The growth in Mindanao’s gross regional domestic product in recent years has surpassed that of other regions as well as the national average. In spite of this, its share of the country’s gross domestic product is only at 14.4 percent on average, which pales in comparison to Luzon’s contribution of 73 percent. This is mirrored by the wide income and social disparities between and within the various regions in Mindanao.

The five cities considered as growth centres (Davao, General Santos, Cagayan de Oro, Iligan and Zamboanga) have not generated sufficient economic activity to impact human welfare in the rest of Mindanao, especially in the Autonomous Region of Muslim Mindanao (ARMM), which has suffered from decades of conflict that continues to undermine its economic growth. ARMM is considered the poorest region in the country, with poverty incidence at 48.7 percent versus the national average of 19.7 percent.

Despite the shift in weather patterns and related extreme events that have affected its production activities, Mindanao’s economy continues to be dominated by the agriculture sector and prospects for agri-industrial development remain high. The challenge lies in harnessing this potential to support Mindanao’s overall economic development.

Recognizing the disparities in growth in ARMM’s conflict-affected municipalities and non-ARMM regions, FAO has adopted a differentiated approach that aims to strengthen the agricultural sector in Mindanao’s growth centres while preparing conflict-affected municipalities in Bangsamoro areas for economic integration.

FAO shall pursue new or continue to undertake existing efforts that will help increase productivity; increase forward linkage with the industry and services sectors; and improve resilience to risks, including climate change. The following key project and programme areas and objectives are aligned with the strategies in the updated Philippine Development Plan (PDP) for the agriculture and fisheries sector:

- Introduction of various productivity enhancing technologies to improve household incomes and promote sustainable agricultural practices.
- Technical assistance to government in reviewing existing policies that promote equitable agribusiness venture arrangements between farmers and agribusiness firms and capacity building activities for farmers that are anchored on the value chain approach.
- Capacity building on enterprise development and agribusiness that will allow farmers, fisherfolk and local government units to maximize potential market opportunities.
- Supporting the government in completing its agrarian reform initiatives and improving the effectiveness of its land tenure system.
- Introduction of innovative measures on disaster risk reduction (DRR) and climate change (CC) adaptation that will increase the resilience of agricultural livelihoods.
- Capacitating the government in effective and evidenced-based planning through the establishment of information and early warning systems related to food and nutrition security.
Key interventions in ARMM

FAO’s approach to development and development assistance in ARMM focuses on supporting the rehabilitation of agriculture and fisheries-based livelihoods, accelerating agriculture-based enterprises and increasing access to sustainable energy in conflict-affected municipalities. To help realize the larger goal of contributing to the attainment of sustainable peace and development and inclusive growth in the Bangsamoro areas, FAO interventions will include:

Restoring and increasing the productivity of agriculture and fisheries-based livelihoods of smallholder farmers and marginalized fishers, decommissioned MILF combatants and their families through:

- Distribution of agriculture and fisheries inputs;
- Training and technical assistance on improved cropping, diversified farming systems, and climate-smart agriculture practices through farmer field schools and fishery technologies for both farmers as well agriculture extension workers and technicians;
- Rehabilitation/construction of small-scale irrigation systems; and
- Provision of communal post-harvest facilities, storage, solar dryers.

Enhancing the competitiveness of farm households, particularly women, to establish and manage micro-enterprises through:

- Identification and selection of potential micro agri-based enterprises in the target areas;
- Training for beneficiaries, particularly women and women’s groups on identified micro-enterprises such as food processing, cottage industry and farming/fishing skills that are market-driven;
- Capacity development training on entrepreneurship development;
- Conduct of market linking/matching activities with potential buyers, trade fairs and market missions; and
- Facilitation of access to micro-finance services aligned with Islamic finance practices.

Facilitating the establishment of agribusiness enterprises with production-market contract agreements or similar arrangements through:

- Identification, assessment and evaluation of potential agribusiness enterprises;
- Conduct of business fora and dialogues;
- Conduct of pre-feasibility studies and business planning; and
- Capacity development on enterprise development and management.

Introducing and facilitating access to innovative small-scale renewable energy solutions, particularly solar photovoltaic systems such as:

- Solar system or electricity to households for lighting and household-based activities;
- Solar-powered water pumps for drinking water and irrigation.

Capacity development for DRR and implementation of good practice options and technologies to increase the resilience of farming and fishing livelihood systems through:

- Planning for DRR and management in agriculture;
- Introducing good practice options and technologies for DRR in agriculture through farmer/fisherfolk field schools; and
- Basic early warning and disaster preparedness and response for agriculture.

FAO projects in Mindanao

- Emergency Response to Restore the Livelihoods of Conflict-Affected Communities in the Autonomous Region in Muslim Mindanao and in Region XII (June 2015-May 2016 | USD 470 000 | FAO)

- Increasing Public Confidence and Participation in Support of Implementation of the Bangsamoro Peace Agreement (In Zamboanga City, FAO and the International Labour Organization are helping to restore the livelihoods of fisher families displaced by conflict.) (November 2014-May 2016 | USD 300 000 | PBF Funds-United Nations)

- Restoring Agricultural Livelihoods in Conflict-Affected Communities in North Cotabato Province, Region XII, Philippines (June 2015-Oct. 2017 | USD 3 000 000 | New Zealand)