Promoting sustainable economic development in Mindanao through agriculture

Background

The growth in Mindanao’s gross regional domestic product (GRDP) in recent years has surpassed that of other regions as well as the national average. In spite of this, its share to 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 economic and social inequalities between and within the various provinces in Mindanao.

Five cities considered as growth corridors (Davao, General Santos, Cagayan de Oro, Iligan and Zamboanga) have not generated sufficient economic activity to impact human welfare in the rest of the region, especially in the Autonomous Region in Muslim Mindanao (ARMM), which has suffered from decades of protracted conflict, including the recent Marawi siege that continues to spoil its economic growth.

The Bangsamoro Organic Law (BOL) has been ratified and the former ARMM is now transitioning to the new Bangsamoro ARMM (BARMM) led by the Bangsamoro Transition Authority (BTA). The BARMM is composed of the provinces of Maguindanao, Lanao del Sur, and the island provinces of Basilan, Sulu, and Tawi-tawi. The autonomous region’s territory has expanded to include the city of Cotabato and 63 villages in North Cotabato province following the plebiscites in these areas. These developments will also result in changes in government institutional arrangements.

Despite the transitions in governance structures, erratic weather patterns and related extreme events that have affected its agri-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 nurturing this potential to support Mindanao’s overall economic development.

Development approach

In support of the Government’s priority development agenda for Mindanao, the Food and Agriculture Organization of the United Nations (FAO) is implementing a strategic plan for agriculture and agribusiness that will maximize distinct and unique livelihood opportunities both in key cities and rural, conflict-sensitive areas. FAO is also actively supporting the restoration of disaster and conflict-affected agricultural communities through building of economic resilience.

Quick Facts

21.5 million people
Mindanao is the second largest island in the Philippines, representing about a quarter of the country’s total population.

One-third of land devoted to agriculture
About a third of Mindanao’s land area is devoted to agriculture.

Supplies 40 percent of food
The region supplies over 40 percent of the country’s food requirements and contributes more than 30 percent to national food trade.

FAO in Mindanao

July 2019

Quick Facts

FAO Mindanao Strategic Programme for Agriculture and Agribusiness (MSPAA) Priorities

- increase production and productivity
- promote appropriate technologies, e.g. new crop varieties, better livestock breeds and fishery/aquaculture species
- promote resilient agri-based livelihoods to natural (sudden emergencies and slow onset) and human-induced (armed conflict) disasters, including other threats and emergencies
- improve competitiveness and profitability of small-scale agriculture
  - enhance diversification
  - enhance value-adding (on- and off-farm processing)
  - support intensification of post-harvest technologies
- improve governance and institutional frameworks for accessing technologies, credit and markets
  - tap the private sector to link with small farmers under co-production/marketing arrangements

FAO coordinates with the Mindanao Development Authority and also works closely with the BTA and relevant ministries in BARMM, the Office of the Presidential Adviser on the Peace Process, Department of Trade and Industry, and other pertinent agencies, local government units, non-government organizations, civil society organizations, academe and other United Nations (UN) agencies.
Key interventions in regions outside the Bangsamoro Autonomous Region in Muslim Mindanao

- 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 and conflict-sensitive 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 and climate change adaptation that will increase the resilience of agriculture-based 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 the Bangsamoro Autonomous Region in Muslim Mindanao

To help realize the larger goal of contributing to the attainment of sustainable peace and development and inclusive economic growth in BARMM, FAO assistance includes:

- institutional capacity-building in BTA and relevant ministries on strategic planning of programs and projects including catch-up interventions for decommissioned combatants
- transformation of camps into peaceful and productive communities
- restoring and increasing the productivity of agriculture and fisheries-based livelihoods of smallholder farmers and marginalized fishers, former combatants, returnees, internally displaced farmers and their host families
- encouraging the competitiveness of farm households, particularly women, to establish and manage micro-enterprises
- facilitating the establishment of conflict-sensitive agribusiness enterprises with production-market contract agreements or similar arrangements
- introducing and facilitating access to innovative small-scale renewable energy solutions, particularly solar photovoltaic systems
- capacity development for disaster risk reduction and implementation of good practice options and technologies to increase the resilience of farming and fishing livelihood systems

Ongoing and recent projects in Mindanao

Between 2014 and 2019, FAO assistance in Mindanao reached more than 51,500 farming and fishing households. Ongoing, recent and pipeline projects include:

- Agricultural Training for the Establishment of Peace in Mindanao | USD 1.76 million | Government of Japan
- Support to Agriculture and Agribusiness Enterprises in Mindanao for Sustainable Development | USD 5.8 million | Government of South Korea
- Development and piloting of socio-economic model for durable solution in transforming conflict-affected communities into productive agro-economic area | USD 53,000 | FAO
- Development of Halal Agricultural Production Systems in Mindanao, Philippines | USD 180,000 | FAO
- Technical support for the establishment of an Agricultural Economic Zone (AEZ) in Lanao del Sur | USD 180,000 | FAO
- Early Warning, Early Action on El Niño initiative in Mindanao | USD 400,000 | Government of the Kingdom of Belgium
- Support to Mindanao Peace and Development | USD 2.6 million | New Zealand
- Emergency assistance to restore food security and enhance agricultural production and resilience in typhoon-affected communities in Lanao del Norte (Region X) and Lanao del Sur (ARMM) (USD 500,000 | FAO)
- Marawi Livelihood Assistance Project (May 2018 to September 2019 | AUD 1,000,000 | Australia Government through Community Family Services International)
- Improving food security through access to food, livelihood restoration and increased agricultural capacities (April to December 2018 | USD 850,000 | United Nations Central Emergency Response Fund)
- Emergency assistance in restoring food security and agricultural production in conflict-affected communities in ARMM - Marawi and Lanao del Sur (July 2017 to June 2018 | USD 500,000 | FAO-SFERA/Belgium)
- Restoring Agricultural Livelihoods in Conflict-Affected Communities in Cotabato Province, Region XII (June 2015 to March 2018 | USD 3,000,000 | New Zealand)
- Emergency Assistance to Restore the Agricultural Livelihoods of Drought-affected Farmers in Selected Provinces in ARMM and Region XII (June 2016 to May 2017 | USD 500,000 | FAO)
- Emergency Response to Restore the Livelihoods of Conflict-Affected Communities in ARMM and in Region XII (June 2015 to May 2016 | USD 470,000 | FAO)
- Schools and community gardens in Lambayong, Sultan Kudarat (Telefood) (June 2015 to May 2016 | USD 10,000 | FAO)