

FEEDBACK REPORT ON YOLANDA RECOVERY AND REHABILITATION PLAN (YRRP) PROJECT IMPLEMENTATION MONITORING IN FIELD OFFICE VII

Reported by:

Luis Daniel S. De La Cruz
PDO III

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Field Monitoring Dates: May 16 to 18, 2016

The field visits made by the Regional Monitor were witnessed by the following SLP Staff:

- Jimmy Crusio, Provincial Coordinator of Cebu
- Ruby Yee, CDEDO, MD Focal
- Marvin O. Solivio, CSO Focal
- Marwin Diaz, Administrative Assistant

<i>Municipality</i>	<i>Issues on non-completion of the projects</i>	<i>Initial Recommendations / Agreements</i>
Bogo	There are twenty nine (29) projects not yet started in Bogo. The LGU intended to transfer funds in the name of the associations where the intended beneficiaries are members. However the mode of transfer of funds will also require adhering to the recent COA-DBM-DSWD Joint Resolution No. 2015-001 on Supplemental Guidelines for Accreditation of Civil Society Organizations.	To fast track project implementation, the LGU will explore cash-assistance payroll (CAP) as an individual grant and as an alternative mode of disbursement under the <i>Guidelines of the Livelihood Rehabilitation Program For Super Typhoon Yolanda Affected Communities</i> .
Sogod	There are six (6) projects not yet started in Sogod, allegedly due to election related concerns of the LGU. It was not in favor of disbursing funds transferred to it by DSWD during the election period.	The LGU can now fast-track project implementation since the 2016 Elections has ended.
Tabuelan	There are nine (9) projects not yet started in Tabuelan. The main reason cited by the LGU is that the projects were coursed thru the regular procurement process under R.A. 9184. Three (3) of the projects, specifically the Gen. Merchandise, Bigasan ng Bayan and Agrivet Supply projects, were done thru regular procurement process while the rest of the projects have	The SLP PDO will assist the LGU Procurement Service to find a suitable service provider in order to

	<p>already experienced two failed biddings. Full implementation of the Projects under the Livelihood Assistance Grant (LAG) will depend on the completion streamed thru procurement process for the rest of the projects. Therefore the LGU will now pursue negotiated procurement for said projects, and has sought the assistance of the SLP PDO to find a suitable service provider. It was reported that the LGU municipal accountant is not in favor of using cash-assistance payroll (CAP) as an individual grant and as an alternative mode of disbursement despite that CAP is allowed under the <i>Guidelines of the Livelihood Rehabilitation Program For Super Typhoon Yolanda Affected Communities</i>.</p>	<p>fast-track the implementation of the projects.</p>
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Type of Microenterprise: General Merchandise Store	
<p>Common Findings: The three (3) General Merchandise Stores visited have the following common issues that may affect the long-term sustainability of the projects:</p> <ol style="list-style-type: none"> (1) Business Registration – There is lack of business registration. (2) Bookkeeping Practices and Financial Reporting, and Agreement of Members on Income or Losses – The SLPAs use simple bookkeeping method of adding daily sales and daily income, using school notebooks and recordbooks. The SLPAs have no definite written agreement on how divide their prospective income or losses from operating their respective businesses. <p>Initial Recommendation:</p> <p><i>Business Registration.</i> For the sustainability of the established microenterprises, the SLPAs will need additional technical assistance from the assigned PDO to secure the proper business licenses from the LGUs concerned. Although a business permit to operate a General Merchandise Store will cover most products, the SLPAs will also have to secure additional business permits to operate as a Grains Retailer Store and Agricultural Supply Store for Rice and Feeds, respectively. In the alternative, the beneficiaries-turned entrepreneur may petition the concerned LGU for provisional exemption from business registration and local business taxes considering that they need to recover their livelihoods from Super Typhoon Yolanda.</p> <p><i>Bookkeeping Practices and Financial Reporting.</i> Although the current bookkeeping practices of the SLPAs with General Merchandise Stores use simple bookkeeping methods of calculating daily income per product, the financial statements that should be generated from it such as the Monthly Income Statement and Monthly Balance Sheet are not yet generated by said SLPAs, hence it would be difficult to assess the true financial status of the enterprise on a certain date. The Field PDO can provide additional technical assistance by building the capacity of at least two (2) members of the SLPA in charge of bookkeeping, and link them to the training on Accounting For Non-Accountants provided by the Department of Trade and Industry (DTI) or other SLP partners in the region.</p> <p><i>Agreement of Members on Income or Losses.</i> It appears that the SLPA members are hesitant to discuss matters pertaining to the subject of dividing income and losses. Most of them suggest that they will decide on it in a year or after a year. Although this agreement among members cannot be forced at the moment, the sustainability of the group enterprise would be affected if the same is not settled or levelled off early. The usual division in income or losses would depend on the ratio of investment of each of the members with respect to the combined initial capital of the microenterprise. The Field PDO can help settle the matter for the SLPA, as a livelihood adviser.</p>	
<i>Municipality</i>	<i>Specific issues on the sustainability of the project</i>
Daanbantayan	<p>Findings:</p> <p>Existing livelihood projects on General Merchandise Store and the construction of Satellite Market involving the Bateria Daan Bantayan SLPA. The Store currently</p>

sells common items found in a small *sari-sari* store such as softdinks, junk foods, biscuits and candies, and grocery items such as coffee sachets, vinegar, sugar, shampoo, among others.

Project Title	Approved Project Cost	Pantawid	Non-Pantawid	Total No. Participants
Bateria General Merchandise	270,000.00	13	38	51
Construction Of Satellite Market	196,800.00	6	35	41

Sustainability Issues:

Creating customer or foot traffic for the Store and the Satellite Market. While the area of business is located near a public school, basketball court and small-town church, there is little customer or foot traffic during the field visit and the Satellite Market is empty. This is highlighted by the fact that it's non-school day and it's not a weekend or a Sunday.



Initial recommendations:


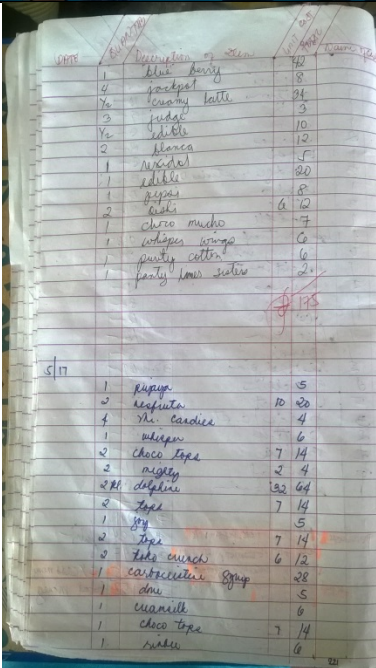
Customer or foot traffic in said area may be increased by (a) selling distinct and/or in-demand products or services, and (b) employing a simple marketing strategy involving members of the SLPAs.



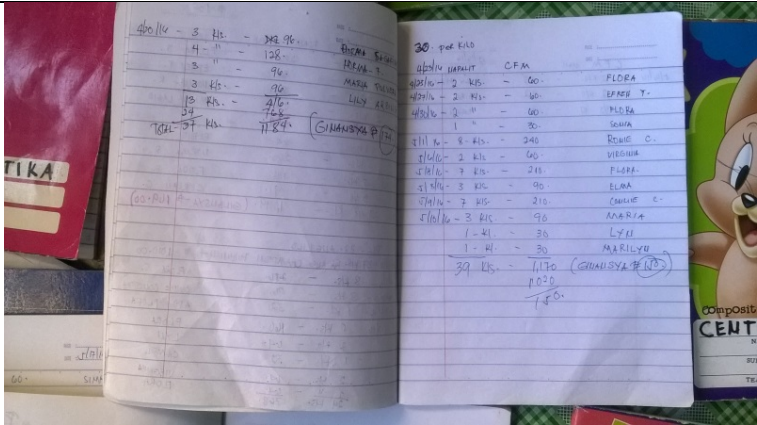
There are more opportunities to meet demand for certain products and services in the rural areas since there are less competitors compared to urban areas. Selling distinct and/or in-demand products or services may become profitable by mapping opportunities within a certain radius or distance (e.g. 3 or 5 kilometers) from the location of an existing Store. Hence, the Field PDO can render additional technical assistance to the SLPA by helping them map said opportunities.

A simple marketing strategy involving members of the SLPAs as roving sales agents. Members of the SLPA can become roving sales agents for the Store. For example, it would help the Store to earn more by preparing for the opening of the school year, catering to the needs of the students by selling items that are in demand for quick return on investments. Pre-orders for certain items such as notebooks, pens, and certain school supplies may be forecasted with the technical assistance of the Field PDO, and may be sold by the members of the SLPAs by selling house-to-house.

Other capable SLPAs with saleable products should be invited to rent or use the available spaces at the Satellite Market in order to increase customer or foot traffic in the area. The Store can also be a consolidator of many food products of other SLPAs. Developing and linking the Store to supply the foods needs of the institutional markets such as the School Feeding Program and Supplementary Feeding Program would greatly improve its income and customer traffic.

	Photo Documentation Bateria Daan Bantayan SLPA and Bateria Satellite Market																
		The General Merchandise Store is located side by side the Bateria Satellite Market, which is located near a public school, basketball court and small-town church.															
		The SLP modality of Cash For Building Livelihood Assets (CBLA) was used for the construction of the Satellite Market at Brgy. Bateria.															
Medellin	<p>Findings:</p> <p>Existing livelihood project on General Merchandise Store involving the Mahawak SLPA. The Store currently sells common items found in a small <i>sari-sari</i> store such as softdinks, junk foods, biscuits and candies, and grocery items such as coffee sachets, vinegar, sugar, shampoo, among others.</p> <table><tr><th>Project Title</th><th>Approved Project Cost</th><th>Pantawid</th><th>Non-Pantawid</th><th>Total No. Participants</th></tr><tr><td>Construction Of General Merchandise (Labor Only)</td><td>100,800.00</td><td>19</td><td>2</td><td>21</td></tr><tr><td>Gen. Merchandise</td><td>270,000.00</td><td>35</td><td>44</td><td>79</td></tr></table> <p>Sustainability Issues:</p> <p>Located along a major road, the Store enjoys regular customer or foot traffic. The main challenge for the Store would be to offer relevant saleable products that would maximize its income potential.</p> <p>Initial Recommendations:</p> <p>The Store can capitalize on its strategic location with a variety of products that has a higher return on investment. The Field PDO may be able to provide technical assistance to the SLPA by forecasting sales on existing inventory to know on what products are saleable and how much is the optimum inventory of certain items for sale at the Store.</p>		Project Title	Approved Project Cost	Pantawid	Non-Pantawid	Total No. Participants	Construction Of General Merchandise (Labor Only)	100,800.00	19	2	21	Gen. Merchandise	270,000.00	35	44	79
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Construction Of General Merchandise (Labor Only)	100,800.00	19	2	21													
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	<p>Photo Documentation of Mahawak SLPA</p> 	<p>The General Merchandise of Mahawak SLPA is located along the major road and enjoys regular customer or foot traffic.</p>															
		<p>Sample entry on the record book of daily sales of the Store.</p>															
Sogod	<p>Findings:</p> <p>Existing livelihood project on General Merchandise Store involving the Calumbuyan SLPA. Among others, the notable products sold are Rice, Mais, Mongo, Cooking Oil, and Firewood.</p> <table border="1"><thead><tr><th>Project Title</th><th>Approved Project Cost</th><th>Pantawid</th><th>Non-Pantawid</th><th>Total No. Participants</th></tr></thead><tbody><tr><td>Construction of Stores for Rice Trading Project</td><td>205,005.00</td><td>9</td><td>34</td><td>43</td></tr><tr><td>General Merchandise Project</td><td>265,000.00</td><td>25</td><td>33</td><td>58</td></tr></tbody></table> <p>Sustainability Issues:</p> <p>The location of the Merchandise Store is hidden from view from most customers and located substantially away from the main road. Hence, the lack of customer or foot traffic may affect the long-term sustainability of the project.</p>	Project Title	Approved Project Cost	Pantawid	Non-Pantawid	Total No. Participants	Construction of Stores for Rice Trading Project	205,005.00	9	34	43	General Merchandise Project	265,000.00	25	33	58	
Project Title	Approved Project Cost	Pantawid	Non-Pantawid	Total No. Participants													
Construction of Stores for Rice Trading Project	205,005.00	9	34	43													
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	<p>Initial Recommendations:</p> <p>The SLPA can start by improving on its signage to advertise its presence in the community. Certain merchants (e.g. Globe or Smart, Pepsi or Coca Cola) may be willing to sponsor for free a signage that will also display their logos. The Field PDO may be able to assist the SLPA on said signage by linking them to said merchants.</p> <p>In order to create customer or foot traffic around the Store location, the SLPA can also adopt the initial recommendations given to Bateria Daan Bantayan SLPA.</p>	
	Photo Documentation of Calumboyan SLPA	
		Members of the Calumboyan SLPA pose in front of their Store, located substantially away from the main road.
		A member of the Calumboyan SLPA arranging products for sale at the Merchandise Store.
		The Calumboyan SLPA uses simple bookkeeping method of calculating the income or "ginansya" per product.

		<p>Use of individual “ledger” per product in order to accurately calculate income per product.</p>
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Type of Microenterprise: **Hog Raising**

Common Findings: The two (2) hog raising projects visited have the following common issues that may affect the long-term sustainability of the projects:

- (1) Need for economies of scale. The backyard hog farms involved in hog fattening operations may experience decreasing profitability because of inefficient operations and increasing production costs.
- (2) Consistent low farm gate price on the hogs sold, especially if the meat is of low quality.

Initial Recommendations:

The SLPAs, thru the assistance of the Field PDO, may look into the present market opportunity for hog raising, how current supply cannot serve demand, and establish contract growing schemes between commercial growers and backyard growers. Backyard hog raisers may also specialize on swine breeding, to supply good quality piglets to backyard and commercial farms.

According to the Department of Agriculture, under a formal contract growing agreement, commercial hog raisers, benefitting from bulk purchasing of inputs, can supply feeds, biologics, piglets or breeders that the backyard hog raisers can manage in their own farms. The commercial growers then buy back the piglets for their own needs, or the fatteners to supplement their own stocks which they supply to their long - term buyers offering better terms and prices (*Value Chain Analysis for Swine by the Department of Agriculture Philippine Rural Development Program*). Many established commercial growers of organic hogs have such contract growing agreement.

Municipality					
Medellin	Findings: Existing livelihood project on Hog Raising involving the Lamintak Norte SLPA .				
	Project Title	Approved Project Cost	Pantawid	Non-Pantawid	Total No. Participants
	Construction Of Piggery (Labor Only)	47,040.00	21	0	21
	Hog Raising	270,000.00	41	30	71
	Hog Raising	270,000.00	56	14	70


	Photo Documentation of Lamintak Norte SLPA																
		Signage the Cash For Building Livelihood Assets (CBLA) and Enterprise Capital Assistance (ECA) project of the Lamintak Norte SLPA.															
		One of the pig pens at the site of the project of Lamintak Norte SLPA.															
Sogod	Existing livelihood project on Communal Piggery involving the Bagatayam Sogod SLPA.																
	<table><tr><th>Project Title</th><th>Approved Project Cost</th><th>Pantawid</th><th>Non-Pantawid</th><th>Total No. Participants</th></tr><tr><td>Construction of Piggery in Brgy Bagatayam Sogod</td><td>202,500.00</td><td>17</td><td>37</td><td>54</td></tr><tr><td>Communal Piggery Project</td><td>270,000.00</td><td>14</td><td>40</td><td>54</td></tr></table>		Project Title	Approved Project Cost	Pantawid	Non-Pantawid	Total No. Participants	Construction of Piggery in Brgy Bagatayam Sogod	202,500.00	17	37	54	Communal Piggery Project	270,000.00	14	40	54
Project Title	Approved Project Cost	Pantawid	Non-Pantawid	Total No. Participants													
Construction of Piggery in Brgy Bagatayam Sogod	202,500.00	17	37	54													
Communal Piggery Project	270,000.00	14	40	54													

	Photo Documentation of Bagtayam Sogod SLPA	
		Pigpen and signage at the site of the Communal Piggery Project of Bagtayam Sogod SLPA.
		Piggery project of Bagtayam Sogod SLPA.