



Marketing Approaches and Food Security

The impact on farmers in the Philippines

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Abbreviations

AFRIM	Alternate Forum for Research in Mindanao
ARB	Agrarian Reform Beneficiary
ARP	Agrarian Reform Programme
ATC	Alter Trade Corporation
ATFI	Alter Trade Foundation Inc.
ATG	Alter Trade Group
CARL	Comprehensive Agrarian Reform Law
CARP	Comprehensive Agrarian Reform Program
CLOA	Certificate of Landownership Award
CNO	Crude coconut oil
COIR	Coconut Industry Reform Movement
DAFWARBA	Dama Farm Workers Agrarian Reform Beneficiaries Association
DAR	Department of Agrarian Reform
FARMCOOP	Foundation for Agrarian Reform Cooperatives
FLO	Fairtrade Labelling Organisation
FOB	Free on Board (price paid on ship, meaning that producer has to bear transport costs to the harbour)
IDEAS	Institute for the Development of Educational and Ecological Alternatives
IP	Indigenous peoples
KFI	Kadtuntaya Foundation, Inc.
LGU	Local Government Unit
MASA	Movement for the Advancement of Sustainable Agriculture
MIARBA	Minoro-Isabel Agrarian Reform Beneficiaries Association
MOFA	Malvar Organic Farmers' Association
MOHA	Mainuswagon nga Obrero sa Hacienda Ambulong – Hacienda Ambulong Workers' Cooperative
NARB MPC	Nagasi Agrarian Reform Beneficiaries Multi-Purpose Cooperative
NCPERD	Negros Center for People Empowerment and Rural Development
NGO	Non Governmental Organisation
NIRD	Negros Oriental Institute for Rural Development
PCART	Palawan Centre for Appropriate Rural Technology
PHP	Philippine Peso
PO	People's Organisation
SIMCARRD	Sustainable Integrated Area Development (SIAD) Initiatives in Mindanao – Convergence for Asset Reform and Regional Development
SOBAGROMCO	Sibulan Organic Banana Growers Multi-Purpose Cooperative
SSS	Social Security System
STARFA	Santa Rita Farmers' Association
WFTO	World Fair Trade Organisation
WTO	World Trade Organisation

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Preface

During their 5th General Assembly in July 2010, the partner organisations of "Brot für die Welt" (Bread for the World) in the Philippines organised in the Movement for the Advancement of Sustainable Agriculture (MASA) discussed the findings and recommendations of this study. It had been conducted among farmer organisations which are supported by three MASA member organisations.

Time has passed since the report of this study about marketing approaches of small farmers in the Philippines was completed. The negative effects of the international financial crisis which were affecting export demand for agrarian cash crops in general and Fair Trade sales in particular at the time of research in November 2009 have since abated. The situation of small farmers, however, has remained precarious, and thus the need for expanding their marketing options is of lasting importance.

First and foremost the network welcomed the initiative of "Brot für die Welt" (Bread for the World) to expand its focus from the production side towards including marketing aspects. The more control small farmers can exercise beyond primary production to downstream stages of the value chain, the better their negotiation power and revenues will get. While cultivation includes the highest risks, more profits are generated in processing and trading of agrarian products.

The partner organisations agree with the finding that organising farmers in cooperatives and associating in networks is a precondition for marketing success. In this context they would appreciate support in organisational development. Relating to business development, they favour the concept of social and community based enterprises which target the triple bottom line of social, ecological and economic benefits to small farmers. Through empowerment, they hope that farmers will achieve more control of the value chain from field production to processing and trading. More than the results from this study would recommend, the MASA members

continue pinning high hopes on Fair Trade. They specially cherish Fair Trade in its original form of producer-consumer solidarity which to a certain extent acts as a counterbalance to the liberalised world trade.

Since there is a continuing interest for the results of this study which spreads much beyond the original audience of small farmers on the Philippines and their support organisations, "Brot für die Welt" has decided to publish it in its Analysis Papers. We thank all those who have contributed to its realisation, from the interviewed farmers to our partner organisations on the Philippines and the two consultants who have conducted the study and written the report.

Dr Elke Ahrens
Fair Trade Desk
Brot für die Welt

Executive Summary

Everyone needs money to participate in modern life. However poor they are, people want to send their children to school and they have to pay for health services. Therefore access to markets where they can sell their agrarian products has become increasingly important even for small farmers. Due to trade liberalisation and international competition, however, the market conditions for agrarian products are constantly changing. An ideal marketing strategy thus does not exist. For many farmers, export appears as a desirable option, especially at Fair Trade conditions. The German development agency "Brot für die Welt" has commissioned this study to analyse the experiences of partner organisations on the Philippines with different marketing strategies and their effects on food security. The results will be used for qualifying the support of partner organisations in the context of marketing.

The Philippines were chosen for the study because in this country "Brot für die Welt" is supporting several partner organisations who are experienced in different marketing strategies including Fair Trade. In order to minimise the influence of differing framework conditions and to increase comparability, the case studies focus on the two products sugarcane (Negros) and bananas (Mindanao and Negros). In November 2009, a study team consisting of one female social scientist from Germany and one male agricultural extensionist from the Philippines visited ten rural producer organisations and cooperatives which had been formed by beneficiaries of agrarian reforms. These new landowners are under considerable strain to succeed, because they have to prove that they are productively using their land. Simultaneously, they have to generate the funds for repaying their loans. In their support for cooperatives of agrarian reform beneficiaries, the three studied partner organisations of "Brot für die Welt" are employing different strategies:

- NCPERD has made itself a name on Negros for successfully supporting farm workers in enforcing their land claims even against the fierce opposition of feudal hacenderos. In the subsequent consultancy of the new

landowners, NCPERD focuses on organic production and regional marketing.

- ATFI is supporting farmer cooperatives in Negros in obtaining organic and Fairtrade certifications. The unrefined Mascobado sugar produced by the sister organisation ATC is exported to Germany at Fair Trade conditions, whereas organic and Fair Trade bananas find their buyers in Japan.

- FARMCOOP is based in Davao on Mindanao, a region dominated by international fruit companies. The organisation is consulting cooperatives of former banana workers and new landowners in their endeavour of producing export quality bananas. They also assist them in negotiating favourable sales contracts with international fruit companies.

In surveying the farmer organisations and cooperatives, the study team used methodologies for impact assessment: They started by developing a time line along which the participants first listed important changes which they had observed since the land acquisition. In a second step, they listed major interventions and external influences with a specific focus on production and marketing. Subsequently they were asked to assess the importance of the observed changes as well as of the perceived causes in an influence matrix. In an attempt to broaden the data base for analysis, first results were reflected during two workshops with the participation of a wider range of partners from the Movement for the Advancement of Sustainable Agriculture (MASA), a network of "Brot für die Welt" partner NGOs and POs in the Philippines engaged in sustainable agriculture programmes. In the context of these workshops, experiences with other export products (e.g. copra and medicinal herbs) as well as with other target groups (traditional small farmers without contact to export structures) were added.

Potentials and challenges of different marketing strategies

All new landowners who have been interviewed in the context of this study get the better part of their income

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from producing and marketing the regionally dominant cash crops sugarcane or bananas. Already as farm workers they have acquired part of the basic production know-how, plus they can access local processing capacities such as sugar mills, or washing and packing stations for bananas. Since the prices for sugarcane from conventional production have been low over the past years, ATFI has opened up new marketing channels for organic and Fair Trade sugar for its producer organisations.

Obtaining the organic and Fair Trade certificates which are a precondition for Fair Trade exports, however, is costly and requires a systematic conversion and documentation of cultivation. While these investments have as yet paid off for the small farmers who were able to recover the cost by obtaining better prices and Fair Trade premiums, at the time of data collection for this study, ATFI reported a decline of orders from international Fair Trade importers relating to the financial crisis in 2009. If the growing domestic demand for Mascobado will be able to balance dwindling export perspectives looks questionable, since the Philippines have slashed import taxes for sugar effective from January 2010.

For the marketing of bananas from conventional production, FARMCOOP's strategy focuses on improving the contract terms with international fruit companies. Through strikes of impoverished banana farmers, with support from international advocacy organisations and legal expertise, they have successfully negotiated long-term sales contracts for the farmer cooperatives to conditions which are even better than those offered by Fair Trade. This success has also become possible because bananas are a sellers market on the Philippines where the fruit companies are constantly searching for new suppliers. Through capacity building in quality production, the former plantation workers are now able to fulfil the strict quality requirements for export bananas. If FARMCOOP can achieve similar successes with indigenous farmers who are producing organic bananas for the Japanese market yet remains to be seen.

Already in their earlier life phases as plantation workers, some members of the producer organisations had culti-

vated fruit and vegetables and sold part of them on local markets. That helped them to maintain food security even through the fallow periods of sugarcane locally referred to as "tiempos muertos". Some were even able to start small savings from these sales. After the acquisition of own land, the majority of these farmers has expanded the production of basic food stuffs such as rice, fruit and vegetables. Mainly in an attempt to reduce production costs and/or to protect their health, some of them put emphasis on organic production. Although the consumer demand for organic products is on the rise in the Philippines, a corresponding marketing infrastructure is still missing in many places. In cooperation with the state-run campaign "Negros Organic Island", NCPERD has started a local organic market with an affiliated organic café which is well frequented by the urban middle class in the provincial capital of Bacolod.

Land ownership is changing life in many aspects

With annual revenues of 6,800 Euro on average, the members of the banana farmers' cooperatives consulted by FARMCOOP are catching up with the local middle classes. Even though the incomes are considerably lower among other producer organisations studied (1,400 Euro at the other end of the spectrum, in a yet very young farmer organisation supported by NCPERD), nevertheless all interviewed farmers rated income increases as the major improvement. Especially among the well-to-do farmers, the income supplies many other wants by opening a range of options for e.g. buying food or sending their children for higher education. Therefore increases in food security have specifically been mentioned by those farmers, whose incomes have not yet increased much, thus ranking only fourth in the list of significant changes. While the quantity of food can easily be augmented through purchases, the members of those cooperatives which have shifted to organic cultivation of rice and vegetables stress the quality improvements of their diet relating to variety, nutritional value, and taste.

Status gains as landowners and a better position of women were assessed as second and third most important changes by the interviewed farmers. The spectrum,

in which these changes occur, however, differs from organisation to organisation. While the farmer organisations accompanied by NCPERD report their transformation from dependent farm workers to independent farmers, some members of the cooperatives assisted by ATFI and FARMCOOP have even advanced to small entrepreneurs.

The improved status of women mainly relates to the introduction of equal treatment in the work context. While the owners of large plantations tend to pay women considerably less than men, the farmer cooperatives have declared equal pay for equal work. The improved income opportunities for women in rural areas have among the landowner cooperatives reduced the female work migration to cities which is otherwise very prevalent on the Philippines. While women increasingly assume responsibilities in farmer organisations and communal bodies, their role in the families, however, has not substantially improved. Although a decrease in domestic violence was reported by the interviewed women, they still stated that the multiple responsibilities of housework and child-rearing rest entirely on their shoulders, on top of increased income generation activities and political participation.

The cooperative with the highest income rated the strengthening of its organisation as major achievement. Even though this change ranks only fifth in the overall evaluation, most of the new landowners are well aware that they can meet the challenges of production and marketing successfully only in strong collectives of many small farmers. The conservation of natural resources is valued only by such organisations that either build on indigenous traditions or source part of their income from forest lands.

Consultancy and training form the basis for success of the new landowners

Constantly changing market conditions and buyer expectations mark the economic environment for agriculture in times of globalisation. In order to adapt to this new situation, the former farm workers and new landowners need support in the form of consultancy and

training. The agrarian reform beneficiaries interviewed for this study rated the capacity building programmes provided by the partner organisations of "Brot für die Welt" as most important interventions. Depending on the context, the services on offer comprise legal counselling, agricultural training, and design of marketing strategies, village development planning, financial management, and organisational development. In addition to the measures of their supporting NGO, most farmer organisations have successfully accessed local government programmes such as credits at favourable conditions for livestock breeding or setting up a rice mill. Especially for those cooperatives that are already achieving a high product quality and are interested in export marketing, access to credits forms a prerequisite for business growth.

Asked about the importance of their own interventions, the interviewees assessed the diversification of agricultural production and the conversion to organic production up to certification as most effective. Since only one of the three partner organisations of "Brot für die Welt" is participating in Fair Trade, the latter could not score high overall ratings. A detailed survey about the impact of Fair Trade still provided interesting results: According to ATFI who had exported through Fair Trade channels already before the introduction of FLO standards, the exchange between producers and consumers and the resulting trade relations based on solidarity and trust are more important than the FLO fair price and Fairtrade premium. They stated that the success of some of their producer organisations would not have been possible without the support that European and Japanese Fair Trade organisations provided to them beyond the mere trade relationship and which also included giving them a second chance after setbacks.

All interviewees stressed that organising in producer cooperatives constitutes a central success factor. During their starting times, most of the farmer organisations had to overcome crises during which some members also left the group. Apart from few exceptions, however, those agrarian reform beneficiaries who tried to fend for themselves have meanwhile given up and leased their land back to the former hacenderos. Even though this

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generates immediate revenues, they risk their land titles in the medium term, since the regulations of the agrarian reform stipulate that the new landowners themselves have to use their land productively for at least ten years in order to gain recognition for their land ownership. While most producer cooperatives started by both producing and marketing collectively, after few years most of them resorted to a combination of individual production and collective marketing. In this system, individual efforts to increasing production are rewarded. When it comes to marketing, however, only a larger group of producers is able to negotiate favourable contracts and prices for customary sales volumes of quality products. The production and marketing of rice, fruit, vegetables, fish and animal products, on the other side, is always done individually. This is also predominantly a female domain, and in some regions the women have joined in marketing committees. With this marketing channel, many women generate a substantial income which they may use to supply their own wants e.g. for clothing and cosmetic products.

- Integration of production and marketing of food
- Diversification of marketing channels of small producers
- Development and expansion of national and regional markets for organic and Fair Trade products in developing countries

Results and recommendations

There is no one best strategy for marketing of agrarian products which fits all. Constantly changing framework conditions and specific local characteristics force each agrarian business and each farmer organisation to regularly generate new strategies. The only learning from this study which can be generalised is the need to organise small producers. If they want to survive in a liberalised global market, beneficiaries of an agrarian reform have to join in cooperatives and associate in networks. Fair Trade provides just one of several marketing options. The support provided by "Brot für die Welt" and its partner organisations has to contribute to expanding the choices and marketing options of small farmers in developing countries. This study among Philippine agrarian reform beneficiaries has documented impact of consultancy and support specifically in the following areas:

- Organisational development, network building and advocacy of farmer organisations in a global agrarian market

1 Introduction

Marketing of agricultural products becomes increasingly important for farmers to generate income. However, trade liberalisation and competition for markets make it difficult for small farmers to identify adequate strategies and approaches. Both farmers and development organisations often consider the export of products as the gold standard of marketing i.e. where farmers stand to gain substantial increases in incomes. In this context, many organisations try to find marketing opportunities for farmers within the Fair Trade system.

Are the expectations towards export and Fair Trade justified? How successful can local and regional marketing be? What are the conditions to make different marketing approaches successful? How do men and women benefit from different approaches? What are their impacts on food security and livelihood of male and female farmers?

In order to answer these and other questions and promote marketing successfully, "Brot für die Welt" has commissioned this study to be carried out among partner organisations in the Philippines. The Philippines were chosen for the study because different partner organisations of "Brot für die Welt" are experienced in different marketing strategies including Fair Trade. The study analyses different experiences (cases) in order to identify tendencies, conducive and inhibiting factors as well as recommendations regarding different marketing strategies with emphasis on Fair Trade.

The objective of this study is to extend the knowledge of "Brot für die Welt" and partners about the impact of different marketing strategies (local/regional, conventional export, Fair Trade) on food security of male and female farmers in the Philippines in order to improve support and assistance to projects and programmes concerned with marketing.

For the concept of food security, the study relies on the definition as given by "Brot für die Welt" in its mission statement "Justice for the Poor 2000":

"Food security presupposes that at any time there is enough of the staple foodstuffs to enable all people to lead an active and healthy life. "Brot für die Welt" promotes strategies for sustainable food security which combine local production, a national policy conducive to agriculture, and regional exchange. It supports projects and programmes which intensify domestic agricultural production by means of environmentally sound and cost-effective methods. With a greater variety of products, peasant families derive their income from various sources thus minimising risk factors. It advocates a policy which increases the independence and self-reliant responsibility of the rural population. This plays a particular role when credits are granted or external inputs (seeds, fertiliser, and machines) are used."

In addition to this concept, local perceptions of food security were gathered among the visited partner organisations and local groups.

This survey would not have been possible without the open mind and active participation of all the people in the NGOs, peoples' organisations and cooperatives visited and of the MASA partners who took part in the two workshops. The research team thanks them very much for their hospitality and creative contributions! Hopefully some of the findings of the study will support them in their good work and encourage others to find their own way.

2 Methodological Approach

The study is based on three case studies and two workshops with representatives of a wider range of "Brot für die Welt" partner organisations. Partners for the case studies were:

- NCPERD (Negros Center for People Empowerment and Rural Development), based in Valladolid, Negros Occidental
- ATFI (Alter Trade Foundation, Inc), based in Bacolod City, Negros Occidental
- FARMCOOP (Foundation for Agrarian Reform Cooperatives), based in Davao City

They were selected based on the results of a survey on Fair Trade conducted by Elke Ahrens ("Brot für die Welt") in which the three organisations expressed their interest in the topics of the study. The framework conditions of the Negros based organisations ATFI and NCPERD are similar which facilitates a comparison between the different marketing strategies each of them have chosen in this context. Also the existence of different marketing approaches (Fair Trade for ATFI, conventional export for FARMCOOP) for the same product (bananas) facilitated comparison. Furthermore the people's organisations with whom all three NGOs work share the experience of transformation from farm workers to owner cultivators. They are now at the stage of becoming farmer entrepreneurs which renders marketing aspects very critical.

Various other partner organisations of "Brot für die Welt" in the Philippines also have marketing experiences and intend to enter the Fair Trade market. In order to include these experiences and thus enrich the study, two workshops were carried out after the field visits with the participation of a wider range of partners from the Movement for the Advancement of Sustainable Agriculture (MASA), a network of "Brot für die Welt" partner NGOs and POs in the Philippines engaged in sustainable agriculture programmes. During the workshops, the re-

sults of the field work have been presented (debriefing), experiences shared and conducive and inhibiting factors for successful marketing have been identified.

The research process was characterised by:

Focus on team work

The research was carried out in October/November 2009 by a team of consultants consisting of two people, one female social scientist from Germany and one male agricultural extensionist from the Philippines. Several managers and staff from the partner organisation provided valuable assistance in facilitating, translating and documenting results during community visits.

Focus on impact

The analysis of the different marketing approaches focuses on their outcome and impact on food security for the members of the farming families. The methodological approach is in accordance with the draft concept of the Ecumenical Diakonia for impact monitoring. In each of the partner NGOs and POs visited, the team started by developing a time line along which the participants first listed important changes which they had observed since the founding of their organisation and/or the start of cooperation with the NGO/different donor agencies. In a second step, they listed major interventions and external influences with a specific focus on production and marketing. Looking at the completed timeline, Feliciano Palacios of MOFA exclaimed in amazement: "This has really happened; it is us who accomplished all this!" After the lunch break, the groups were facilitated to select the most significant changes and prioritise important influences which then were filled into a matrix (see appendices 2, 4, and 6). They subsequently rated the extent to which an influence or intervention has contributed to bring about a change on a scale from -4 to +4. As a result, the passive sums provide information about the rating of changes, whereas the most influential interventions can be seen in the active sums. With some organisations, also organisational charts of marketing flows and/or tables with income sources were developed additionally.

Focus on women's role

The methodology and analysis of the study are gender sensitive, especially with regard to the gender differentiated analysis of impact. Without specific questioning by the consultants, in most of the partner organisations the improvement of the position of women was mentioned as significant change. Albeit the optimism expressed, the consultants assisted the participants in further specifying what exactly has changed. For some sessions, women and men were separated in group work to explore their different perspectives on e.g. utilisation of income.

Focus on learning

The data collection was conducted in a highly participatory way which facilitated the learning of all stakeholders regarding different marketing experiences. In the feedback rounds at the end of each partner and PO visit, the participants valued both time line and influence matrix as useful tools for assessing their organisation's performance and setting priorities.

3 Empowering the Rural Poor

Compared to neighbouring countries of Southeast Asia and Indochina, poverty is still widespread in the Philippines. According to a 2006 government survey, 27.6 million Filipinos or more than one third of the population were poor. The figure includes those who could not “provide in a sustained manner for their minimum basic needs for food, health, education, housing, and other social amenities of life”. The number of “subsistence poor” – those unable to provide enough to eat – were over 12.2 million. According to international data, 44% of the population subsisted on US\$2 or less a day. After the increase in rice prices in 2007/08 and the financial crisis of 2008/09, the current figures are most probably even worse. The reasons for continuing poverty can be found in the relatively low performance of the Philippines in an increasingly liberalised world economy, high levels of under- or unemployment, weak governance, unchecked population growth, blatant inequality (gini coefficient of 45.8 in 2006), persistence of armed conflicts, and declining productivity of agriculture which is already low in the Southeast Asian comparison.

Poverty is most severe and widespread in rural areas where half of the 88 million Filipinos and almost 80% of the country’s poor people live. Rural areas lag behind in economic growth and they have higher underemployment. The poorest of the poor in terms of income are indigenous peoples, landless farm workers some of which find only seasonal employment, small-scale farmers who cultivate land received through agrarian reform, small-scale fishers, people in upland areas and women. It is among those people where partner organisations of “Brot für die Welt” find their target groups. Many suffer from a decline in the productivity and profitability of farming, smaller farm sizes and unsustainable practices that have led to deforestation and depleted fishing waters. They need land and productive assets, more business opportunities in and outside agriculture, as well as access to microfinance services and affordable credit. Getting organised in peoples’ organisations or cooperatives is frequently the first step on their long journey towards improved livelihoods.

3.1 Background: Agrarian Reform Programmes

Even today, still around 80% of agricultural land on the Philippines belong to a small elite of big landowners. On that land, they either grow cash crops such as sugarcane in monoculture and to that purpose employ farm workers to do the planting, weeding and harvesting on these so called haciendas; or they rent out the land to tenant farmers who after paying for all the inputs such as seeds, fertilisers and pesticides, have to deliver something between 30 and 60% of their harvest to the landowner in rent. To change this unequal division of productive land, the mandate for agrarian reform is anchored in the constitution of the Philippines and was put into legislation since the mid 1950ies. Under President Marcos, in 1972 the Department of Agrarian Reform (DAR) was created which initially distributed mainly government owned lands planted with rice and corn to landless people. Some of the agrarian reform beneficiaries (ARB) interviewed as part of this study had received rice lands during that time. The Comprehensive Agrarian Reform Program (CARP) was initiated in 1988 by President Corazon Aquino. Under the CARP, farm workers obtained certificates of land ownership awards (CLOA) for land on which sugarcane and bananas are grown.

The Comprehensive Agrarian Reform Law (CARL) states that landless farm workers or tenants can request up to 3 ha of the land on which they live. The landowners have the right to retain up to 5 ha for their own family. The majority of land transfers is organised as voluntary transactions between land owners and ARB, with the government acting as intermediary. The CLOA holder has to pay the previous landowner 80% of the land value in hire-purchase at an interest rate of 6% over a period of up to 30 years. But for relatively few exceptions, the land titles are registered in the name of the family head, a male in most cases. The CLOA holder is not allowed to sell or transfer the land over a period of ten years, and he has to prove that it is productive. Lacking capital and know how for agricultural production, as well as access to marketing options, the new farmers face a huge challenge to earn the money for amortising their land loans. Even though the CARP also includes agricultural

extension schemes, they cover only a small fraction of ARB. Many are thus tempted by the offers of previous landlords or other local leaders to leaseback the land.

Until its supposed phase-out in mid 2009, the implementation of CARP has evoked a lot of criticism. After over 20 years, more than a quarter of the land identified for redistribution is still in the hands of big landowners who happen to belong to the most influential families. The landowners have used loopholes of the CARL, e.g. by converting fertile and even irrigated agricultural lands to cattle ranches, logging concessions or building sites. Even worse, many of them have either filed court cases against potential ARBs or outright denied CLOA holders access to their land.

3.2 From land acquisition to organic marketing: NCPERD and PO

Especially on the island of Negros with its highly feudal structure of sugarcane haciendas, the ARBs face a lot of obstacles. There is already a high psychological barrier to requesting land from the omnipotent haciennero who has patronised them throughout their lives from cradle to grave. Due to the inaccessibility of rural areas, many new farmers continue to depend on the previous landlords for processing and marketing their sugarcane. Their only chance is to organise in cooperatives, and those ARB cooperatives are lucky who get access to support from local government units (LGU) or NGOs such as the partner organisations of “Brot für die Welt” visited in the course of research for this analysis.

3.2.1 NCPERD – Legal assistance for sustainable livelihoods

Legal assistance to farm workers who want to access land under the CARP, and agricultural support for groups of newly independent farmers are the focus of NCPERD’s activities. Based in Valladolid, Negros Occidental, the Negros Center for People Empowerment and Rural Development (NCPERD) has since 2001 operated under this name, building on the activities of an antecedent organisation called NEDC which was founded in 1995. With a staff of seven men and four women, NCPERD

has built up its operational base from initially seven POs to presently 13 Barangays (smallest administrative unit of Philippines). Also the organisation’s activities broadened to include gender mainstreaming, HIV/AIDS and lately climate change.

Before 1995, the majority of NCPERD’s present target groups were farm workers in the sugarcane plantations. They did not own land, and in most cases the hacienneros did not allow them to grow food in backyard gardens on plantation land. Due to the low wages, most families could afford only two meals a day, and children started young to work on the sugarcane fields. Many women who were paid less for the plantation work migrated to the cities to find work as housemaids.

After mobilising and supporting farm workers to access land titles, the major challenge for NEDC/NCPERD has been to assist them in making the land productive. Because the new landowners were lacking knowledge and capital, initially almost 80% of them leased their land back to the previous owners or to other interested parties. Therefore NCPERD started to promote sustainable agriculture, diversification of products and organic certification among its target farmers which subsequently raised the question of how to market these new products. Whereas the market for conventional sugarcane and rice was controlled by traders, a market for organic fruit and vegetables still had to be developed. The Proclamation of Negros Organic Island in July 2007 provided an opportunity which NCPERD used together with others to start an organic market in the city centre of Bacolod. Several NGOs and the peoples’ organisations (POs) they are supporting operate not only fruit and vegetable stalls there but also a small organic café which enjoys great popularity among the local upper middle class.

Several years after their land acquisition, most farmers in the POs supported by NCPERD can afford five meals a day – three main meals plus two snacks which represents food security to their standards. For the sugarcane cultivated on communal fields, women now get the same wages as men, and many of them earn an extra income from marketing of organic fruit and vegetables

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and/or livestock. Some of them even have started businesses such as small consumer stores. Asked about the most important change, NCPERD staff therefore rated equal participation of men and women highest. Important evidence to this rating is that now the names of men and women are registered in the land title (CLOA) whereas earlier it was just the man's name. According to NCPERD staff's rating, the transition from farm worker to owner/cultivator and the development of a sense of entrepreneurship are the two next important changes observed among their target groups. The self-governance of POs is seen as another significant change.

Coming to the question of which interventions fostered these significant changes, NCPERD rates the financial trainings highest, followed by the facilitation of community planning and the advocacy and campaigning for marketing of organic products. To date, the POs of NCPERD have on average converted only 10% of sugarcane fields to food crops which may increase with a growing market demand. For the time being, their diversified and partly organic food production improves

mainly the nutritional quality of own food consumption as the Table 1 of estimated contribution of different income sources shows.

3.2.2 MOHA – Starting over to build independent livelihoods

Since the 1980ies, the present members of Hacienda Ambulong Workers' Cooperative (MOHA) earned an extra income through marketing of root crops, fruit and vegetables such as cassava, corn, sweet potatoes, peanuts and bananas. They all were workers on a sugarcane hacienda in Talisay, Negros Occidental, whose owner allowed them to grow these crops and plant fruit trees on hacienda land. While the production and harvesting of these products involved the whole family starting from children of seven years, the marketing was mainly done by female family members of at least 15 years. To join efforts for attaining land titles under the CARP, they formed the MOHA Association in 1991. With assistance of NCPERD, in 2004 they got part of the land titles they had requested while other claims are still pending. They

Table 1: Average income sources of POs supported by NCPERD (staff estimation)

Income source	(Household Level) income per year % of total income	How/Why important in comparison to other sources? Any plan to expand or reduce?	How/Why important to food security?
From marketed produce			
Sugarcane	16	Main source of employment for landless workers and ARBs; the latter also generate employment for others	Generates income for food purchases
Rice	19	Staple food	Culturally, rice is the life of every Filipino
Fruits & vegetables	7	70% consumed, 30% marketed; highly nutritious	Augments food base in the household
Livestock	7	Extra income (70% consumed, 30% marketed)	
Other income sources			
Hired labour/salary	20	Main source of income	Provides opportunity to buy enough and quality food; an opportunity/additional capital for investment in food production; helps avoid borrowing from usurers
Pension	15	Additional income for emergency and special cases/payment of debts	
Remittances	16		
Total	100		

transformed the Association into MOHA MPC which presently has 55 members, 22 of which are female.

After they had applied for land titles, the hacienda owner ended the benevolent relationship with his workers and evicted the new land owners from their houses. They had to setup house on their new land which at the time was under sugarcane. Since they already had some savings from their local marketing during farm worker times, they were able to obtain a credit for communal farming of sugarcane from a financing institution. They started communal farming of conventional sugarcane which they collectively sold to the local Sugar Central.

After providing his or her labour on the sugar cane fields, each member received 18,000 PHP as an annual dividend from the chairman of the group who had organised the marketing. In addition to the individual dividends which equal the annual income of farm workers, the sales revenues were used to cover organisational costs of MOHA, pay for fertiliser, hired labour and training courses for members. In 2008, a new scheme was introduced which allows each member to individually produce and market sugar cane from a 2,000 square meter plot. Although the individual dividends for the remaining communal farm lands were cut to 10,000 PHP, the members reported that their total income has increased. It presently consists of the components presented in the table below:

In 2008, a women's marketing committee was founded whose members made up more than half of the group which had assembled for the visit of the research team. Since the MOHA group rated the improvement of women's participation as the most significant change and stated during marketing and income mappings that the decision of how to spend the income was taken by women, the participants were divided into gender groups and asked to develop pie charts on how the family income is spent. As a result, the groups came up with rather diverse pie charts in which the men claimed that 75% of the income would be spent on food, and only 2% on schooling of children. The female estimation of 50% for food and 18% for school appears more realistic and can be used as a proof to the argument that women administrate the family income among MOHA members.

The strengthening of the PO received the second highest rating during prioritisation of most significant changes. They also stated that food security had improved from three to four meals a day, and that some children have received education up to college level. Among the influencing factors, the land acquisition was rated most important, followed by the capacity building provided by NCPERD. The potential of local marketing of organic produce has not been fully realised since some members are still in the process of converting their farms into organic production. As can be seen in Table 2, pensions

Table 2: Income sources of average MOHA member

Income source	Income per yer, PHP	% Marketed (for food crops)	% Consumed or given away to relatives and friends
From marketed produce			
Fruits, root crops, etc. grown in member's home lot of ~0,5 ha	22,000.00	50	50
5-hectare communal farm for sugarcane	10,000.00	100	0
2,000 square meters individual farm lots	15,000.00	100	0
Other income sources			
SSS pension	36,000.00		
Total	83,000.00		

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constitute the major source of income in MOHA which is not related to agricultural production and marketing. The reason for this is that they have many elderly members who are entitled to pensions from their farm work on the haciendas. To keep their newly owned land productive, some of these elderly people have to hire labour for planting and harvesting sugarcane, and thus they become themselves employers.

3.2.3 MOFA – Health is wealth

The 21 members (nine female, twelve male) of Malvar Organic Farmers' Association (MOFA) represent the second generation of agrarian reform beneficiaries. Either they or their parents had received rice lands under the PD 27 land reform of President Marcos in 1972. In the early 1990ies, they got additional sugarcane land under the CARP. When they founded MOFA in 2008, they could already look back on 36 years of independent farming and marketing, both individually and communally as some of them were also members of Malvar Multi-Purpose Cooperative which was formed in 1987 but ceased functioning by 1995. Even though the MOFA members' families had been able to increase their income, send children to high school and attain food security in quantitative terms, they experienced increasing health problems and decreasing soil fertility which they both attributed to high chemical use in ag-

riculture. When Chato Genton returned in 1995 after three years as a bus driver in Doha, Qatar, he therefore mobilised the current members to team up in MOFA and set out for converting their lands to organic cultivation. Four years later more than half of the rice lands are already fully organic whereas the rest is in conversion. The sugarcane fields are already fully organic.

The map clearly shows that rice is the main crop of MOFA and of high importance for food security and marketing. Income wise, Table 3 below shows that the relatively smaller sugarcane fields whose yields are completely for marketing earn the same percentage of cash. Even though organic rice fetches a higher price, the MOFA members report to have experienced decreases in yield during the ongoing conversion period and thus sinking revenues. To improve organic yields, they started vermin-composting and have almost finished building a biogas-plant whose sludge they are going to use as fertiliser and sell excess production to neighbouring farmers. And since their main motivation for going organic is to grow healthy food for their families, the MOFA members are ready to make it through a dry spell.

Having already attained food security in quantitative terms, their focus is now to improve the quality and variety of food. Apart from being less harmful than conventional rice, they also stress that organic rice has a

Table 3: Income sources of average MOFA member

Income source	Income per year (% of total income)	% Marketed (for food crops)	% Consumed, used for seeds or given away to or exchanged with relatives, neighbours and friends
From marketed produce			
Organic Rice	30	65	35
Sugarcane – individual	30	100	0
Poultry and livestock	5	2	98
Vegetables	0	0	100
Other income sources			
Hired labour	20		
SSS pension	5		
Remittance	10		
Total	100		

better taste. To complement their staple food, they also grow organic vegetables and raise livestock organically which is at present almost entirely for own consumption. They plan to further increase their livestock base also in view of support for the biogas facility. The vegetable production area will also be expanded to produce a surplus for marketing organic vegetables.

When asked to rate the most significant changes and important influencing factors, the transformation from farm worker to owner/cultivator was seen as the outstanding change, with CARP providing the basic influence. Attaining food security, improvements in the position of women, and the development of a sense of entrepreneurship were also rated as important changes. Coming to the influencing factors, they mentioned their own interventions first, and they valued diversification of products highest, closely followed by organic production.

3.3 Trade not aid: ATFI and PO

Alter Trade Foundation Inc. (ATFI) is the development arm of Alter Trade Group (ATG) which further encompasses Alter Trade Corporation (ATC), the trading company that also oversees compliance with quality, organic and Fair Trade standards. Alter Trade Manufacturing Corporation (ATMC) which operates the sugar mills and Diversified Organic Enterprise Inc. (DOEI) which meets the farmer's need for organic fertiliser complete the organisational quartet. Their registered office is located in Bacolod City, the capital of Negros Occidental.

When ATC was formally registered in 1988, the organisation had already gathered experience with relief work during the hunger crisis that had struck Negros in the early 1980ies when a sudden decline in the world market price for sugar had led to the closure of sugar haciendas. Searching for a more sustainable way for uplifting and empowering farmers, they got into contact with Japanese cooperatives of socially and environmentally conscious consumers. Their first shipload of Mascobado, the Negros traditional organic raw sugar, however failed to meet the quality expectations and taste of Japanese consumers. Over the next years, they improved

the Mascobado for which they found a market among Fair Trade importers in Europe, and introduced organic bananas through people-to-people trade to their Japanese trading partners. Also with bananas, it took time, experience and support to ensure the delivery of a quality product from the small farmers fields to the Japanese consumers.

3.3.1 ATFI – Fair Trade marketing of sugar and bananas

From 7 POs in 1988, 20 years later Alter Trade is cooperating with 17 POs and their 879 individual members. The group's main aim is to empower grassroots producers for self-reliance and independence by supporting them in growing, processing and marketing of their products. To plough back the proceeds of people-to-people trade into programmes for marginalised farmers, ATFI was founded in 1997. Boosting organic conversion and the credit programme are among their core activities for which they have received support from "Brot für die Welt", the EU and Oikocredit. Even though they are effectively uplifting poor farmers, several times they were attacked by rebel groups who were trying to extort revolutionary taxes. Presently they have to deal with a decline in sugarcane production due to increased rainfall, and with decreasing orders from European Fair Trade companies in the context of the financial crisis.

To diversify their customer base, they are increasingly targeting the domestic market where organic Mascobado also fetches good prices. However, with the Philippines following WTO's request to remove import tariffs on sugar in 2010, the development of this market cannot be foreseen. Recently a bio-ethanol plant has opened not far from Bacolod which offers good prices for sugarcane. Presently it is difficult to assess how this competitor will affect Alter Trade's operation.

When asked about the most significant changes they have observed among their target groups, the ATFI staff rated the mitigation of environmental degradation and the strengthening of POs highest. The increase of income and assets came next which is also backed by an independent evaluation which stated that in 2008, 32%

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of Alter Trade's partner growers had already crossed the national poverty line (as against the 2006 national average of PHP 6,274 per month for a family of five as released by the National Statistics Coordinating Board), with 13% more at the threshold, and the remaining 55% having reached at least food security. The improvement of women's situation scored only in the middle field but was specified with a lot of detail, e.g. of women having an important role in both marketing of diversified products and organisational activities and a decrease in domestic violence against women.

Coming to their interventions, they valued fair prices and Fair Trade premiums highest, closely followed by trade relations based on solidarity and development orientation. The history of Alter Trade bears witness to the potential of personal relationships between marginalised producers and conscious consumers which go far beyond generic Fair Trade standards. Organic certification was also rated crucial for improvements throughout the production process specifically regarding quality and food safety. Last but not least the credit programme received a high score which provides the basis for the POs which need to make investments before they can meet the requirements of the export market.

3.3.2 MIARBA – Potential and risk of credits

It was a long way with several crucial decisions for the 80 households in La Castellana, Negros Occidental, who presently compose Minoro-Isabel Agrarian Reform Beneficiaries Association (MIARBA). Before 2000, they were still low paid workers on the sugarcane hacienda, with women being paid less than men for the same work. They did grow some rice for own consumption but were not allowed to plant trees. They started the new millennium by forming a workers' union. In 2002, their originally 132 members received 140 hectares of land through the CARP; each member household was allotted 0.67 hectares for sugarcane production. When in 2003 MIARBA opted to get a loan for collective production and marketing of sugarcane from ATFI, 52 members left the cooperative because they did not want to be indebted and wanted to prove they can make their share of the land productive on their own.

Using their own capital which they had acquired as better paid supervisors, three of these 52 households sold their sugarcane harvests directly to the sugarcane centrals. By raising water buffaloes and running local stores, they were able to thrive economically. The 49 others mortgaged their lands to local moneylenders outside of the area. The agreements went that the cost of the first five months of sugarcane production had to be shouldered by the farmer, e.g. the labour cost for land preparation and weeding, planting materials, fertilizers, etc. whereas the moneylender shouldered the cost from harvesting to milling. The first 30 tons of the harvest have to be sold to the moneylenders at a low price of 400 PHP per ton, while the excess of 30 tons goes to the farmer. If the harvest is less than 30 tons, however, the difference becomes a debt of the farmer with interest to pay. While the first cropping yielded 40 tons sugarcane and up, for the second cropping they harvested 30 tons and less. Presently, the families are unable to pay the mortgage to their lands and risk losing them; they have resorted back to being mere farm workers in their mortgaged farmlands or in farms of other people. Some of the families are thinking of asking MIARBA to buy off their mortgages so that MIARBA can then manage these farmlands and prevent them from going back to the former landowners.

The 80 MIARBA members who had opted for the ATFI loan received training on organic production of sugarcane, cooperative management, finances and community development planning. From taking up vegetable gardening, planting of fruit and wood trees, livestock and aquaculture, they were able to improve the quality of their food supply and to market the surplus locally. After MIARBA got organic certification in 2005, they started promoting organic agriculture among neighbouring communities. By that time their members had accessed the social security system and other schemes of local government units, such as financial assistance to purchase a solar dryer. Within the cooperative, they formed several committees on education, health, and diversification of production. In 2007, they got electricity and became members of the health insurance PhilHealth. Some of their children who had completed secondary education were able to avail of college scholarships. The

income table of an individual MIARBA member given below provides evidence that more than a quarter of the income is spent on education of the four school age children. MIARBA invested its first Fair Trade premiums in a kindergarten, a computer, and in processing facilities. They still see a lot of scope for improvements in product processing (e.g. livestock and poultry) and other marketing infrastructure such as farm-to-market roads.

When asked about the most significant changes, the representatives of MIARBA rated the equal participation of men and women in decision making lowest, but when cross-checked against major influences and interventions with focus on marketing, it actually scored highest. The reason behind this may be that especially women have made use of the potential of product di-

versification and local marketing for earning an extra income. With increased self confidence, they now actively contribute to the management of the cooperative and occupy half of the board membership and management posts such as secretary. As second most significant change, increased food security and variety of food was mentioned. Looking at the influences, access to ATFI's credit programme as well as organic and Fair Trade certifications scored highest. The two are anyway closely interlinked since ATFI promotes organic conversion as prerequisite for availing a credit. The MIARBA members reported that the formal certification requirements have helped them to make the whole organisation more efficient. Another intervention which received a high score is ATFI's training and assistance in community development planning.

Table 4: Annual income of MIARBA individual member for the year 2005 (in Philippine Pesos)

Revenues		
Husband's income	39,000.00	
Sugarcane (partial)	22,758.63	
Vegetable	350.00	
Rice	1,100.00	
Quail eggs & incubator	3,000.00	
Bamboo sales	4,130.00	
Scholarship	1,000.00	
Other income	35,826.55	
Total Income		107,165.18
Expenses		
(Own Farm) Rice & sugarcane production cost	17,370.00	
Education (4 students)	28,450.00	
Medicine	500.00	
Transport	7,690.00	
Clothing	2,500.00	
House repair/purchase furniture	20,915.00	
Foods, toiletries, cooking fuel etc.	22,000.00	
Purchase 4 heads of goat for breeding	3,000.00	
Other expenses	3,800.00	
Total Expenses		106,225.00
Net Savings		940.18

Note: This does not include consumed vegetables, poultry, pork from own backyard.

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3.3.3 DAFWARBA – Collective management from farms to forest

As opposed to MIARBA, the 29 CLOA holders which registered in 2003 the Dama Farm Workers Agrarian Reform Beneficiaries Association (DAFWARBA) have until now remained one group. Some individuals have thought of leaving the group which collectively produces and markets sugarcane, but up to date, DAFWARBA was able to retain them and take joint decisions. Right after land acquisition, an attempt of “arriendo” (lease back of land) by the vice mayor of La Castellana was declined after conflictive discussion within the group. Before they became landowners, the sons of the DAFWARBA members had started cutting sugarcane immediately after elementary school. About 30% of women and teenage girls from the community migrated to Bacolod or Manila to work as housemaids and support their families back home. Due to their low economic status, they were entitled to government subsidised rice for food security.

Only six years later, six of their children have graduated from college, thanks to church scholarships; and the percentage of women migrating to cities has gone down to 20%. With the help of a loan from ATFI, they have acquired agricultural machinery (e.g. tractor, thresher, irrigation motor) which are also rented out to others for a fee. They are now granting micro credits from DAFWARBA capital thus breaking the monopoly of local rice traders.

Through government schemes they have acquired a rice mill and started goat and poultry projects. They extended the area of rice production and built a granary for storage. Thanks to this diversification of production, they have an income all year round and do not any longer have to dread the so called “tiempos muertos”, the lean period in the sugarcane fields during which they do not find work as farm workers and suffered from hunger.

In addition to these positive changes, the DAFWARBA representatives also reported some challenges such as rising alcoholism and the misappropriation of group

funds. While the latter could be solved within the group, some members had problems with health emergencies in their families. Since even their increased income did not suffice to meet the medical costs, they incurred new debts.

The majority of DAFWARBA members are proud to amortise their CARP loans and to pay land taxes thus proving their land ownership. When asked to prioritise the most significant changes, however, to their own surprise the improvement of environmental protection scored highest, followed by increased incomes, improved food security and strengthened organisation. The reason why environmental protection is so prominent at DAFWARBA relates to 27 ha of secondary forest which they manage collectively. They appreciate the cool climate, high soil moisture, vivid bird life and constant supply of biomass for vermin-compost from the forest very much. In accordance with as most significant change, the engagement in organic farming ranks highest on the intervention side, followed by diversification of production and access to capital.

3.3.4 NARB-MPC and STARFA – Continued struggle for land

The Nagasi Agrarian Reform Beneficiaries Multi-Purpose Cooperative (NARB-MPC) and the Santa Rita Farmers’ Association (STARFA) of which ten representatives gathered on a Sunday for a joint timeline and influence matrix session, share a similar history when it comes to the struggle for land ownership in the sugarcane haciendas where they worked as farm workers. Both trace their roots to workers’ unions that were assisted by the forerunner of NCPERD, the church based Negros Ecumenical Development Service. Also both organisations to date continue to struggle for their lands.

On the one hand, NARB-MPC, which already holds the CLOA, is struggling for complete recognition of their land ownership by the local government by allowing them to pay their real property taxes. Once the government accepts their property tax payments, this would be enough proof that they are the recognised owners of the land. On the other hand, STARFA still does not have

a CLOA for the sugarcane lands they work on although some of its 62 members (32 women and 30 men) own rice lands by virtue of the agrarian reform programme of the Marcos government.

Back in the 1980s, the Nagasi farm workers were mainly working in the sugarcane hacienda for their income which hardly sufficed to buy basic food. Fortunately, the hacienda owner allowed them to do some backyard gardening for meeting their household food requirements; he was also providing for their medical needs, for the elementary schooling of their children, and for electricity in their homes.

When they organised into the Nagasi Farmers and Farmworkers Association (NAFFWA) in 1987, they successfully lobbied that men and women be paid the same wage for equal work. However, when NAFFWA started lobbying for landownership under the CARP, the hacienda withdrew its support for the farm workers – medical, schooling of children, electricity and all. The struggle for land was fought very violently in this area, with one male local leader being killed by gunmen of the hacenderos and two women severely wounded. It was the women who prevented further bloodshed by strongly promoting peaceful strategies.

In 1998 NAFFWA acquired its CLOA. The following year, its 76 member-households formed the Nagasi Agrarian Reform Beneficiaries – Multi-Purpose Cooperative (NARB-MPC) to replace NAFFWA. NARB-MPC since then has been assisted by NCPERD in their struggle to make the land productive i.e. in their transformation from farm workers to farmers and the conversion of their land from sugarcane monoculture to diversified and integrated farms. Later, they were brought into contact with ATFI that provided credits and access to Fair Trade marketing channels. Given the focus of NARB-MPC on household food security and local marketing of food crops, the organisation utilised its Fair Trade premium from the sale of sugarcane for farm diversification to include poultry production.

The Santa Rita farm workers some of whom own rice lands were still not earning enough from their work

in the sugarcane plantations. Therefore they organised into the Santa Rita Farmers Association (STARFA) in 1994 and engaged in small-scale farming activities planting rice, sugarcane, bananas and vegetables for the local market.

In 1997, unable to secure their CLOA and by pooling their resources together, STARFA rented farmland for communal farming and expanded their sugarcane and rice production areas. The members then stopped working as sugarcane workers to become farmers on their rented communal farm which is the subject of their continuing land struggle. The Fair Trade premiums they have received after selling their sugarcane through ATFI, they have used to purchase farm equipment and trucks and to construct a concrete office with computer equipment.

Regardless of the persisting land struggle, each member has been able to double his annual incomes from around 35,000 PHP as dependent farm worker to about 60,000 PHP as independent cultivator of one ha of land. They even hire non-members for ploughing and weeding. The diversified products such as corn, vegetables, peanuts and livestock are first offered to members, then to neighbours in the community, and only the remaining surplus is finally sold in La Carlota town.

For both NARB-MPC and STARFA, agriculture has become a business. This explains why their representatives interviewed as part of this study have rated the doubling of incomes and the focus on production increase and business investment as most significant changes, closely followed by becoming independent farmers/producers/entrepreneurs. Coming to the influences and interventions, there are several similarly high scores for organic production, linkages to local government units and NGOs, access to credit and diversification of products.

One important influence which is specific in this matrix is the exchange between PO, both locally and internationally. In the context of People-to-people trade with Korea, ATFI has organised an exposure visit of Philippine Fair Trade producers to Korea which provided highly valued insights for the participants.

3.4 Taking the corporate highway: FARMCOOP and cooperatives

The Southern island of Mindanao houses some of the poorest regions of the Philippines, where infrastructure is marginal and armed conflicts persist. Still two major export commodities are mainly grown on Mindanao, bananas and coconut. Around the capital of Davao, huge commercial banana farms are run on government land by multinational corporations such as Chiquita and Dole. Due to international pressure, their workers receive minimum wages and certain basic social security services such as annual leave and medical care. Much worse off are seasonal workers and smallholders with no alternative other than selling their bananas at conditions which are dictated by the big fruit companies.

3.4.1 FARMCOOP – Fair contracts for banana farmers

The Foundation for Agrarian Reform Cooperatives (FARMCOOP) was started in 1995 by the former union leader Attorney Koronado Apuzen. Already in his previous function, he had started organising ARBs in banana plantations into cooperatives. The next step of the FARMCOOP team which over the years grew to around 20 staff was to secure CLOA for the former farm workers and finally to support the cooperatives in export quality production and marketing. The sales contract which the first four cooperatives in 1995 received from their former employer, Dole, was a hybrid which on one hand retained their employee status with benefits and left the Dole supervisors controlling the ARB's fields, but on the other hand reduced their wages from 150 PHP to the minimum wage of 92 PHP. After four years, this contract was supposed to be automatically replaced by a "subsidized growership contract" which puts the cost of production on the grower whereas the buyer only pays 25 PHP per box. As a result, already after two years of operation, the ARB got highly indebted, e.g. up to 36 Mio PHP in the case of one cooperative. The new land owners were in a worse position than as farm workers, some of them did not have enough to eat, and others took their children out of school since they could not afford the fees.

In order to call attention to this inequity, with support of FARMCOOP the four cooperatives staged a strike around the turn of the year 1997/98. With the aim of revoking the contract, they paralysed the banana production of Dole in a season when banana supply was already low. The 2-month People's Power Strike received international advocacy support from international NGOs such as Banana Link, UK, "Brot für die Welt", and the International Union of Food Workers (IUF) in Geneva. It took the cooperatives two months to convince Dole that they have to offer them a better contract.

Taking the contracts of larger plantation companies as benchmark, an independent relationship between grower and buyer formed the basis of the new contract which was supposed to last ten years. Dole guaranteed to pay US\$ 2.60 free on board (FOB) per box of required quality which minus documentation fee and transport cost amounted to a final price of US\$ 2.26. With this contract, in the years to follow the cooperatives were making profits and were able to increase their income. Still FARMCOOP started renegotiation one year before the end of the contract period and finally terminated the contract after Dole had offered only 3 US\$ Cents more per box.

The subsequent search for a new buyer was not easy since most banana companies were members of an association which prevented them from accepting producers which had not accepted the conditions of another member. Luckily Unifrutti, a buyer for Chiquita, did not belong to this association and offered them better conditions.

Since 2008, they are now on a 5-year supply contract with Unifrutti which provides transport off the farm gate and guarantees a price of US\$ 2.75\$ per box; in reality, however, Unifrutti has paid prices between US\$ 3.00 and 4.00 per box according to market price fluctuations. Additionally, Unifrutti supported three cooperatives in attaining Rainforest Alliance certification. Also the FARMCOOP assistance to the cooperatives is now paid partly by Unifrutti at a rate of US\$ 0.15 per box and from varying fees of the cooperatives, thus rendering FARMCOOP more independent from external funding.

In accordance with this success, the FARMCOOP team sees the negotiation and implementation of marketing contracts as their major intervention, together with the introduction of individual farming systems complementing cooperative marketing. Almost the same score in the influence matrix is given to the capacity building and training programmes which they offer on technical issues (e.g. export quality standards for bananas, integrated pest management, product diversification, organic farming) as well as on managerial issues (accounting systems, cooperative administration).

The change which they have rated most significant is the full journey from farm worker to entrepreneur which many of their ARBs have completed in only one generation. In their opinion, this materialises best in the increased incomes which have lifted them from below poverty level to the fulfilment of basic needs or even on the verge of middle class.

3.4.2 DARBCO – How to deal with multinational banana companies

The Davao Agrarian Reform Beneficiaries Cooperative (DARBCO) with originally 427 members is one of the four cooperatives which through the People's Power Struggle and with assistance of FARMCOOP secured good marketing contracts with multinational banana companies. When developing their timeline, it was obvious that after a low level of income and food security as farm workers of Dole, they had fallen into a deep hole during the first two years as ARB. After 14 years, however, they have progressed beyond anything achieved by the other ARB visited during this survey, as can be seen in their average income composition given in Table 5 below. Correspondingly, they rated the increase of income by ten times as the second most significant change in their influence matrix.

Most important to them, however, is the strengthening of their cooperative. Among the interventions, together with the capability training offered by FARMCOOP, they see diversification as most important which for them encompasses the expansion of banana lands, the start of rice farming, and the engagement in other income gen-

erating activities such as consumer stores and lending projects. According to the DARBCO members, also the shift from collective to individual farming systems has positively influenced their success.

After three years of not only joint marketing but also collective production in which each member received a salary for his work on the jointly owned and farmed land, part of DARBCO wanted to shift to individual production. Even though they acknowledged the benefits of equal distribution of net profits and shared responsibility for failures, they attributed a low efficiency to lack of ownership and missing rewards for individual hard work. Through a referendum, in 1998 the cooperative divided into two groups, the larger of which ventured into individual farming systems. By dividing the land into individual plots which could be also transferred to legitimate heirs, the families improved their farming techniques and entrepreneurial spirit.

Some of them started family gardens; others expanded their banana production and employed workers. Proudly paying taxes for their competitive sales revenues, they take specific pride in having gained recognition as players in the banana industry. They outperformed the other group so clearly that by 2001, the other group also changed from collective to individual production. Due to more transparent management in smaller groups, the two groups did not merge again but still jointly constitute the structure of DARBCO.

In practice, the production and marketing of DARBCO is organised as follows: Essentially, it is FARMCOOP that explores the export market of high/low-chemical bananas produced by DARBCO. When the potential markets have been identified, the members of the Board of Directors and the Cooperative Manager of DARBCO (together with FARMCOOP handling the legal aspects) negotiate the marketing contract. When the contract is concluded and signed, it is then up to the Cooperative Manager to ensure that the production of the bananas from the field up to packaging in boxes is in accordance with the quality requirements of the buyer. The buyer sends quality inspectors to DARBCO – to the field production site and to the packing plant.

Table 5: Income sources of average DARBCO member

Income Source (Household Level)	Income per year		Rank	How/Why important in comparison to other sources? Any plan to expand or reduce?	How/Why important to food security?
	PHP per year	% of total income			
From marketed produce					
■ Banana	360,000	88.2	1	Most important income source because it is the main and biggest source of household income. Plan to expand production area for bananas and will purchase additional land for this purpose	Food security is ensured since income allows the family to buy any food it requires.
■ Fishcage (IFS group)	550	0.1	6	Least significant income source which even if were stopped will not affect the overall income of the household or the cash flow. No plan to expand this enterprise because of the municipal ordinance limiting the activity because of its threat of water pollution.	Food security is not affected even if there is no fish cage income source.
■ Conventional Rice (IFS group) for consumption & surplus for sale	7,800	1.9	5	Additional income; not significant relative to other sources	Assured rice supply when this is not available in the market
Other income sources					
■ Lending project of cooperative	8,000	2.0	3	Additional income received once a year; use for payment of debts	Not necessary for food security
■ Consumer store	2,000	0.5	4	Additional income received once a year; not significant relative to other sources	Not necessary for food security
■ Dividends + bonuses (from banana)	30,000	7.3	2	Additional income received once a year; mainly goes to payment of debts	Part of the dividends go for food
Total	408,350	100			

The field inspection is done twice – the first before banana harvest (at shooting stage) and the second after the harvest. The field and packing plant inspectors make sure that no banned chemicals have been used in the production and packing of the bananas; and that the use of chemicals is according to the Fertilizer and Pesticides Authority (FPA) standards. The buyer picks up the packed bananas (in boxes) once the quality inspectors give their approval. DARBCO then sends the billing statement to the buyer one week after the bananas have been picked up.

3.4.3 SOBAGROMCO – Sibulan organic community

In 2004, FARMCOOP has helped to form the Sibulan Organic Banana Growers Multi-Purpose Cooperative (SOBAGROMCO) in the highlands at the fringe of Davao watershed. About 100 families belonging to the Tagabawa Bagobo ethnic group had previously been approached by Dole but preferred the proposal of FARMCOOP to assist them in shifting to organic production.

With funds from international NGOs such as CORDAID and Broderlijk Delen, as well as with solidarity contributions from their successful cooperatives, FARMCOOP has set up a model farm for organic production. The biggest challenge was to find buyers for the organic bananas, and luckily a Japanese buyer stuck first failures out with them until they obtained organic certification in 2009.

Before the start of SOBAGROMCO, the soils in Sibulan were eroded due to illegal logging, slash and burn practices, and improper use of chemicals. The income of most families barely sufficed to provide 3 meals per day, but with very limited access to rice and fish, they did not consider themselves food secure. One third of the children were malnourished, and only 5% of the families could afford medical treatment in hospitals.

Table 6: Income sources of individual SOBAGROMCO/PAMARA ARB member

Income Source (Household Level)	Income per year		Rank	How/Why important in comparison to other sources? Any plan to expand or reduce?	How/Why important to food security?
	PHP per year	% of total income			
From marketed produce					
■ Banana	35,339	31	2	It is the main source of income now that the organic certification was granted. The selling price increased. There is plan to expand but lacking the budget for the farm inputs due to the pull-out of the funding agency.	It is important to food security as it provides the growers with cash to pay the food
■ Durian	31,250	27	3	Provides additional income to balance deficits when banana production is low due to intercropping	It helps to buy food but the proceeds are received only once a year
■ Coconut	6,825	6	4	Provides additional income to support deficiency when banana production is low due to the inter cropping.	Helps buying food but the proceeds are received only three times a year
Other income sources					
■ Consumer store (patronage refund)	3,000	3	5	Provides additional income once a year. The consumer store also provides credit line in times when there is no cash available to buy basic commodities such as rice, sugar and canned goods.	This amount is used to buy food for the new year celebration
■ Labour in farm maintenance	37,440	33	1	Most important source. The family members can get this main source of income if they can still manage to do the farm operation in the banana farm. However, if the members, especially the old ones, cannot work in the farm anymore, they will need to hire workers, and this amount will be deduced from their annual income. In SOBAGROMCO, most of the ARB hire labour while in PAMARA/ARB, most of the ARB are farming themselves, so this amount is added to their annual income.	Food Security is assured (only basic needs for 3 meals a day – 4 members per family)
Total	113,854	100			

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Especially among men, alcoholism constituted a big problem. Men dominated gender relations, with women being confined to housework. Without the organisation, they were lacking a sense of unity and cooperation to improve their situation.

The concept of organic farming appealed very much to the Sibulan people since it is in accordance with their tribal vision of protecting the flora and fauna of their ancestral lands. By organising themselves and through the training they received from FARMCOOP, they could improve their access to local government units and secure assistance in improving roads and water supply, as well as accessing electricity. With the increased income from marketing bananas, they were able to send their kids to school, instead of making them work on the fields. Women started working in the banana packing stations for the same wages as men; they attended training courses and took part in communal activities. 40% of households can now afford regular supply of rice and fish, and the rate of malnourished children has gone down to 15%. After experiencing crop failures in bananas for export in 2005 and 2006 due to mealy bugs and Sigatoka disease, however, many families became indebted and started worrying about how to amortise their loans.

When asked to list and rate the most significant changes, the representatives of SOBAGROMCO rated improved incomes and food security highest. Equal opportunity for men and women at work was also highly appreciated, even though they were aware that gender inequality is still prevailing at the home. They took specific pride in the recognition as “organic community” which Sibulan has gained regionally. On the level of influences and interventions, organic production scored highest, closely followed by the marketing linkage for banana export and the legal assistance and capacity building provided by FARMCOOP.

3.5 Experiences of other organisations in the MASA network

The Movement for the Advance of the Sustainable Agriculture (MASA) – Philippines is a network of “Brot

für die Welt” partner NGOs and POs that are practising sustainable agriculture. It was formed in November 2004 in the spirit of continuing the dialogue process on sustainable agriculture initiated between “Brot für die Welt” and Philippine Partners that ran from 1999-2004. MASA is comprised of three regional clusters – Palawan Cluster with two partner NGO members (PCART and IDEAS); Negros Cluster with three partner NGO members (ATFI, NCPERD and NIRD); and Mindanao Cluster with five partner NGO members (AFRIM, COIR, KFI, SILDAP and SIMCARRD). The partner POs or communities of these partner NGOs complete the membership of MASA.

Its core project components are Sustainable Agriculture, Policy Advocacy/Networking & Linkage; and, Social Enterprise. Much of the formative years of MASA even to this day emphasise on marketing and enterprise inasmuch as the technology aspects of sustainable agriculture have been the emphasis of the earlier dialogue with “Brot für die Welt”. The gains from marketing and enterprise are seen to help in sustaining MASA’s current and future initiatives. At present, much of the marketing initiatives within MASA have been specific to each partner NGO and/or through bilateral cooperation among two or more MASA members. ATFI, NCPERD and FARMCOOP which have been portrayed in the previous paragraphs are all MASA members. In the next few pages, the other MASA members and their marketing experiences and aspirations are shared to further enrich the picture of where the Philippine Partners of “Brot für die Welt” stand with respect to marketing.

3.5.1 AFRIM

The Alternate Forum for Research in Mindanao (AFRIM, Inc.) serves as a grassroots alternative to traditional and academic social research. Mindanao-based and action-oriented, the centre is geared toward disseminating the findings of research through popular channels. Through its Sustainable Rural Development or SRD Program, AFRIM aims at promoting and popularising local economy development (LED) concepts relating to e.g. public investments in food production as well as issues related to farmers’ and land rights and trade/markets; enhanc-

ing the capacity of partners towards sustained LED initiatives through periodic caucus meetings, mentoring, discussion-planning sessions, enterprise development trainings and linkage; and, generating support for such initiatives through networking and lobbying. MASA is one of several networks AFRIM is affiliated with in the quest of finding market opportunities for the organic products of its project communities.

To complement its research activities, AFRIM is engaged in implementing sustainable livelihood programmes among four partner POs/cooperatives in different provinces of Mindanao. By shifting to organic farming practices, providing business planning skills and domestic marketing linkages for organic products like mangosteen, they aim at improving the socioeconomic conditions of rural farmers.

3.5.2 COIR

The Coconut Industry Reform Movement, Inc. (COIR) is a coalition of NGOs, POs and advocates working for the revitalisation of the Philippine coconut industry. It campaigns for structural reform in the coconut industry, as well as for an asset reform that includes coconut levy recovery and land tenure improvement. With respect to marketing interventions, COIR has focused on copra and value addition to copra and has to date evolved four strategies:

- Direct copra marketing (DCM) scheme

where farmer cooperatives buy copra from members and communities and directly sell it to coconut oil mills, and where the coco farming communities are informed about the current mill gate prices and can therefore make a choice where to sell their copra.

- Toll-crushing agreement

that allows farmer networks to deliver their copra to the mill and have it crushed/processed for a fee; the resulting crude oil (CNO) and the copra pellets remain to be owned by the farmers which market or sell them as processed products, thereby adding value to their copra.

- Co-production programme for refined-bleached-deodorised (RBD) coconut cooking oil

that is in the same spirit as the toll-crushing arrangement, except that the crude coconut oil is further processed into premium coconut cooking oil which the farmers can retail in their local markets.

- Copra to CNO (crude coconut oil) trading programme

also involving „toll-crushing“ contracts with the coconut oil mills but where COIR has initiated negotiations with larger markets for CNO/RBD and copra pellets at the domestic and international levels. CNO is a raw material (further processed as oleo chemicals) for domestic biodiesel plants and for multinational manufacturers of cosmetics detergents (e.g. Henkel), soaps, and shampoo. The key element here is to attract a bulk of buyers that will invest into consolidating large volumes of copra from the farmers for toll-crushing to CNO and copra pellets. During a negotiation period, COIR has done a trial run in April 2009 with a PHP ten million funding from a domestic company. The 8-day exercise yielded a value addition of PHP 1 million for a consolidated copra volume of less than 500 tons.

3.5.3 IDEAS

The Palawan Program of the Institute for the Development of Educational and Ecological Alternatives, Inc. (IDEAS) is into promotion of sustainable agriculture and livelihoods that are anchored in natural health systems of both indigenous and non-indigenous farming communities in Quezon and Rizal, Southern Palawan. At present, the Palawan Program of IDEAS implements social enterprise and marketing initiatives that are firmly rooted in its campaign for resource-base protection, for the consumption of the right foods and the protection of indigenous and healthy foods.

The marketing interventions of IDEAS have been developed in response to two needs which were expressed by the communities: firstly, for marketing of products of the PO partners, both raw and processed; and secondly,

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the development of enterprises for both the POs and IDEAS. In cooperation with PCART and other MASA partners, IDEAS has embarked on the development and exploration of local, domestic and international markets for the organic products of its partner communities, e.g. for organic unpolished rice, herbal raw materials for tea and food supplements, unsweetened banana chips, and taro. As part of its marketing strategy, IDEAS has participated in trade fairs in Puerto Princesa and in Manila and has secured orders from malls, stores and some NGOs who have set up special markets for products of partner communities. Although IDEAS find the engagement of MASA still limited when it comes to seeking markets for their products beyond Palawan, they see in MASA a good opportunity for IDEAS and PCART to continue dialogue and cooperation on relevant subjects such as enterprise development and marketing ventures.

3.5.4 KFI

The Kadtuntaya Foundation, Inc. (KFI) is based in Cotabato City and focuses its interventions on the Muslim Provinces of Maguindanao, Sultan Kudarat and Cotabato in Mindanao. Its major project intervention in Maguindanao started with the promotion of ecological farming alternatives and has since then broadened to engaging farmers in the development and management of farm-based enterprises through the MADAKIL People's Organisation (MPOI), a network of eight POs being assisted by KFI, whose first major marketing project was the test run for direct copra marketing (DCM) in collaboration with COIR.

MPOI acted as consolidator using borrowed funds from the dormant credit program fund of KFI. Although the DCM was not sustained as MPOI's working capital did not suffice to buy a larger share of the copra supply in the farms, the marketing intervention has been able to stir up local pricing practices by local traders in such a way that the buying price of copra has increased since then. After the test run on copra marketing, MPOI realised that its member POs may be clustered to focus on specific product lines by forming several marketing committees, and with each cluster becoming a consolidator for a specific product that is dominant in their respective

areas. In the process they will be able to serve the marketing needs for different products of their communities while at the same time potentially generating more revenues for the POs and MPOI. The MPOI members thus agreed to focus on specific product lines - vegetables for Adaon, copra for Badak, corn for Kiteb, and livestock and dried fish for Kiladap.

Since KFI also liaises its other partner POs (in project communities not under "Brot für die Welt" support) with marketing opportunities through the MASA network, the impact of MASA and KFI's cooperation with "Brot für die Welt" actually extends beyond the partner communities in Maguindanao.

3.5.5 NIRD

The Negros Oriental Institute for Rural Development (NIRD) also works with agrarian reform beneficiaries in the sugarcane plantations – initially focusing on land tenure improvements and later introducing sustainable agriculture practices. Later they progressed towards building the capacities of their partner communities in livelihood and social enterprise development that comes with micro-credit and micro-financing schemes and local marketing support for the organically-grown crops, particularly rice, sugarcane and vegetables.

The organisation of the Canlaon Farmers' Development Cooperative (CORFADECO) and the Canlaon United Small Planters' Association (CUSPAI) as marketing institution for organic rice and sugarcane were two of the social enterprises that NIRD assisted – CORFADCO focusing mainly on rice milling and trading; and CUSPAI for the "transloading" or transport of the sugarcane harvest of small planters to the sugar mills. Unfortunately these social enterprises ran into technical difficulties – indication that the POs/cooperatives still had much to learn to be transformed from merely being organised farmers to organised farming entrepreneurs, especially on the basis of existing informal markets which are controlled by financiers and traders. Although they have slowly gained access to the market for their organic produce, they cannot yet provide the volume to compete with and make an impact on the big market players.

In 2008, realising that its social enterprise agenda was not moving ahead as smoothly as desired and that the repayment performance in its micro-financing schemes was poor, NIRD concluded that most of its partner communities were not yet ready for social enterprise and that the more immediate need was the focus back to the food security agenda. This does not mean, however, that they are dropping their social enterprise agenda as NIRD continues to see the importance that enterprises play towards ensuring the sustainability of their partner POs and programmes.

3.5.6 PCART

The Palawan Centre for Appropriate Rural Technology (PCART) endeavours to empower its partner communities in addressing their basic problems, such as poverty, lack of access to productive resources and environmental degradation, through programmes on sustainable agriculture, enterprise development, health and social welfare. In the mid 1990s, PCART realised that it had to become financially self-sufficient. This led to the creation of the Palawan Bio-Farm Enterprises (PBE) in 1998, which engaged in a social enterprise they called the Herbal Processing Project, their biggest income-generating project so far.

Despite having a separate structure, PBE remains non-stock and owned by PCART. The project involves the production and processing of a variety of herbs into powder to supply the needs of the growing herbal industry. PCART's long-time funding partners, "Brot für die Welt", and Helvetas (Swiss Association for International Cooperation) contributed the seed money used for buying equipment, the construction of a processing plant and drying facilities in participating communities, and the development of initial herbal production areas. Increased opportunities from a growing herbal market recently allowed PBE to expand their product line and enter into trading other products of PCART's partner communities, like unpolished organic rice (black, red and brown varieties), organic vegetables, wild honey, cashew nut, taro, banana, abaca and agutay (wild abaca), copra meal, as well as various handicrafts and ornaments. PCART introduced these experiences and

opportunities to the MASA network where it is playing a key role in inspiring other partners to engage in community enterprises. At the same time, the engagement with provides an opportunity for PCART to expand its enterprises while simultaneously ensuring that its partner communities achieve food and income security by sustaining their resource base.

3.5.7 SILDAP

SILDAP works with the indigenous peoples in South-eastern Mindanao and is concerned about improving the capacity of children and youth through educational support and literacy programmes as well as by upgrading the livelihood and capacity of the IP communities. It is with respect to sustaining the IP schools which it has established that SILDAP and its partner communities got interested in community-based enterprises and became a member of MASA. Initially they explored local marketing of organic upland rice, coffee, bananas and other products of its partner communities. Through its bilateral cooperation with PCART and IDEAS in MASA, SILDAP has engaged in the production of taro for export to the USA; the requirements for shipment were almost met when suddenly new import policies were introduced by the US food industry (partly due to terrorists threats). So they ended up with tons of taro that had to be marketed locally. Even though this was a big set back, SILDAP remains steadfast in its social enterprise goals and therefore continues to be active in the MASA network and in the cooperation with PCART and IDEAS for marketing opportunities.

3.5.8 SIMCARRD

SIM-CARRD or the Sustainable Integrated Area Development (SIAD) Initiatives in Mindanao-Convergence for Asset Reform and Regional Development is a regional network and resource institution that helps facilitating the empowerment and development of local communities in Mindanao through agrarian and other asset reforms, engagement and claim-making with government, resource democratisation, social enterprise and entrepreneurship development, peace-building, and building strong sectoral formations at municipality and province

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levels along area-based and convergent approaches using partnership and network-building strategies.

As part of its sustainability programme, SIMCARRD has opened up an organic store and neighbourhood café (5th Street Café) in Davao City where they sell and serve Mindanao coffee blends and organic food sourced from their partner POs. The café also houses a display area for organic rice and mascobado of their brand Healthy Choice. 5th Street Café is operated by SIMCARRD Enterprises which acts as the social enterprise unit of SIMCARRD Inc.

SIMCARRD is also a co-convenor of the Go Organic Mindanao (GOM) coalition comprising of NGOs, farmers groups and policy advocates in Mindanao. GOM was formed in response to continuing threats caused by expanding monoculture plantations, intensive promotion of synthetic fertilisers and pesticides as well as of genetically-modified organisms (GMOs). Aside from holding Mindanao-wide forums celebrating World Food Day, GOM also organises provincial level networks to promote and consolidate organic agriculture practitioners and advocates, including local government officials; it facilitates farmer-to-farmer exchanges and promotes the local market for organic agricultural products.

4 Analysis and Findings

In order to establish a similar base for comparison, the case studies all relate to Agrarian Reform Beneficiaries (ARB). Already from the stories they told during the interviews, the research team could sense that ARB tend to be confident personalities who are ready to embark on a difficult journey from dependent workers towards independent farmers and/or entrepreneurs.

Some have experienced the transformation of previously benevolent landlords to grim adversaries who have dragged them to court. Others had to fight against multinational companies. And once they have surpassed the barrier of land acquisition, new challenges lie ahead of them. In order to secure their land ownership and to pay their instalments in time, the ARB have to make their land productive as fast as possible. In their previous position of farm workers, they have acquired only

limited knowledge of agricultural processes, and they lack the capital for planting inputs and agricultural machinery.

They can hardly access bank loans, and their marketing experience is also limited. Unlike many others in the Philippines, the ARB portrayed in the case studies have access to support by NGOs and government schemes. In all cases studied, the supporting NGOs have realised that assistance in production has to be complemented with the development of marketing strategies, some of which will be analysed below.

Depending on choices the ARB have made in production and marketing, they have observed different changes the major of which will be summarised in this chapter. Furthermore it will be analysed how significant changes can be attributed to the interventions made by the ARB, POs and cooperatives as well as to external factors and to the assistance they have received.

Table 7: Overview of marketing approaches studied

Marketing approach	Case studies	Examples of other MASA partners
Conventional sugar cane (through sugar centrals)	MOHA, MIARBA (ex members)	
Organic sugar cane for domestic market	NCPERD, MOFA	
Export of organic mascobado through Fair Trade	ATFI, MIARBA, DAFWARBA, NARB, STARFA	
Commercial export of conventional bananas	FARMCOOP, DARBCO	
Export of organic bananas	SOBAGROMCO, ATFI	
Organic rice for local market	MOFA, STARFA	IDEAS, SIMCARRD, KFI, SILDAP, PCART, NIRD
Organic fruit and vegetables for local market	MOHA, STARFA	AFRIM, PCART, IDEAS, SILDAP, SIMCARRD
Conventional rice, fruit and vegetables for local market	Some PO members during farm worker times, e.g. MOHA, STARFA	
Livestock (goats, poultry), fish for local market	MIARBA, DAFWARBA, NARB	
Value addition through food processing and product development	ATFI, MIARBA	COIR, IDEAS
Organic medicinal herbs for local, domestic and international market		PCART, IDEAS
Coconut (products) for international market		COIR

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4.1 Potential and challenges of different marketing strategies

In order to make their land productive, most ARB after land acquisition continued to plant the cash crops which the previous landowner produced on his plantation. Among the POs and cooperatives visited for this study, these are sugarcane and bananas. Some of them had already gathered experience in backyard gardening and marketing of surplus during their farm worker times and are now expanding these marketing channels. Organic production, food processing, and Fair Trade export are new options which have been explored in cooperation with the supporting NGOs. The table below provides an overview over the different marketing approaches studied as part of this survey some of which will be analysed in more detail in the following paragraphs.

4.1.1 Cash crops as main pillar

For the ARB interviewed during this survey, sugarcane and bananas are the cash crops that have been planted in intensive monocultures on the land which they previously tilled as farm workers and now own. All of them have continued to produce and market these crops which for most still provide the main source of income, together with the money they earn from working on neighbouring plantations. The advantages are that their agricultural experience relates to these crops and that they can at least partly rely on an existing production and marketing infrastructure.

In Negros, the ARB are selling their raw sugarcane at current prices to the regional sugar centrals which occasionally provide transport off the farm gate. The sugar centrals take over the processing and mostly domestic marketing of sugar products. Among the banana growers in Mindanao, the cooperatives make use of the washing and packing facilities on their lands and sell bananas in boxes to the exporting companies. For that purpose, they have to meet the high quality standards for export bananas. Due to growing demand on the side of the buyers, bananas are a seller's market on the Philippines; also the world market prices for sugar have risen over the last years; but still their dependency on local buyers

and processors entails that the small farmers and their cooperatives receive only a minor share of the profits generated in the sugar and banana supply chains.

To their surprise, the members of DARBCO experienced that the first supply contract they got from their previous employer Dole put the new ARB in an economically worse position compared to dependent banana workers whose working conditions among multinational companies are relatively better than in the feudal world of sugarcane haciendas. Since bananas are a consumer sensitive product, international campaigning has backed the struggle of banana ARB with Dole, in the context of which FARMCOOP successfully got the heavily indebted cooperatives a remunerative contract with Dole. After another renegotiation with the help of FARMCOOP, the DARBCO members head the income ranking of all case studies by far, with an average yearly income of over 400,000 PHP which is almost entirely generated from production and marketing of export bananas. On the other side of the scale, the average MOHA member earns around 80,000 PHP per year to which conventional marketing of sugarcane contributes about one third.

4.1.2 Diversified products for local marketing

Already during their time as farm workers, some of the ARB have generated substantial extra income from selling the yield of fruit trees and backyard vegetable gardens. The experiences and savings from this time helped them to diversify their production from sugarcane monocultures to a range of food crops as well as to livestock, poultry and aquaculture projects. Even though their previous landlord denies the MOHA members access to the fruit trees they used to harvest as farm workers, the ARB have started to introduce a diversified production on their own lands now.

In the case of STARFA, it was through local marketing of bananas, rice and vegetables that they built the assets with which they leased the land after their land claims were dismissed. Diversification into other products also helps to overcome the "tiempos muertos", the lean months in sugarcane production, since both the produc-

tion of and the demand for fruit, vegetables and livestock remains more or less stable throughout the year.

Even without proper certification, most of the diversified products of the POs and cooperatives interviewed comply with standards for organic production. While some of the ARB are just lacking the fund for chemical inputs, others like the MOFA group draw their motivation from a vision of healthy farming practices, quality food, enriched biodiversity and soil protection. Even though Philippine middle class consumers are increasingly aware of the health benefits of organic products, the respective marketing channels are still underdeveloped.

The small volumes of organic products render processing and transport costly, particularly for perishable products. Especially in remote places, producers are frequently not able to fetch a premium for their organic products. Government initiatives such as “Negros Organic Island” help to bridge this gap by offering support and incentives for organic production, by establishing local markets for organic products, and by setting up a database for matching supply and demand especially for larger orders. In the long term, the intent is to make organic products affordable also for low-income consumers; and therefore, the push for premium prices for organic products is a strategy for entry into the mainstream market both in terms of supply and demand.

4.1.3 Rice production and marketing

The Philippines is the world’s biggest net rice importer. With the government offering neighbouring countries such as Thailand tariff-free rice imports, domestic farmers find it difficult to compete with cheap import rice. Considered staple food without which a meal is incomplete, however, the demand for rice is elastic. Especially organic rice sells well among the health conscious middle classes. Since rice is less perishable, it can easier be marketed than fruit, vegetables and meat. With the input costs for organic rice less than half of conventional rice, the question arises why not more Philippine farmers are shifting to organic rice production. One reason lies in the agricultural extension system which is still

heavily based on conventional farming methods – not only in terms of access to information but more importantly in terms of access to inputs like seeds, fertilisers, pesticides which are heavily dominated by chemical companies. In a way related to the first reason, is the scarcity of commercially available organic inputs. Since most farmers have been used to the quick fix offered by chemical inputs, they find organic farming laborious; but if organic fertilisers and pesticides are readily available in the markets at prices that can compete with the chemical inputs, farmers will shift to organic farming. This is exemplified by the experience of PCART which suddenly increased sales of their vermin compost in 2007/08 when the world market price for oil hit 120 US\$ per barrel. But then, similar to the experience of ATFI, PCART did not have the capacity to produce the requested volumes of organic fertiliser and government investment has been minimal.

Also the MASA partners who are all promoting organic rice farming complain that indigenous rice seeds are hardly available. Furthermore, government would rather support the promotion of fortified or vitamin enriched GMO rice as a response to hunger and malnutrition instead of promoting and supporting the consumption of organic rice; perhaps because GMO rice means more foreign economic investments into the country while organic rice production can hardly contribute to the bias of government towards foreign investment to spurring economic growth.

For the MOFA group, rice is the most important crop. After converting to organic rice, they have experienced a drop in yields. Since their motivation is mainly health-driven, they are ready to stick out initial setbacks until their biogas plant will provide them with sludge for organic fertiliser. On the other hand, one of the DARBCO sub groups acquired 10 ha additional land which they put under conventional rice. What first looked like a sensible move towards diversification, however, they revealed to be a compromise since they could not afford the necessary inputs to start banana cultivation which they would have preferred. Again, this is proof to the current bias for investments which will yield maximum economic returns with the implied notion that “health

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can be bought” if one has the money. Unfortunately, because organically grown food is not yet available on the mainstream market or at least not yet affordable to those in the lower income strata, many have no choice but to buy the less healthy options.

4.1.4 Organic and Fair Trade exports

For those PO which focus on their traditional cash crop, new marketing channels prove a valuable option to secure a larger share of profits in the respective value chains. Export markets for organic and Fair Trade products, however, are not easy to access. After pioneering into new markets of “People-to-People” trade in Japan and Korea and Fair Trade in Europe, ATFI had to spread awareness and build the producers’ capacities with the aim to attain organic and Fair Trade certification. With no local certification units available on the Philippines, the cost for certification is considerable.

A good market for organic sugar in Europe and for organic bananas in Japan, however, has so far rewarded the participating organisations for their efforts. Now product development as response to new trends is a prerequisite to remain competitive. Still demand and supply is difficult to balance. In the course of the economic crisis, international orders for Mascobado have dropped at ATC. On the other hand, the volumes of the associated producers and the capacities of the two Mascobado mills do not permit them to become a major player in the still larger domestic market for Mascobado.

While ATC is one of few successful Fair Trade exporters on the Philippines, and FARMCOOP has established a marketing link for the organic bananas of SOBAGROMCO with a Japanese buyer, the efforts of some other MASA partner have been less successful. PCART which is promoting medicinal herbs of indigenous communities in Palawan struggle with the obstacles of geographic remoteness combined with low volumes. Since Palawan does not have a deep sea port where international freighters can load, the herbs have to be packed in smaller containers, shipped from Puerto Princesa to Manila and repacked into standard shipment containers there. As long as the products can be procured from

other regions as well, hardly any buyer will be ready to bear the extra cost for repacking. It will probably not be possible to remove such geographic impediments without government support.

4.2 Significant changes

By developing a timeline from a defined starting point (mostly the land acquisition under the CARP), all seven producer organisations visited and the three NGOs have traced changes which they have observed until today. When aggregating the data of their ten influence matrices, significant changes become apparent. The ranking takes into account the total number of mentioning plus the number of high ranks (1-3) in the individual influence matrices. In the table below only changes which were mentioned at least twice have been listed. Most of the changes were valued positive, with the exception of rank eleven which summarises concerns about so-called urban lifestyles, alcoholism and overspending.

4.2.1 Income

Increases in income are the number one change almost all POs and NGOs have observed. Especially those groups in the higher income brackets subsume other changes such as food security and higher education of children under this change. Their incomes which have increased by ten times for the member of NARB MPC and which have brought the DARBCO members at the verge of middle class, give them the freedom to choose how to spend their money, be it on food, agricultural machinery, cars or even tokens of urban lifestyles such as Karaoke sets. Other groups such as SOBAGROMCO cannot yet fully enjoy their increased incomes as long as they are heavily indebted and have to payback loans.

Looking at the average incomes earned by members of the POs studied, they range between 83,000 PHP (MOHA, Table 2) and 408,000 (DARBCO, Table 5), with MIARBA (107,000 PHP, Table 4) and SOBAGROMCO (114,000 PHP) in the centre span. Even though MOHA group has been founded only few years ago and will hopefully increase their average incomes, they are still below the national poverty line (PHP 85,288 per year

Table 8: Aggregation of changes from influence matrices of 10 PO

Rank	Changes	No. of mentioning	Remarks
1	Income increased	9 (5 high scores)	
2	Farmer entrepreneur	6 (5 high scores)	
3	Role of women improved	9 (4 high scores)	Participation in organisations and equal opportunity at work
4	Food security improved	8 (3 high scores)	
5	Organisation strengthened	5 (2 high scores)	
6	Environmental protection	8 (1 high score)	
7	From individual to collective spirit	3 (1 high score)	Joint action towards common goals
8	Recognition increased	2 (1 high score)	Recognition as benchmark cooperative, and as organic community
9	Sense of entrepreneurship developed	2 (1 high score)	Focus on business investments
10	Higher education of children	9	
11	Overspending and lack of prioritisation	2	Acquired urban lifestyles
12	Health status improved	2	

in 2006); furthermore one has to take into account that SSS pensions constitute around 40% of their average income, leaving only 47,000 PHP from farming productivity (conventional sugarcane plus surplus marketing of backyard gardens). This leads to the hypothesis that the introduction of alternative export channels such as Fair Trade (MIARBA), organic (SOBAGROMCO) or equitable contracts with multinational companies (DARBCO) has the potential to considerably boost incomes. However, with the fluctuating demand and prices of products on the world market (as experienced by ATFI with its Mascobado sugar), there remains the challenge of ensuring fair incomes/profits for farmers also on local markets, which ATFI is actually trying to explore these days.

4.2.2 Food security

For the members of the Philippine NGOs and POs visited, food security means to eat at least three full rice-based meals a day. In addition to rice, fish is considered an indispensable ingredient of the Filipino diet. Therefore eating less than three full meals a day means a lack of quantity in food whereas living off root crops is considered low quality food. The MOFA group has changed to organic production mainly to have themselves access to highly nutritious food; they also emphasise that organic rice tastes better than conventional rice. Oth-

ers such as SOBAGROMCO are tempted to sell their organic fruit and vegetables at a high price and then buy conventional food for their own consumption. The MASA members were also worried that the high prices for organic food will render these unaffordable for poor people and sometimes even for their producers. Therefore the agenda of food security is not always congruent with marketing, especially when it comes to food quality.

Diversification of production, backyard gardening and livestock/aquaculture projects contribute in all case studies to food security. First of all, at least 50% of rice, fruit, vegetables, fish and meat is consumed by the producers themselves, thereby improving the variety and – especially if it is organically produced – the quality of diet. The surplus of these diversified products is normally first offered to group members and neighbours before the rest is sold on local markets. These sales mitigate the risk of cash crop failure; provide work and income from surplus marketing during lean times of the cash crop, and thus secure the cash flow for buying food. The marketing of backyard garden yields and livestock produce is generally done by women who can also dispose of the profits. They mentioned that they spend this income mainly on buying food for the family, for the education of children and for their personal needs.

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4.2.3 Role of women

Already before the starting point of the timeline, most of the groups stated that the decision how to spend the family income has traditionally been taken by mothers and wives who are regarded as better budget managers. The exercise among the MOHA group where men and women were divided into two groups to draw up pie charts of regular household expenses provided proof to this argument since the women group came up with a much more realistic division of family expenses.

In the consolidated influence matrix, the improvement of women's role ranks as third significant change. Among NCPERD and its PO, this change came first. During the discussions at community level, some women even reported enthusiastically that gender equality has been attained. On further enquiry, however, the improvements were specified to have taken place in the following fields:

■ Equal opportunity at work

During their times as farm workers, all ARB reported that women received less pay than men for equal work. After forming their PO or cooperatives, some groups were able to convince the employer to equal the pay for both sexes. All others introduced this as soon as they organised the production themselves. The rule applies for the communal fields where every group member receives either a salary or a dividend for the work he or she has contributed. Among ARB women are increasingly involved in more stages of production, processing and marketing than they were as plantation workers and/or housewives.

■ Reduced migration

In the rural areas of the Philippines, many teenage girls and women migrate to bigger cities (e.g. Bacolod, Davao, and Manila) to work as housemaids, with some of them ending up as sex workers. Their remittances are a substantial contribution to the income of their rural families, but many of the migrating women experience ill treatment by their employers, and they miss their

families in the village. Therefore the DAFWARBA group valued as a significant change that the percentage of migrating women has been reduced from 30% before 2003 to 20% in 2009.

■ Participation at organisational level increased

All organisations have at least one third of female membership. Although within the CARP, the land titles are generally registered in the name of men as head of the family, NCPERD has successfully lobbied for registration of female CLOA holders. Within the organisation, the women are mostly assigned the roles as secretary or treasurer, and as chair or members of the credit and marketing committees. At the time of the study, it was noted that women are already on the board of their respective organisations (MIARBA, MOHA, MOFA, DARBCO, SOBAGROMCO), though the chairpersons are still men – although some of the cooperatives used to be chaired by women as in the case of MIARBA.

■ Improved status at domestic level

On further enquiry, most women acknowledged that gender inequality is still prevailing at the home. They have to shoulder the majority of the housework on top of their increased agricultural work and their organisational roles. At least the incidence of domestic violence against women has reduced, the staff of ATFI reported.

4.2.4 Entrepreneurship

Having progressed from farm workers to entrepreneurs is the second most significant change from the aggregated influence matrix. According to their level of achievement, the POs of NCPERD have formulated this change “from farm worker to owner/cultivator” whereas DARBCO see themselves at the destination of a full journey from farm worker to entrepreneur. For the members of NARB-MPC and STARFA, agriculture has become a business. In all cases, land ownership and entrepreneurship stand for the value of independence.

There is also a notion of individual responsibility and risk connected to it which not all can tolerate to the

same extent; especially the question of incurring debt has been the breaking test in several POs.

During the first MASA workshop, the participants agreed that it is difficult for a farmer to become an entrepreneur. As a start, they need to assess additional resources, by successfully tapping new sources of income and by accessing loans. On the production side, the MASA partners reported good experiences with a strategy of combining long-term and short-term crops. For the decision on which crop to plant or what product to develop, they train the farmers how to do a feasibility study. However, NIRD stressed that especially among poor or indebted farmers food security has to remain the priority which means that marketing of diversified products should be mainly geared at bridging lean periods. Several MASA partners such as PCART and SILDAP have assisted POs in starting social or community based enterprises which are not only profit oriented but target at a triple bottom line of social, environmental and economic benefits.

4.2.5 Organisational capacity

Most of the POs and cooperatives visited have been founded with the aim of jointly accessing land ownership, cultivating the land together and marketing the products. Already during the land struggle, the organisational cohesion had to stand various tests. Some of the groups split over differing opinions in the face of strategic options, e.g. when some members opted for lease-back of the land for quick cash or others were reluctant to take the risk of bank loans. For the groups visited, the strengthening of their organisations through crises and success represented a significant change which ranks fifth in the consolidated influence matrix.

Just like with accessing the CLOA, some groups found it difficult to decide if they see this as a change or an influence since it combines both aspects. Therefore the organisational aspect will be taken up again in section 4.3.2 of the important influences. On the other hand, it was through facing external challenges such as market demands that the organisation has gained strength. MIARBA stated that the requirements of formal certification (organic and Fair Trade) have also helped to

make the whole organisation more efficient. MOHA has formed a marketing committee to increase the revenues from diversified production.

For DARBCO, the strengthening of their cooperative constituted the most significant change. In order to secure the necessary volume of bananas which meet the strict quality requirements of conventional exports, they developed an organisational structure which in addition to a range of electoral committees employs a cooperative manager, several field production coaches and an administrative and finance unit. Each member contributes to a “recoverable” retention fund every year which is used to cover for production and quality-maintenance costs. This amount is deducted from the share of the individual growers which is due when the buyer makes the payment.

The retention fund is used to pay for the following production-related costs: maintenance of drainage and irrigation facilities, aerial spraying, land amortisation payments for the CLOA, security personnel, hospitalisation loans, repair and maintenance of equipment and other facilities, farm production inputs, equipment and packaging materials. DARBCO purchases fertilisers, pesticides, bagging materials, propping materials, etc. on wholesale basis and commissions them at cost to the members. From the retention fund is also taken an amount of up to 1 PHP per box which is DARBCO's contribution to the “Social Fund” which FARMCOOP uses for its various projects (including legal and technical support for indigent cooperatives) and for the provision of legal services (e.g. negotiating with buyers).

4.2.6 Environmental protection

For the indigenous people of Sibulan who organised as SOBAGROMCO, the deterioration of soil due to traditional slash and burn practices plus chemical inputs was a major reason to shift to organic production. Accordingly, the members interviewed rated the improvements of environmental protection as a significant change. The conservation of nature is a central value of their tribal identity, and they take great pride that they have been recognised as “organic community” in Mindanao.

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Table 9: Aggregation of influences from influence matrices of 10 PO

Rank	Influences	No. of mentioning	Remarks
1	Capacity building	9 (7 high scores)	
2	Organic production, certification, marketing	8 (5 high scores)	
3	Diversification of products	6 (4 high scores)	
4	Access to credit	4 high scores	Highest score among ATFI, not mentioned by others
5	Negotiation of (fair) contract with commercial buyers	4 (2 high scores)	
6	Fair Trade (relationship, certification, incentives)	4 (2 high scores)	Only mentioned among ATFI
7	Agrarian reform programmes (mainly CARP)	3 (2 high scores)	Only mentioned among NCPERD
8	From collective to individual farming systems	2 high scores	Only mentioned among FARM-COOP
9	Exchange between PO (national/international)	2 (1 high score)	
10	Trade relations based on solidarity	1 high score	Referring to Fair Trade buyers which operate outside the FLO system
11	Links to LGU, GO, NGO	8	
12	Village infrastructure upgraded	2	Road, water, electricity
13	Climate change	2	Only mentioned among NCPERD; problems to relate to observed changes
14	Adaptation to global market requirements	2	Only mentioned among FARM-COOP

Starting from their personal health issues, also MOFA proceeded to develop environmental concerns, even though they did not prioritise this change in their influence matrix.

The members of DAFWARBA, however, were themselves surprised that environmental protection scored first among the significant changes. Their case is specific because part of their newly acquired land is forest which they manage collectively in a sustainable way. They observe many beneficial effects of the forest in terms of cool micro climate, high soil moisture and vivid bird life.

Among the other groups, environmental protection was not mentioned as significant change. With NCPERD and MOFA, there was certain confusion about if climate change should be sorted as either significant change or important influence. The rating of the influence matrix did not help to further clarify the role of climate change

in the context of marketing. They said that the effect of climate change on incomes could be positive or negative. Negative because of decreased yields due to typhoons or floods; positive because the decreased in yields may lead to a food crisis which means higher prices for the commodities sold and therefore an increase in the family incomes. Also with regard to enterprise development, climate change related natural calamities may destroy business investments, but on the other hand they could also generate new opportunities wherever people are innovative enough in developing new technologies.

4.3 Important influences

When developing the timeline, the interviewees have discerned between three categories of influences on the changes they have observed:

- External factors such as market conditions and political decisions on which they have little or no leverage

- Interventions of others which are directed at them or which they can access, e.g. the government or NGO programmes
- Own activities and interventions

In the aggregated influence matrix below, the intervention of others, the capacity building programmes of mainly NGOs has scored highest, followed by two own interventions, organic production, certification and marketing, and diversification of production. However, if the two different export strategies of ATFI and POs and of FARMCOOP and cooperatives are added, they rank third, after organic production and before certification.

4.3.1 Market conditions and requirements

Especially for their two cash crops, sugarcane and bananas, the ARB interviewed depend on market conditions which are influenced by factors far away from their place of observation, at national and even much more at international level. The increasing demand of multinational fruit companies for bananas from the Philippines has created a situation which FARMCOOP flexibly used to negotiate better contracts for their cooperatives. Over the past years, their sales revenues have even constantly exceeded the minimum prices fixed in the contract. At the time this study was compiled, there was no indication for imminent shifts in this market situation. The preconditions to access this market, however, are high quality requirements which the cooperatives have to meet with their export bananas.

For sugarcane, on the other hand, the market situation looks more volatile. The world market prices for refined sugar have more than doubled from 200 EURO/ton at the end of 2007 to 500EURO/ton in January 2010. Rising global demand and prices have raised incentives for exports and dried up imports of sugar, driving local prices higher. For the ARB this meant that they got good prices even for selling conventional sugarcane to the local sugar centrals on Negros. To ensure the supply of sugar and keep the prices acceptable for consumers, however, the Philippine government has decided in January 2010, to exempt the import of 20,000 metric

tons from import tariffs and VAT which will probably bring local prices down. At the same time, demand is rising from new potential buyers: In 2009, an Ethanol plant has opened near Bacolod, with others already being projected. For the PO visited in Negros Occidental, this plant is not accessible since they do not offer transport for the sugarcane. In case this changed in future, the good price they pay might attract producers of ATC that still struggles to secure their supply of organic sugarcane.

For its unrefined Mascobado, ATC has in 2009 experienced a decrease of orders from Fair Trade organisations in Europe, probably as a result of the international financial crisis. With the 2,000 tons they produce per year, on the other hand, they find it difficult to enter the growing domestic market for organic Mascobado. To increase the volume of production, they would have to invest into building another sugar mill.

4.3.2 Collective versus individual approaches

Just after obtaining their CLOA, most PO and cooperatives started with collective production and marketing of their cash crops. The marketing of cash crops has remained a collective task, because the required volumes and transport arrangements are better done as a group even for local sales of conventional sugarcane. When it comes to export quality requirements or organic and Fair Trade certification, the necessary investments have to be shouldered collectively.

On the production side, however, experience has shown that productivity and profits rise with individual approaches, be it that each member gets an individual plot in addition to communal fields like in the case of MOHA, or that the whole production is done individually such as among DARBCO. Every member gets paid according to the volume and quality of the cash crop they supply for collective marketing. If they cannot work the fields themselves anymore, as it is the case among some MOHA members in their old age who have to hire workers to do the manual labour for them. Within a short period some of them have thus progressed from workers to employers, and during the interviews there

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was some criticism that not all of them pay their workers fair wages.

The diversified production and marketing of fruit, vegetables and livestock, on the other hand, has predominantly been organised individually. In some PO, mainly women have formed marketing committees to jointly organise processing and increase sales. With their lending schemes from group funds, others have broken the monopoly of local moneylenders.

Another strategy to sidestep middlemen which COIR and KFI has applied through their direct copra sales has interfered with the pricing practices of local traders and helped to raise the buying price of copra. The different examples cited show that whereas within the PO or cooperative, competition increases production, collective approaches are more successful at the external marketing interface. Not just those original MIARBA members who decided to fend for themselves ended up losing their land, but evaluations of the CARP as a whole have revealed that the majority of ARB are not able to become successful independent farmers without external support.

4.3.3 Links to government agencies

Even though none of them prioritised it among the three most important influences, eight out of ten NGO, PO and cooperatives mentioned links to local government units, government organisations and NGOs as important influence. None of them benefited from one of the few agricultural extension programmes specifically directed to ARB. Through collective efforts, or with assistance by the partnering NGO, however, some PO gained access to other government schemes such as the Social Security System or PhilHealth. Others such as DAFWARBA, made use of government schemes to acquire a rice mill, and to start goat and poultry projects. These links are all the more important for poorer ARB who cannot access formal bank loans.

For the Sibulan organic community (SOBAGROMCO), the construction of a road which greatly improved their market access, and the introduction of electricity and

drinking water supply were important influences exerted by the local government.

4.3.4 Role of partner NGOs

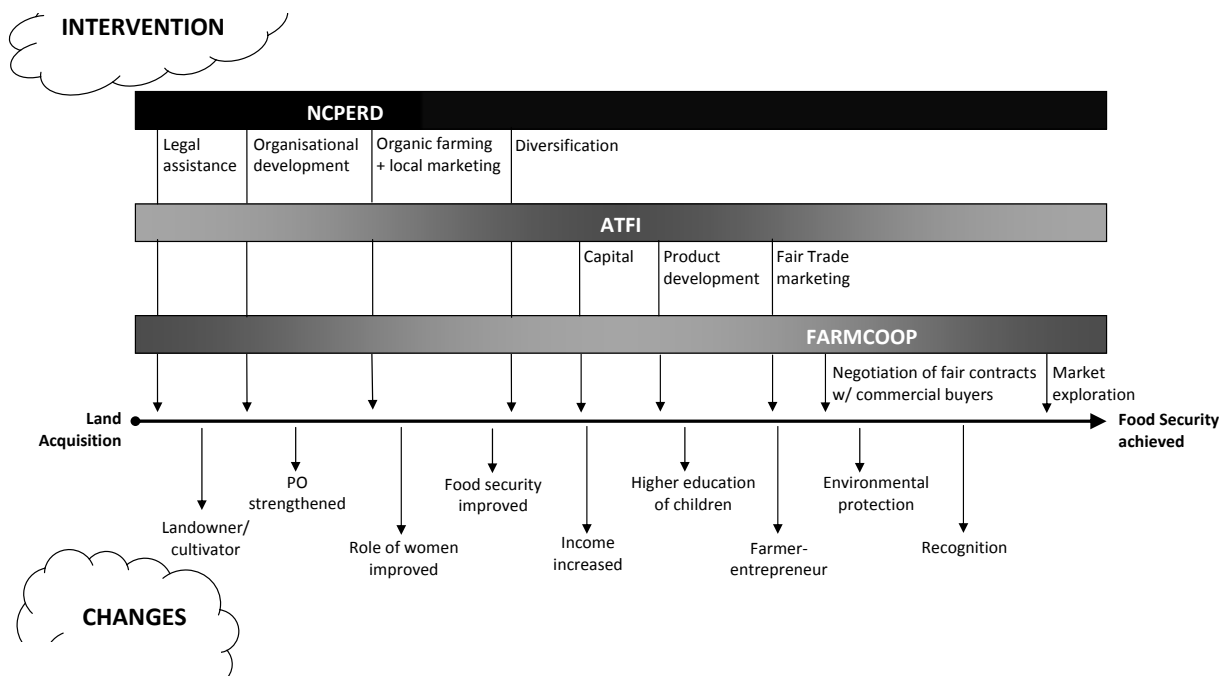
For the POs and cooperatives visited, the partner NGOs NCPERD, ATFI and FARMCOOP have played a crucial role without which they would definitely not have become such successful ARB. With nine mentions and seven high scores, the NGOs' capacity building programmes come first in the aggregated influence matrix of important influences (see Table 8). Their intervention generally started with helping the prospective ARB to form a PO or cooperative.

As a next step, most POs and cooperatives have received legal assistance in claiming their land. Other capacity building programmes relate to agricultural practices, in most cases including organic production and certification, to community development planning, organisational and finance management, paralegal training. Depending on which strategy they have adopted, for domestic marketing access to market information and negotiation skills with commercial traders were mentioned, whereas for others training which is related to export quality requirements, Fair Trade standards and certification are most important, or assistance in negotiating fair contracts with international buyers.

For presentation of initial results of this study during the two MASA workshops, the research team developed a generic timeline of the typical sequence in the ARB's journey from land acquisition to food security which can be found in Figure 1. In the early stages of group formation and land acquisition, legal assistance contributes to secure the CLOA, and organisational development is geared at strengthening the PO. Later it is diversification of products and organic farming and marketing which improve food security and the position of women.

To master the leap towards entrepreneurship, capital, product development and new marketing channels are necessary. If these potentials can be tapped successfully, the incomes will increase and open opportunities to send the children to higher education. Especially in

Figure 1: Intervention of NGOs which contribute to changes in relation to the generic timeline from land acquisition to food security



these later stages of accessing Fair Trade markets or negotiating fair contracts with international buyers, the assistance of NGOs appears indispensable.

In the timeline graph, the horizontal bars represent the three NGOs NCPERD, ATFI, and FARMCOOP which all offer services throughout the generic timeline; the different shades of colour, however, indicate the focus of their intervention: NCPERD is concentrating on the early stages of land acquisition, organisational development, and (organic) agriculture and marketing. With its credit access and savings programme, ATFI provides a tool for POs which are interested to become entrepreneurs.

NARB-MPC, for instance, was assisted by NCPERD during its early stages; NCPERD later brought them into contact with ATFI who supported them in the necessary investments to attain Fair Trade certification and supply organic sugarcane for Mascobado exports. FARMCOOP, on the other hand, is strong in legal assistance, be it at the stage of land acquisition or to negotiate fair ex-

port contracts for experienced cooperatives. The other MASA partner reported some more interventions such as the development of social enterprises, and the lobbying and advocacy of their Go Organic Mindanao (GOM) network.

4.3.5 Impact of Fair Trade

In the debriefing session, the representatives of the PO cooperating with ATFI were asked to assess the contribution of Fair Trade features and standards towards the observed changes. They first listed the features which then were discussed and related to Fair Trade standards, of World Fair Trade Organisation (WFTO) and FLO. Afterwards they prioritised them by distributing three points each; the result can be seen in the table below:

The consolidation of influence matrices and the discussion among ATFI and its partner organisation showed that in addition to quality improvements and organisational benefits related to certification and the collective utilisation of the premium, they specifically value

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Table 10: Contribution of Fair Trade features and standards to the changes observed

Votes	Feature (relating to standard)	Impact (+/-)
9	Participatory decision making, cooperation among members, linkages with local government (WFTO standard #8: Capacity Building)	<ul style="list-style-type: none"> ■ Improves economic wellbeing and livelihood of members ■ Problems have to be solved together to fight external challenges, e.g. agents of landowners who try evoke conflicts among members; land can be secured and productively used only in unity of members ■ Fear that government does not recognize land ownership as long as tax payments are not accepted
7	Organic farming, concern for health and environment, diversification (WFTO standard #10: Environment)	"If those first 3 are achieved, everything else will follow" – referring to participation, organic farming, and linkages
5	Linkages/negotiation between producers and consumers	
4	Fair price and premium (FLO Generic trade standard; WFTO standard #4: Payment of a Fair Price)	<ul style="list-style-type: none"> ■ Sugar price based on negotiation (no floor price fixed by FLO standards) ■ Premium can be used for education of children
2	Living wages, equal pay for equal work for men and women (WFTO standards #6: Non Discrimination, Gender Equity and Freedom of Association; and #7: Working Conditions)	Improvement of women's situation
2	Giving opportunity to marginal producers (WFTO standard #1: Creating Opportunities for Economically Disadvantaged Producers)	From farm worker to entrepreneur
0	Respect for children/no child labour/right to education/orientation for successors (WFTO standard #5: Child Labour and Forced Labour)	<ul style="list-style-type: none"> ■ Education will be priority with increased income ■ Many children do not return after education and therefore will not continue their parents' work which might even lead to loss of land

"trade relations based on solidarity" which include contact between producers and consumers. The latter was achieved in practise during exchange visits which Japanese and Korean consumer groups organised for banana producers from the Philippines. The FLO standards, against which ATC's Mascobado is also certified, were considered less important especially since there is no Fair Price fixed for sugar.

beyond the Fair Trade relationship to introduce electricity or other production related improvements.

Without the assistance and capacity building by ATC/ATFI, probably none of the POs visited would have been able to pass certification and become an active player in the international Fair Trade market. The POs of ATFI appreciated very much that the German Fair Trade organisation GEPA and Alter Trade Japan supported them

5. Conclusions and Recommendations

Evolution of interventions, "Brot für die Welt" support and observable impacts

The marketing strategies that "Brot für die Welt" partners (particularly ATFI, FARMCOOP, NCPERD and their respective partner communities) are currently implementing have consciously or sub-consciously evolved as a consequence of issues and events related to production factors – land, human/organisational capacity, capital and support systems. As such, the partner interventions as gathered from the study may be classified according to the thematic-based sequence below.

The thematic evolution of interventions, however, does not mean that the partners shook off the previous issue to move into the next one; on the contrary, the interventions build upon each other in each setting or community context, with the current issue receiving greater emphasis as the previous thematic interventions have more or less been developed to continue with less

external assistance. In support to the above partner interventions, the "Brot für die Welt" response has been in accordance with this evolution of thematic interventions through:

- Specific project cooperation on agrarian reform;
- Sustainable agriculture and credit/micro-financing schemes;
- The Sustainable Agriculture Dialogue series that opened the doors to several partners in pursuing an "enterprise track" parallel to their on-going development agenda in the communities;
- Support to the formation of MASA and the current MASA project which has a strong bias on marketing with the hope that successful marketing interventions will also strengthen the sustainable agriculture programmes and impacts of the partner NGOs and POs.

With the partner interventions and "Brot für die Welt" responses listed above, the observed changes/impacts as expressed by the partner communities during the

1. Acces to Land

- Legal assistance with respect to land tenure issues/ agrarian reform
- Organizational development for empowering POs to improve their access to and use of production factors

2. Acces to production technologies & systems

- With emphasis on sustainable agriculture/organic farming technologies in the context of achieving food security and local marketing of surplus production
- Promotion of both individual and collective production systems

3. Access to capital and product development support

- As part of preparations/requirements for entry of the partners into the mainstream market (i.e. beyond surplus marketing)
- Promotion of both individual and collective marketing systems

4. Access to/entry into the mainstream domestic & export markets

- Entry into the Fair Trade market
- Assistance (legal and technical) in negotiating for fair contracts in the commercial markets
- Further market explorations, both for the organic and inorganic products of the communities (demand-driven marketing)

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study maybe categorised into “community/PO level impact” and “family or household level impact”. At the community/PO level, three general impacts observed were the

- increased participation and recognition of women;
- strengthening and recognition of the POs as major players in the development of not only their member-households but of their respective communities as well;
- contribution to the environmental protection of their communities.

At the family or household level, the positive changes expressed by the partners were:

- Change in status and perspective from landless farm worker to landowner-cultivator/farmer-entrepreneur;
- Improved household food security but not yet food security at the level of the community;
- Increased income;
- Children’s ability to finish higher education, many of them becoming professionals;

However, none of the observed changes can be fully attributed to the marketing strategies of the partner organisations because their overall strategies evolved with a sequence of interventions. The prior interventions and experiences are important to preparing the partners in such a way that they themselves are enabled to develop the appropriate marketing strategies for their particular situation.

Learning from the experience

There are at least four major learning or on-going innovations that are coming out from the experiences of the partners as per this study where “Brot für die Welt” may consider further support/cooperation specific to the marketing and Fair Trade agenda. These are

- organisational development, networking and advocacy to prepare partners for the mainstream domestic and global markets.

- integrating food production and marketing;
- diversifying the marketing options of the small producers;
- developing local and domestic markets for organic and Fair Trade products.

Supporting organisational development, networking and advocacy

Small farmers cannot deal with the complexity of an increasingly global market on their own. Therefore getting organised is the only recommendation which holds the test of time. Strategic options may lose their validity already after a short while; through cooperative approaches and networking farmers can improve their capacities to react flexibly to constantly changing market conditions. They need to improve product quality, increase volumes, and strengthen their negotiation power vis-à-vis traders, domestic buyers and multinational companies. When it comes to government and politicians, a higher aggregation of expertise and voters’ power in federations and networks is needed. In the long run, such federations and networks should organise the support which is presently provided by partly foreign funded NGOs, e.g. access to credits and training programmes.

Integrating food production and marketing

For Agrarian Reform Beneficiaries who have to amortise their land loans and whose agricultural experience mainly relates to cash crops, marketing is an immediate necessity. Yet also small farmers, who for generations have focused on food production for self sufficiency, increasingly want to earn cash for buying consumer goods and accessing services such as education for their children. Promoting diversified food production and venturing into agricultural business need to be seen as complementary strategies to improve food security.

By introducing planning tools at household and community level, each member and the whole PO will be enabled to take a structured decision to what priorities they want to allot their land, time and other available resources. The model of social enterprise with its triple bottom line of social, economic and ecological benefits is well adapted to balance different needs.

For every product which is not mainly grown for own consumption, the marketing has to be planned ideally before the start of production, e.g. by doing a feasibility study. In their support of ARB, the NGOs and POs visited as well as most MASA partners have made this experience and shaped their support programmes accordingly. Especially those NGOs which are promoting organic production and Fair Trade practices devote a growing part of their activities to develop the respective markets for these products.

Diversifying the marketing options of small producers

With unpredictable weather conditions and looming pests, agricultural production is in itself a risky business. When it comes to cash crop production and exports, these risks are multiplied by volatile market conditions and politico-economic decisions which are very difficult to understand, monitor or even influence from the position of a small farmer. Fluctuating world market prices and foreign exchange rates, import and export tariffs and taxes, and international trade agreements are just a few examples. If a farmer or cooperative decides to focus on one export commodity, such as DARBCO on Cavendish bananas, they need to be very well informed and organised to flexibly adapt to changing market demands.

Generally it is not advisable to put all eggs in one basket. To reduce dependency, farmers need to diversify both their production and their marketing. For each product, they should have different markets (local, regional, national, and perhaps international) and/or a range of buyers. This also applies to Fair Trade which on the one hand offers good trade conditions, but on the other frequently does not absorb large volumes. The cost calcu-

lation of farm inputs versus expected revenues should contain alternative options for sales on two or more markets which are all profitable. If this is not possible, the risk should be balanced between different products and/or services. Especially in the emerging local markets for organic products, there is a potential for developing new products and services, both for consumers and other producers, e.g. by selling organic manure.

Developing local and domestic markets for organic and Fair Trade products

Especially for organic and Fair Trade products, the high production and certification costs can be recovered easier if the domestic demand for these products grows. Organisations such as NCPERD and SIMCARRD in cooperation with government agencies have successfully promoted and satisfied the demand of Philippine middle classes for organic food sales and restaurant services, although on a very limited scale. When it comes to Fair Trade, the consumers' level of awareness is only at 10% on the Philippines. Therefore a lot of campaigning and advocacy needs to be done on national and local levels to increase public and private awareness and to create a domestic demand for Fair Trade products.

The existence of a domestic market will also convince more producers to provide the necessary supply. At the moment, organic and Fair Trade certifications are very costly because they are done by foreign experts. The introduction of Philippine certification services would certainly reduce these costs and make it easier for producers to attain certification. Without assistance and training by organisations like ATFI, however, most ARB and their PO would not have been able to access Fair Trade export markets. As a first step to avail the necessary training and to come up with the required volumes in export quality, small farmers have to get organised.

Recommendations

When "Brot für die Welt" partners in the Philippines talk about getting into marketing these days, they normally imply marketing in big volumes which will translate into increased family incomes and not just guarantee ba-

Marketing approaches I Philippines

sic food security. They strive for an income that allows the family to send the children for higher education. However, in an increasingly globalised economy, even poor farmers who are the primary target group of “Brot für die Welt” support are looking for opportunities to generate cash income. The majority of farmers studied for this report have progressed from landless labourers to small entrepreneurs in less than a generation’s time. Therefore, marketing options have to be an integral part of any assistance aimed at boosting agricultural production. And when it comes to community food security, it is through local marketing that the surplus of project beneficiaries can be imparted to their neighbours.

The experiences of the partners covered in this study show that there is not one optimal strategy which fits all. While Fair Trade offers above market prices and a development dividend, the FARMCOOP experience suggests that partner NGOs and POs may also be capable of negotiating fair contracts that can equal, if not exceed, the benefits to be derived from Fair Trade markets. Nevertheless, the most successful experiences of FARMCOOP are with respect to “demand-driven” marketing of non-organic products (bananas). Their experience in marketing of organic bananas where the demand is still small (and FARMCOOP still has to develop a bigger market for it), has yet to prove they can do the same thing as they did with the marketing of conventionally grown bananas. In the case of organic bananas therefore, Fair Trade marketing is to date still the better option.

Again, in recognising that there is no one best marketing strategy to promote, the least that “Brot für die Welt” and its partner organisations should do is to present the farmers a basket of marketing strategies and share how and why these worked for some partners and not for others. If “Brot für die Welt” decides to further assist its partners in their marketing agenda, it should offer consultancy to individual partners in adapting various marketing strategies towards evolving the most appropriate option for their respective target groups, e.g. by conducting feasibility studies. However, in any such co-operation, a clear understanding has to be developed on how the marketing strategies are balanced with related strategic goals of “Brot für die Welt” such as food secu-

rity, gender equality, and climate change.

Recognising these strategic goals as integral to the partnership (and taking into account the related experiences of some partners as presented in this study), the marketing interventions should revolve around:

- Diversification and organic production as a response to household food security and climate change;
- Strengthening of and adaptation of organic and Fair Trade systems and concepts in the domestic market, not only as a “fall back” position in case of failure on global markets because of unforeseen events like the financial crisis; but more importantly, because engaging the domestic market in the flow of organically grown products can contribute to the local food security situation beyond the household level by ensuring that these organic foods are neither dedicated only to export markets nor for the food demands of the middle to upper social classes;
- Ensuring that the marketing strategies come packaged with “life style check” components or programmes such that the small producers will be able to manage or lessen the negative impact of sudden substantial increases in family income e.g. that the increased participation of women in income generating activities does not lead to a double-burden but on the contrary, that there will be observable positive changes in shared workload between men and women also at the household level; or that the increase in income does not tempt farmers into indulging in unnecessary spending and “urban lifestyles” which would bring them closer to the threats of HIV&AIDS, credit card indebtedness etc.

Definitely the terms of accompaniment will have to be detailed out such that there is complementation of both the agenda of the partners and that of “Brot für die Welt”. Therefore a first step could be to institutionalise a “Dialogue on the marketing agenda” between “Brot für die Welt” and partner organisations among networks such as the MASA or even beyond the Philippines. More studies in different settings could complement the findings presented here which specifically relate to

Table 11: Conclusions and recommendations

Conclusions and learning	Recommendations
1. Small farmers cannot deal with the complexity of increasingly global markets on their own but need to get organised	<ul style="list-style-type: none"> ■ Support the formation and development of cooperatives and PO, federations and networks ■ Provide capacity building on quality production, market access, negotiation of contracts ■ Qualify the political advocacy of small farmers' organisations
2. Food production and marketing have to be integrated in order to <ul style="list-style-type: none"> ■ Provide farmer with cash ■ Improve food security on community level ■ Match supply and demand 	<ul style="list-style-type: none"> ■ Develop marketing options also with poor farmers ■ Promote local marketing of surplus food as first step ■ Introduce a value chain approach and conduct feasibility studies
3. Small producers have to diversify marketing options to mitigate risks of <ul style="list-style-type: none"> ■ Weather and pests ■ Volatile market prices 	<ul style="list-style-type: none"> ■ Balance the risk between different products and services ■ Even if there is a remunerative market for an important product, develop at least two alternative marketing options
4. Local and domestic markets for organic and Fair Trade products should be further developed in partner countries	<ul style="list-style-type: none"> ■ Build up local certification infrastructure to reduce costs of producers ■ Promote awareness of and access to organic and Fair Trade products among domestic middle classes, e.g. through consumer campaigns and setting up markets and cafés

ARB and cannot be generalised to other small farmers who e.g. have been surviving on subsistence farming for generations.

The recommendations which the research team has developed on the basis of findings, conclusions and learning are summarised in Table 11.

Comments by Philippine partner organisations

5th General Assembly of MASA Philippines: Reflections and Comments on the "Brot für die Welt" Study on Different Marketing Approaches and their Impact on Food Security of Farmers"

1. It is good that "Brot für die Welt" is opening its doors for marketing. It all redounds to increasing the income of small farmers, especially agrarian reform beneficiaries, from the market. This is supported by the Davao experience in banana and also in the case of sugar in Negros where there are ready processing facilities that also serve as immediate market to farmers.

In the case of coconut farmers, there is no such immediate processing facilities that can process new coconut-derived products to the market. The same is true for other farmers in the MASA clusters in Palawan and Negros.

- This could have been further deepened in the study as an important aspect in supporting agrarian reform beneficiaries.

- Perhaps this need could also be considered in assisting NGOs/POs in accessing projects for such facilities to enable the farmers to enhance their capacity in engaging the market.

2. It is favorable to farmers that "Brot für die Welt" is seriously considering market opportunities for small farmers. Because the more important thing is for farmers to be able to control not only the primary production but also processing and trading that is market related.

- The biggest risks encountered are in primary production

- The bigger profits are in processing and trading

- The income from the latter two can offset the losses in primary production

- That is why the complete control of farmers of the whole value chain from production to processing and trading is much more desired and this was not cited in the study. This was clear in the FARMCOOP experience.

3. Organizational Development is broad and it can be useful for developing farmers' enterprises

- The study valued organizational development from the stage of land acquisition, to the period of sustainable and organic farming, to the stage where farmers had to consolidate their volume, achieve standard quality and negotiate fair contracts with the market.

- Specific approaches in organizational development of farmers that supports the farmers to engage in processing and marketing appropriately and adequately may have to be further clarified.

4. The study mentioned the concept of "social/community enterprises that target Triple Bottomline of benefits to farmers (social, ecological, economic). But there is the need to clarify what is a social enterprise because it was not well discussed in the study.

- The basic characteristic of social enterprise is "business for social development" which means that the reason for its existence is not simply profit but social development, and that profits are not privatized but used for the development of marginal producers.

- There are social enterprises that are owned and operated by Socially Oriented NGOs, but there are concepts of Social Enterprise that are owned and managed by organized farmers and the profits go to the farmers and to the enhancement of their enterprise and social services. It could be taken as the different stages of developing social enterprises.

- This aspect could be seen in the "MASA house" as Strategy # 2 .

- The empowerment of farmers by allowing them to own and control the whole value chain from field

production, to processing to trading is the real liberating aspect in a social enterprise... that liberates farmers from poverty.

5. Fair-trade is given focus in the recommendations

■ Because fair-trade has been proven to empower farmers in developing capacities to address the market while imbibing standards and values that are fair, transparent, gender-responsive, participatory, etc.

■ Because fair-trade can provide rewards to farmers in the form of premiums that can enhance community services and benefits and enhance the capacities of farmers for processing and trading.

■ Because fair-trade is not only concerned with the trading operations favorable to producers and consumers, but beyond that, in developing an alternative economic order that establishes producer-consumer solidarity, north-south cooperation, fair and just trading relations that is a denial of the WTO trade system.

Deutsche Zusammenfassung

Ohne Geld ist eine Teilnahme am modernen Leben nicht möglich: Arme Menschen wollen zum Beispiel ihre Kinder zur Schule schicken und müssen für Krankenversorgung bezahlen. Die Vermarktung landwirtschaftlicher Produkte gewinnt daher auch für kleinbäuerliche Produzenten und Produzentinnen zunehmend an Bedeutung.

Handelsliberalisierung und internationale Konkurrenz führen jedoch dazu, dass die Marktbedingungen für Agrarprodukte sich ständig wandeln. Die ideale Vermarktungsstrategie gibt es daher nicht. Der Export erscheint vielen Bauern und Bäuerinnen als erstrebenswert, besonders im Rahmen des Fairen Handels.

Die vorliegende Studie wurde von „Brot für die Welt“ in Auftrag gegeben, um die Erfahrungen von Partnerorganisationen auf den Philippinen mit unterschiedlichen Marketing-Strategien und deren Auswirkungen auf Ernährungssicherheit zu analysieren. Die Ergebnisse sollen dazu genutzt werden, die Beratung von Partnerorganisationen in Fragen der Vermarktung zu qualifizieren.

Die Philippinen wurden gewählt, weil „Brot für die Welt“ dort zahlreiche Partner unterstützt, die Erfahrungen mit Marketing gesammelt haben. Um den Einfluss von unterschiedlichen Rahmenbedingungen zu minimieren und die Vergleichbarkeit zu erhöhen, konzentrieren sich die Feldstudien auf die beiden Produkte Zuckerrohr (Negros) sowie Bananen (Negros und Mindanao).

Das Gutachterteam aus einer deutschen Sozialwissenschaftlerin und einem philippinischen Landwirtschaftsberater besuchte Ende 2009 insgesamt zehn ländliche Basisorganisationen und Kooperativen, die von Begünstigten der philippinischen Agrarreform gegründet wurden. Diese neuen Landbesitzer stehen unter hohem Erfolgsdruck, da sie ihr Land nachweislich produktiv nutzen und gleichzeitig das Geld für die Rückzahlung ihrer Kredite erwirtschaften müssen. In der Beratung der Agrarreform-Kooperativen setzen die drei unter-

suchten Partnerorganisationen von „Brot für die Welt“ auf unterschiedliche Strategien:

- NCPERD hat sich auf Negros einen Namen gemacht, indem es Landarbeiter auch gegen den heftigen Widerstand feudaler Großgrundbesitzer erfolgreich darin unterstützt, ihre Ansprüche auf eigenes Land durchzusetzen. In der anschließenden Beratung der neuen Landbesitzer setzt NCPERD auf ökologische Produktion und lokale Vermarktung.

- ATFI begleitet Bauernkooperativen auf Negros dabei, Zertifizierungen für ökologische Produktion und Fairen Handel zu erwerben. Der von der Schwesterorganisation Alter Trade Corporation produzierte braune Rohzucker Mascobado wird zu Fairhandelsbedingungen nach Deutschland exportiert, ökofaire Bananen finden ihre Käufer in Japan.

- FARMCOOP hat seinen Sitz in der von internationalen Fruchtkonzernen dominierten Region Davao auf Mindanao. Die Organisation berät Kooperativen ehemaliger Bananenarbeiter und neuer Landbesitzer darin, Bananen in Exportqualität zu produzieren und für deren Verkauf gute Vertragsbedingungen mit den internationalen Fruchtkonzernen auszuhandeln.

In der Befragung der bäuerlichen Basisorganisationen und Kooperativen setzte das Gutachterteam Methoden der Wirkungsanalyse ein: Zunächst wurden auf einer Zeitachse wichtige Veränderungen, Interventionen und externe Einflüsse seit dem Landerwerb dokumentiert. Anschließend bewerteten die Vertreter der Organisationen die Wichtigkeit der beobachteten Veränderungen und ihrer Ursachen in einer Einfluss-Matrix. Um die Datenbasis für die Analyse zu erweitern, wurden erste Ergebnisse anschließend auf zwei Workshops mit Mitgliedern des Netzwerks für nachhaltige Landwirtschaft (MASA) diskutiert, in dem sich philippinische Partnerorganisationen zusammengeschlossen haben.

Im Rahmen dieser Workshops wurden zusätzlich Erfahrungen mit weiteren Exportprodukten (z.B. Kopra, Heilkräuter) sowie anderen Zielgruppen (traditionelle Kleinbauern ohne Kontakt zu Exportstrukturen) reflektiert.

Potentiale und Herausforderungen unterschiedlicher Marketingstrategien

Alle im Zusammenhang mit dieser Studie interviewten neuen Landbesitzer beziehen den größten Teil ihres Einkommens aus dem Anbau und Verkauf der regional vorherrschenden Cash Crops Zuckerrohr oder Bananen. Als Landarbeiter auf den Plantagen haben sie darin grundlegende Kenntnisse erworben und können außerdem lokale Verarbeitungskapazitäten (Zuckermöhlen, Wasch- und Verpackungsanlagen für Bananen) nutzen. Da die Preise für konventionell angebautes Zuckerrohr in den letzten Jahren relativ niedrig waren, hat ATFI für ihre Basisorganisationen neue Märkte für Zucker aus ökologischem Anbau und Fairem Handel erschlossen. Speziell die für den Fairhandelsexport erforderlichen Zertifikate für ökologischen Anbau und Fairen Handel sind jedoch kostspielig und erfordern eine systematische Umstellung und Dokumentation des Anbaus. Bisher haben sich diese Investitionen durch die besseren Abnahmepreise und die Fairhandelsprämie für die Kleinbäuerinnen und Kleinbauern gelohnt. Allerdings berichtet ATFI von einem aktuellen Rückgang der Bestellungen europäischer Fairhandelshäuser im Zusammenhang mit der weltweiten Wirtschaftskrise. Ob die gleichfalls hohe inländische Nachfrage nach Mascobado die sinkenden Auslandsbestellungen ausgleichen kann, ist im Zusammenhang mit dem Abbau der philippinischen Einfuhrzölle für Zucker seit Januar 2010 fraglich.

FARMCOOP setzt in der Vermarktung konventioneller Bananen auf die Verbesserung von Vertragsbedingungen der internationalen Fruchtkonzerne. Mithilfe von Streiks der verarmten Bananenbauern, Unterstützung durch internationale Advocacy-Organisationen und juristischem Sachverstand gelang es ihnen, langfristige Abnahmeverträge zu Konditionen auszuhandeln, die deutlich besser als selbst im Fairen Handel sind. Dieser Erfolg war auch dadurch möglich, dass Bananen auf den Philippinen sehr nachgefragt und die Fruchtkonzerne immer auf der Suche nach neuen Lieferanten sind. Mit Beratung sind die ehemaligen Bananenarbeiter in der Lage, mit konventionellem Anbau den Qualitätsanforderungen für Exportbananen beständig zu genügen. Ob FARMCOOP Vergleichbares auch mit indigenen Ziel-

gruppen erreichen kann, die Ökobananen anbauen und nach Japan vermarkten, bleibt abzuwarten.

Bereits in ihrem früheren Leben als abhängige Landarbeiter haben einige Mitglieder der Basisorganisationen auf dem Land der Zuckerplantagenbesitzer Obst und Gemüse angebaut und davon auch einen Teil lokal vermarktet. Dadurch hatten sie auch in den als „Tiempos muertos“ bezeichneten Brachezeiten des Zuckerrohranbaus etwas zu essen und konnten teilweise sogar kleine Ersparnisse aufbauen. Nach dem Erwerb eigenen Landes haben die meisten Bäuerinnen und Bauern den Anbau und die Vermarktung von Grundnahrungsmitteln (Obst, Gemüse, Reis) ausgedehnt. Um die Kosten für Produktionsmittel zu senken und/oder ihre Gesundheit zu schützen, setzen einige der Bauernorganisationen auf ökologische Produktion. Obwohl die Nachfrage der lokalen Verbraucher nach Ökoprodukten wächst, fehlt auf den Philippinen vielerorts eine entsprechende Vermarktungsinfrastruktur. In Zusammenarbeit mit der staatlichen Kampagne „Negros Organic Island“ hat NCPERD in der Provinzhauptstadt Bacolod einen lokalen Ökomarkt mit angeschlossenem Restaurant aufgebaut, der von der städtischen Mittelschicht gut besucht wird.

Landbesitz verändert das Leben in vielerlei Hinsicht

Mit einem durchschnittlichen Jahreseinkommen von 6.800 Euro haben die Mitglieder einer von FARMCOOP betreuten Bananenkooperative zur Mittelklasse aufgeschlossen. Auch wenn die Einkommen in den anderen untersuchten Basisorganisationen teilweise deutlich niedriger liegen (1.400 Euro am anderen Ende des Spektrums, bei einer noch sehr jungen Bauernorganisation, die von NCPERD beraten wird), bewerten dennoch alle befragten Bäuerinnen und Bauern Einkommenssteigerung als wichtigste Verbesserung. Speziell für die gut Verdienenden deckt das Einkommen viele andere Bedürfnisse ab, da ihnen beim Kauf von Nahrungsmitteln oder der Ausbildung ihrer Kinder viele Möglichkeiten offen stehen. Daher wird die Erhöhung der Nahrungssicherheit auch hauptsächlich von Basisorganisationen als wichtig eingeschätzt, deren Einkommen nicht so

stark gestiegen sind und erreicht in der Gesamtwertung nur Platz 4 der signifikanten Veränderungen. Während die Menge des Essens durch Zukauf vergrößert werden kann, betonen jedoch speziell Mitglieder von Kooperativen, die Nahrungsmittel wie Reis und Gemüse ökologisch anbauen, dass sich dadurch die Qualität ihrer Ernährung deutlich verbessert habe, in Bezug auf Vielfalt, Nährwert und Geschmack.

Statusgewinne als Landbesitzer und eine verbesserte Rolle der Frauen werden als zweit- und dritt wichtigste Veränderungen genannt. Von Organisation zu Organisation unterscheidet sich jedoch das Spektrum, in dem die Veränderungen stattfinden. So berichten die von NCPERD betreuten Basisorganisationen, wie sich ihr Leben von abhängigen Landarbeitern zu selbständigen Bauern weiterentwickelt hat, während einige Mitglieder der Kooperativen von ATFI und FARMCOOP sogar vom Arbeiter zum Unternehmer aufgestiegen sind.

Die Statusverbesserung der Frauen lässt sich in erster Linie an der neuen Gleichbehandlung im Arbeitskontext ablesen. Während die Landbesitzer Farmarbeiterinnen deutlich weniger zahlen als ihren männlichen Kollegen, gilt in den Kooperativen gleicher Lohn für alle. Die verbesserten Einkommensmöglichkeiten für Frauen im ländlichen Raum führen unter den Landbesitzer-Kooperativen zu einer Abnahme der Arbeitsmigration von Frauen in Großstädte. Während Frauen in Bauernorganisation und auf kommunaler Ebene zunehmend Verantwortung übernehmen, hat sich ihre Rolle in den Familien nicht wesentlich verbessert. Zwar wird eine Abnahme häuslicher Gewalt beobachtet, gleichzeitig lastet die Mehrfachbelastung von Familienarbeit, Erwerbsarbeit und politischer Teilhabe bisher völlig auf den Schultern der Frauen.

Für die finanziell erfolgreichste Kooperative stellt die Stärkung der eigenen Organisation die wichtigste Verbesserung dar. Auch wenn diese Veränderung in der Gesamtwertung nur Platz 5 belegt, ist den meisten neuen Landbesitzern bewusst, dass sie eine erfolgreiche Produktion und Vermarktung als Kleinbauern nicht allein bewältigen könnten, sondern nur in der Gemeinschaft ihrer jeweiligen Basisorganisation. Der Schutz

natürlicher Ressourcen wurde speziell von solchen Organisationen als wichtige Verbesserung angegeben, die entweder eine besondere Beziehung zur Natur haben (indigene Gruppen) oder aus ihr einen Teil ihres Einkommens beziehen (Waldbesitzer).

Beratung und Training bilden eine Grundlage für den Erfolg neuer Landbesitzer

Ständig wechselnde Marktbedingungen und Käufererwartungen liefern den Rahmen für landwirtschaftliches Handeln in Zeiten der Globalisierung. Um sich dieser neuen Situation anpassen zu können, benötigen die ehemaligen Landarbeiter und neuen Kleinbauern Unterstützung in Form von Beratung und Training. Die im Rahmen dieser Studie befragten Begünstigten der philippinischen Agrarreform bewerteten die Kapazitätsbildungsprogramme der Partnerorganisationen von „Brot für die Welt“ als wichtigste Intervention.

Je nach Kontext umfassen diese Angebote rechtliche Beratung, landwirtschaftliches Training, Erarbeiten von Marketingstrategien, Dorfentwicklungsplanung, Finanzmanagement und Organisationsentwicklung. Zusätzlich zu den Maßnahmen ihrer begleitenden NRO ist es den meisten Basisorganisationen gelungen, Programme lokaler Regierungsstellen in Anspruch zu nehmen, z.B. günstige Kredite für den Aufbau einer Viehzucht oder zum Betrieb einer eigenen Reismühle. Speziell für die Gruppen, die bereits eine hohe Produktqualität erzielen und an Exportmarketing interessiert sind, stellt der Zugang zu Krediten eine wichtige Voraussetzung für das betriebliche Wachstum dar.

Unter den eigenen Maßnahmen erschienen den Befragten die Diversifizierung der landwirtschaftlichen Produktion sowie die Umstellung auf ökologischen Anbau bis hin zur Zertifizierung am wichtigsten. Da nur eine der drei untersuchten Partnerorganisationen von „Brot für die Welt“ am Fairen Handel teilnimmt, konnte es dieser in der Bewertungsskala nicht auf die obersten Plätze schaffen. Eine genaue Nachfrage nach den Wirkungen des Fairen Handels lieferte dennoch interessante Ergebnisse: Demnach sind für ATFI, die bereits vor der Einführung der FLO-Standards mit Fairhandelshäu-

sern in Japan und Deutschland Handel betrieben, der Austausch zwischen Produzenten und Verbrauchern und die damit verbundenen solidarischen Handelsbeziehungen noch wichtiger als der Faire Preis und die Fairhandelsprämie. In ihren Augen wäre der Erfolg einiger der von ihnen betreuten Basisorganisationen so nicht möglich gewesen, wenn die Fairhandelsorganisationen die Kleinproduzenten nicht über die reine Handelsbeziehung hinaus unterstützt und ihnen auch bei Rückschlägen eine zweite Chance gegeben hätten.

Alle Befragten betonten, dass der Zusammenschluss zu Basisorganisationen und Kooperativen eine zentrale Erfolgsvoraussetzung darstellt. Die meisten Bauernorganisationen hatten in ihrer Anfangszeit einige Krisen zu überwinden, während derer auch Mitglieder die Gruppe verließen. Von wenigen Ausnahmen abgesehen haben diese Begünstigten der Agrarreform, die sich allein durchzuschlagen versuchten, inzwischen aufgegeben und ihr Land an Großgrundbesitzer zurück verpachtet. Das bringt ihnen zwar unmittelbare Einnahmen, führt aber mittelfristig zum Verlust des Landes, da sie gemäß den Bestimmungen der Landreform ihre Parzellen für mindestens zehn Jahre selbst nutzen müssen, damit der Landtitel anerkannt wird.

Während die meisten Organisationen in der Anfangsphase sowohl Produktion als auch Vermarktung kollektiv organisierten, setzte sich nach einigen Jahren bei den meisten für den Anbau der Cash Crops Zuckerrohr und Bananen die individuelle Produktion in Kombination mit einer kollektiven Vermarktung durch. So wird der Fleiß einzelner belohnt, wenn sie ihre Produktion steigern; gleichzeitig ist es nur gemeinsam möglich, für marktübliche Handelsvolumina von Qualitätsprodukten gute Vertragskonditionen auszuhandeln.

Die Produktion und Vermarktung von Obst, Gemüse, Reis, Fisch und tierischen Produkten wird hingegen von allen Befragten individuell durchgeführt, eine Domäne der Frauen, die sich mancherorts in einem Marketingkomitee zusammengeschlossen haben. Das hiermit erzielte, teilweise substanzielle Einkommen können die Frauen für die Befriedigung eigener Bedürfnisse nutzen, z.B. für den Kauf von Kleidung und Kosmetikartikeln.

Ergebnisse und Empfehlungen

Für die Vermarktung landwirtschaftlicher Produkte gibt es keine Patentlösung. Ständig wechselnde Rahmenbedingungen und lokale Besonderheiten führen dazu, dass jeder landwirtschaftliche Betrieb und jede Bauernorganisation immer wieder nach neuen Strategien suchen muss. Die einzig generalisierbare Lehre aus der hier vorgelegten Studie lautet, dass die Begünstigten einer Agrarreform sich in Kooperativen zusammenschließen und Netzwerken anschließen müssen, wenn sie in einer liberalisierten Weltwirtschaft überleben wollen. Der Faire Handel stellt nur eine von zahlreichen Marktoptionen dar. Die Förderung durch Organisationen wie „Brot für die Welt“ und ihre Partner-NROs in Entwicklungsländern sollte dazu beitragen, die Wahlmöglichkeiten von Kleinbauern und Kleinbäuerinnen zu erhöhen. Die Ergebnisse dieser Studie unter Begünstigten der philippinischen Agrarreform lässt Beratung und Unterstützung besonders in folgenden Bereichen als wirkungsvoll erscheinen:

- Organisationsentwicklung, Netzwerkbildung und Advocacy von Bauernorganisationen in einer globalisierten Agrarwirtschaft
- Integration von Nahrungsmittelproduktion und -vermarktung
- Diversifizierung der Vermarktungsoptionen kleiner Produzenten
- Aufbau und Ausbau nationaler und regionaler Märkte in Entwicklungsländern für Produkte aus ökologischer Produktion und Fairem Handel

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