barangays is corn. Upland or irrigated rice is also produced, but mostly for home consumption. Other agricultural produce include banana, coffee and lowland vegetables. Livestock raising is also practiced, but the animals are sold mainly during times when extra cash is needed.

A value chain analysis of corn shows that the participation of all producers in the barangays visited ends when the threshed corn is transported to the buying station of choice. No one in the municipality is involved in the next transformation such as the production of corn grits, or poultry or hog feeds.

Cost of production (from a low of P40,000 to a high of P85,000) goes mainly to farm inputs, then labor, then loan interest, then transportation and threshing. Farm yield is at a low of 3,500kg per hectare to a high of 7,000. Corn is bought between P12-14 per kilogram. Gross sales ranges from P50,000 to P112,000 per hectare. Net income would range from a loss of P14,000 to a gain of P40,000 per hectare.

Some farms can only have one cropping of corn per year, either because there is not enough rainfall for planting, too frequent rains that spoil the corn grains, or not enough warm sunshine for drying. The same land may also be used alternatingly for upland rice production.

The main crop is planted in November or December and is harvested in March or April. The second crop is planted usually in May or June and harvested in September or October. Some farmers and areas plant earlier than the aforementioned schedules, and may benefit from a higher selling price, but may also face the risks of difficulty in drying because the sunshine is not hot enough (in January and February) or it just keeps raining.

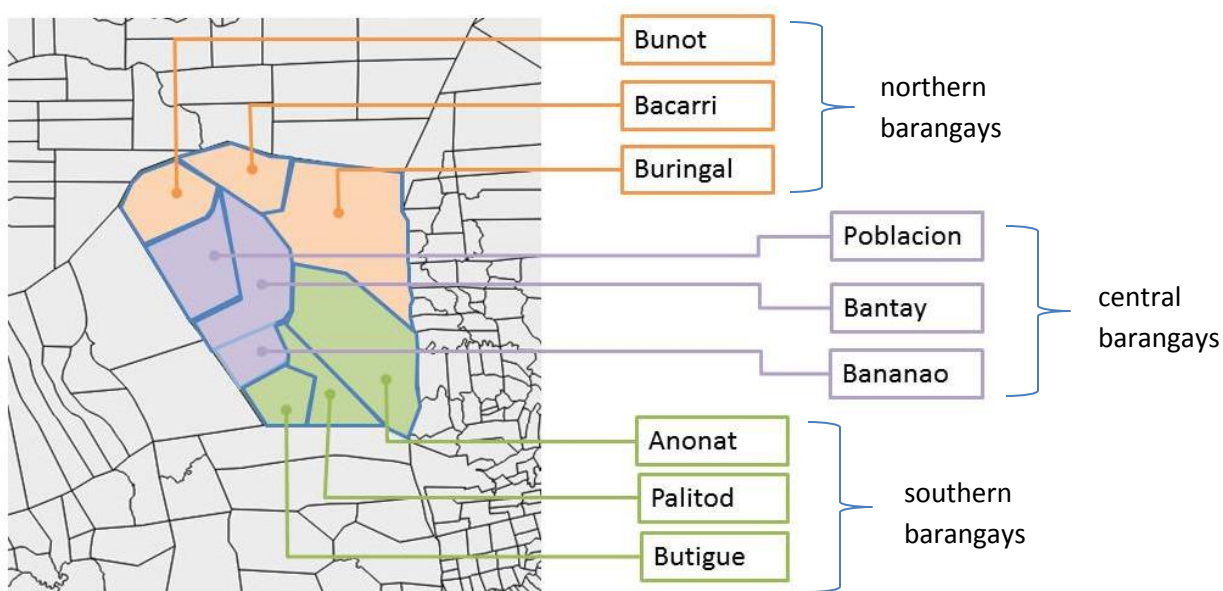
Considering the risks involved in corn production, a safe benchmark for a household of five would be a farmland of five hectares with double cropping of corn and a portion of the land devoted for rice. And yet the farmer may end up losing some of the land when the loan is not completely paid during a poor harvest or in times of drought, strong storm or pestilence.

	North			Central			South		
	Bunot	Bacarri	Buringal	Poblacion	Bantay	Bananao	Butigue	Palitod	Anonat
Main economic activity									
corn production	2	1	1	1	1	1		1	1
rice production	1	2	2	2	2	2		2	2
Double cropping (corn)	yes			yes		yes		yes	yes
Dependent on Supplier loan for Farm inputs	mostly	mostly	mostly	mostly	mostly	mostly		mostly	mostly
Dependent on Supplier loan for transport of threshed corn to buying station	mostly	mostly	mostly	mostly	mostly	mostly		mostly	mostly
Interest Rate	25% Of the total farm inputs for 4 months P29,000x 25%=P7,300	8% of the total inputs for 4 months P26,280.00x (8%x4) =P8,409.00	25% of the total inputs for 4 months P23,850x25% =P5,962.00	25% of the total inputs for 4 months P21,335.00x 25% =P5,333.00	25% of the total inputs for 4 months	25% of the total inputs for 4 months P26,990.00x 25% =P6,747.00		20% of the total inputs for 4 months	30% within six months
Yield (kg/ha)	6,600	4,200	6,750	6,000		3,500		4,500	6,000
Price (per kg)	12	12	12.50	13		12		12.75	14
(Net Income=Total Sales-Total expenses)	P79,000.00 -P71,516.00	P50,000.00 -P64,539.00	P84,375.00 -P64,412.00	P78,600.00 -P44,930.00	P111,600 - P 85,575	P42,000.00 -P56,787.00		P57,550.00 -P45,500.00	P84,500.00 -P42,824.00
	P7, 684.00	P-14,139	P16,963.00	P33,670.00	P31,025	P-14,787.00		P12,050.00	P41,676.00
Participation of community in Chain ends when corn is sold at buying station	YES	YES	YES	YES	YES	YES		YES	YES

	North			Central			South		
	Bunot	Bacarri	Buringal	Poblacion	Bantay	Bananao	Butigue	Palitod	Anonat
4P HH	87	137	110	205	260	101	134	137	193
HH 2007	333	396	338	944	693	355	525	498	401
% of Brgy HH	26.13	34.60	32.54	21.72	37.52	28.45	25.52	27.51	48.13
% of Total 4P HH	6.38	10.04	8.06	15.03	19.06	7.40	9.82	10.04	14.15
HH, income below poverty threshold	290	191	142	452	321	203	164	164	159
% of Brgy HH	87.09	48.23	42.01	47.88	46.32	57.18	31.24	32.93	39.65
Unemployed	14	16	6	92	68	51	82	25	12
HH, income below food threshold	265	90	72	293	136	158	73	73	76
% of Brgy HH	79.58	22.73	21.30	31.04	19.62	44.51	13.90	14.66	18.95
HH, Experienced food shortage	0	15	21	0	3	3	29	0	4
Malnourished (0-5)	3	2	6	0	2	1	4	1	1
Population 2007	2,065	2,350	2,133	5,319	3,875	1,755	2,689	2,377	2,142
Population 2012	2,933	2,599	1,693	5,687	4,191	2,195	2,372	2,541	2,265
Difference	868	249	-440	368	316	440	-317	164	123

Sources: CBMS 2007, NSO 2007, 4Ps June 2013

As the attempt to improve the economic conditions of the barangays must be appreciated vis-à-vis their existing economic condition, their vital statistics are shown here. Using the number of 4Ps households as an indicator of poverty, most of those who are in need are found in Poblacion and Bantay, if the actual count is used for ranking. These two barangays are also the most populated. However, if we take the percentage of 4Ps households over the total households in the barangay, Anonat ranks first, with Bantay, Bacarri and Buringal ranking second, third and fourth, respectively.



Presence of 4Ps is an indicator of need. And yet, as there may be households that are as poor but are not yet beneficiaries, some on-the-ground cross-checking has to be undertaken. Bunot and Buringal, for example, have higher cost of access to health and educational services and market opportunities, and their actual living conditions could be worse (make of houses, access to water and electricity). Higher likelihood of poor harvest and high interest rates could also increase vulnerability to worsen their situation, like in Bacarri. The percentage of household below the poverty threshold over the total households in the barangay confirms that all three northern barangays are poorest with the central barangays coming next. This is counterbalanced by number of unemployed individuals with the central barangays ranking first and the southern barangays falling second.

In terms of food shortage, the northern barangays have the highest incidence. The southern barangays come next. This ranking is the same for malnourishment in children under six years of age. Bunot, Bananao and Poblacion have the highest count of household below the food threshold.

In terms of migration patterns, Buringal and Butigue experienced a comparatively high occurrence of out migration. While it is possible that this is a result of the shifting boundaries of the two barangays (a portion of each is claimed by their adjoining municipalities), it could also be that for Buringal, some residents moved to a more centrally-located area and for Butigue, the increasing unemployment discouraged them from staying moved to other areas with employment opportunities.