



The Rural Transformation Movement

I. About us

We are a movement that mobilizes various experts, organizations, and resources to rally and catalyze rural transformation. By rural transformation, we want to effect positive and relevant change in farmers' perceptions, attitudes, practices, and life chances with rice-based agriculture as the driver of inclusive and sustainable growth in rural, farming areas.

Currently, poverty incidence in the country indicates that 3 of 4 poor Filipinos live in rural, farming areas. An average farmer earns PhP50,000 annually from rice, which is below the poverty threshold. Our goal is to rally how we could all work together to help improve farmers' income in a holistic manner. Through collaborative R&D work using the Intensified Rice-based Agri-bio System (IRBAS) Framework or popularly known as *Palayamanan Plus*, RTM takes a challenge to transform a rice farming community into a rural economy that will be composed of rice-based enterprises. Through this community-based agribusiness approach, RTM hopes to achieve an income of one million pesos per hectare per year.

By realizing the 1-M income goal from rice-based agriculture, we hope to contribute to the realization of President Aquino's 'social contract' with the Filipino people, that is, to address rural poverty, unemployment, malnutrition, environmental degradation, and climate change. We will not only intend to make farmers economically well-off but we will also nurture them with good values, such as community sharing, working for a common good, and respect for the environment.

II. Our Vision

Inclusive and Sustainable Growth in Rice-based Communities

III. Our Mission

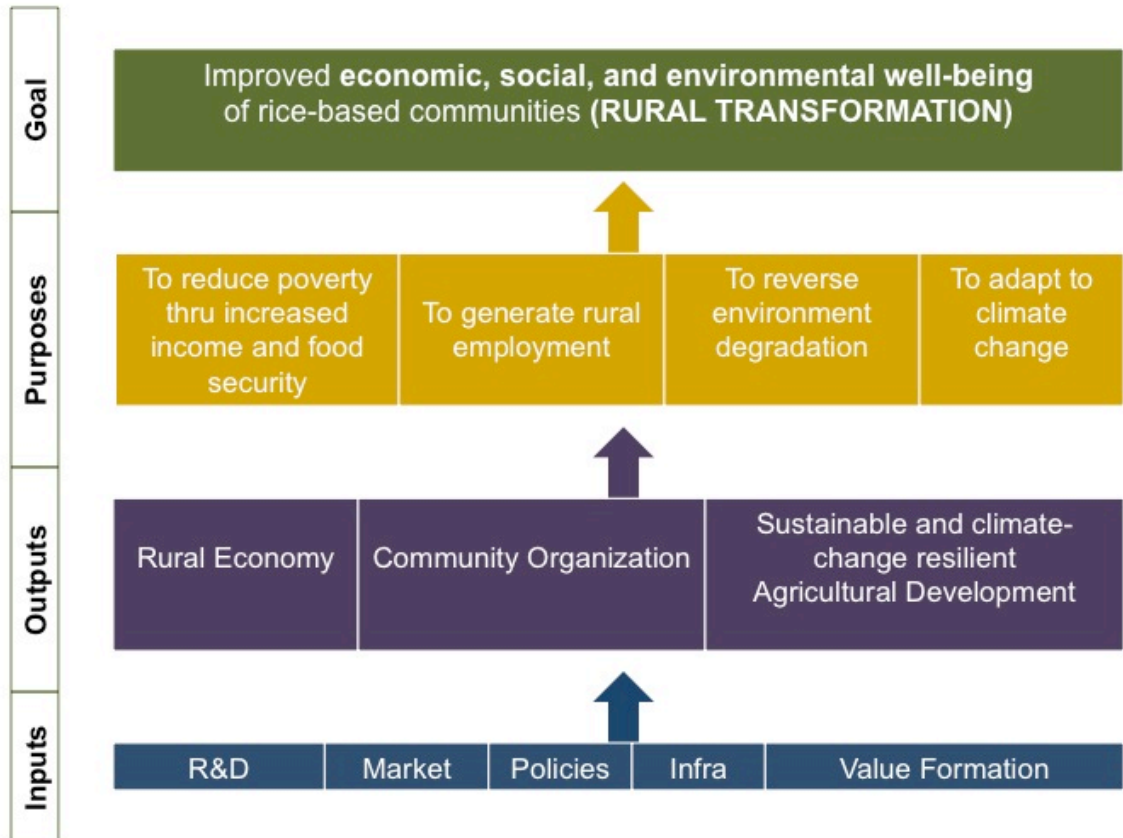
To empower rice-based communities to work together to reduce rural poverty, generate employment, reverse environmental degradation, and adapt to climate change

IV. Our Values

- Community sharing
- Respect for the environment
- Inclusive & sustainable growth
- Sensitivity to socio-cultural and political complexities

- Service for the common good

V. What we want to achieve



VI. What do we do

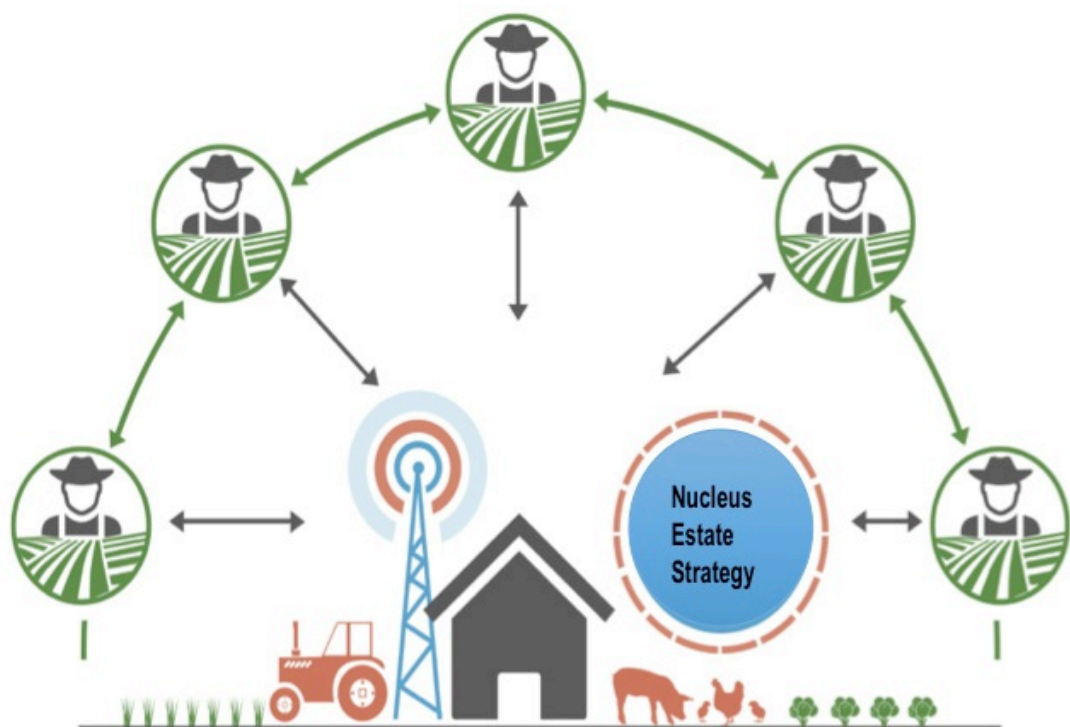
1. Mind-setting Campaign. Agriculture is largely viewed as a meager, non-lucrative venture. A campaign to change this perception will be carried out. This advocacy particularly aims to change farmers' mindset of agriculture from a losing proposition into a lucrative enterprise.
2. Sustainable & climate-change resilient rice-based agricultural development. This component seeks not only to improve agricultural production but also to ensure sustainability, adaptation to climate change, as well as environmental preservation through the development and promotion of clean, green, practical, and smart (clean GPS) rice-based farming technologies and practices.

3. Establishment of rural economy. This component aims to identify and promote agricultural enterprises with rice as resource base through the Intensified Rice-based Agri-bio System (IRBAS) Program of PhilRice. It aims to transform a rural, farming community into a rural economy that will be composed of different agri-business enterprises implemented in an integrated manner.

4. Community organizing. To ensure sustainable rural growth and development, a strong community support system must be put in place. Here, a community will be organized, community sharing promoted, rural infrastructure built, and strong linkages to both private and public organizations strengthened. The Nucleus Estate Strategy (NUESTRA) will be employed as the operating framework. NUESTRA is a system-based approach that supports a farming community through integration or consolidation of resources as well as provision of rice-based support services (Figure 1). These support services can be in a form of capacity enhancement, production and distribution of inputs, custom services, product development and packaging, and marketing.

Components	Objectives	Indicators/ Metric
I. MIND-SETTING CAMPAIGN	To change farmers' mindset of agriculture from a losing proposition to a lucrative venture	<ul style="list-style-type: none"> • Change in farmers' perception of agriculture from a losing proposition to a lucrative venture
II. ESTABLISHMENT OF RURAL ECONOMY	To develop rice-based enterprises that would serve as sources of good income and employment for the rural communities	<ul style="list-style-type: none"> • # of rice-based enterprises established • rural income increased by 100% • # of employment generated
III. COMMUNITY ORGANIZING	To build a strong community support system	<ul style="list-style-type: none"> • a community cooperative organized • Sustainable financial sources established • Policies well crafted and implemented • Rural infrastructure built
IV. DEVELOPMENT & PROMOTION OF	To develop and promote sustainable	<ul style="list-style-type: none"> • Adoption of sustainable and climate-change

SUSTAINABLE & CLIMATE-CHANGE RESILIENT RICE-BASED AGRICULTURAL TECHNOLOGIES	and climate-change resilient rice-based agricultural technologies	technologies • Yields/Income increased
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Partnerships/Alliances, Political Support, Socio-economic Factors, Biophysical Factors

VI. How we will do it

I. Pilot-Testing Stage

I.A. Phase-I

1. The PhilRice stations are being established as pilot sites for the development of various enterprises ideal for a rice-based community. The objective here is to develop the protocols (standards of efficiency, quality, and speed) of the enterprises identified. Both feasibility and sociocultural studies will be designed and conducted to determine the viability of the enterprises identified as well as to assess their social and cultural relevance to the target communities.

2. PhilRice R&D activities will be tailored to suit and support the rural transformation vision. Hence, from a simply science and production-based R&D Institute, PhilRice will be adopting rural transformation as its R&D framework.
3. A campaign will be initiated at this stage with the purpose of raising interest and awareness of the goal and strategies of rural transformation among the PhilRice staff, farmers, extension workers, and other stakeholders. It aims to give them a message of hope and opportunity, and enhance their propensity to participate in this endeavor of change. Stories of selected successful/millionaire farmers will be intensively highlighted through various communication channels, such as *Talakayan (conversation)* during forums and field days.
4. A groundwork for the establishment of the Rural Transformation Task Force (RTTF) will be carried out through social mobilization. (*Refer to Phase 2 for RTTF details.*)
5. Outputs here are: 1) list of recommended rice-based enterprises; their protocols (that include cost & return analysis, financial flow, enterprise calendar/cropping pattern); 2) their socio-cultural relevance based on the results/recommendations of the socio-cultural studies conducted; 3) list of successful/millionaire farmers in the area who would volunteer as the movement's champions; 4) campaign activities conducted to raise interest and awareness; 5) groundwork (activities include identification of potential partners) conducted for the RTTF establishment.
6. A field day to showcase the rice-based enterprises identified will be conducted.

I.B. Phase – 2

7. RTTFs will be established to spearhead the NUESTRA implementation in provinces where we have PhilRice stations. To be ceremonially headed by the governor, the RTTF will be composed of various agriculture-related agencies and farmers' groups based in the province.
8. RTTF will serve as the NUESTRA's decision-making body that will provide strategic planning, directions, resources, as well as the mechanisms for project monitoring & evaluation.
9. The PhilRice stations will serve as the nucleus estates or access nodes where services as follows will be provided: capacity enhancement; production and distribution of farm inputs (seeds, mushroom spores, biocontrol agents, and azolla propagules); recycling; custom services (for production and postproduction); product development and packaging; and marketing.

10. The target goal is to influence a rice-based community with at least 100 farming households, each with 1.1 hectares.
11. The mechanics of implementation (e.g., identification of farmer-participants) may vary across locations depending on specific needs and resources. This will be identified by the RTTF of the province.
12. Provision of planting materials, animal stocks and inputs to participating farmers will be regarded as loan and will be paid in cash or in kind after harvest for crops or when the livestock is sold. The loan payments will be plowed-back to the project and will be rolled over for possible expansion into other activities or areas.
13. Part of the amount collected from the loans (interest or incentives from good repayment) will be granted to the community (which will be organized into an organization or cooperative) as part of their capital build-up. The amount of capital from the “capital roll-over scheme” and “capital-build-up” will be used to defray expenses for maintenance and other organizational necessities, and to sustain the project activities even beyond its scope and duration.
14. Other financing needs and inputs will be collaborated with formal sources such as banks, agricultural suppliers, and seed companies.

II. Upscaling Stage

1. If the pilot-testing proves the viability of NUESTRA, it will then be outscaled to other areas in the country through the involvement of other agencies.
2. Briefing and training will be conducted among interested agencies (both public and private) on the NUESTRA establishment.
3. Intensive networking and social mobilization will be done inviting other non-agricultural institutions from different sectors, such as health, education, environment, and ICT, to collaborate with us to be able to come up with a holistic rural transformation program. This is based on the assumption that apart from agriculture other sectors also play an equally important role in catalyzing transformation in the rural areas.

III. Example Rice-based Agri-bio System

The table below shows a cost and return of an example agricultural production model. Designed for a community of 100 households with 1.1- hectare landholding, the data suggests that it is possible to gross more than one million pesos in a hectare per year through a diversified, intensified, and integrated

farming system. The data also suggests that with this strategy an employment (through the additional labor requirements) can be generated for the community. Moreover, it is projected that a farming household can earn an average net income of PhP25,563 per month, as compared to roughly PhP4,000 monthly net income of a farmer from growing rice twice a year.

Figure 2. Cost and Return Analysis of a Community-based Diversified Production Model

PRODUCTION COMPONENTS	GROSS REVENUE	COST	NET INCOME
A. CROPS			
1 RICE			
Commercial Paddy (Fresh)	10710000	5670000	5040000
Milled Rice	13665872.09	7921883.721	5743988.372
Certified Seed	3037500	1400000	1637500
2 MUNG BEAN	3500000	1500000	2000000
3 HIGH VALUE CROPS			
Watermelon	16000000	3000000	13000000
Baby Corn	16000000	1225000	14775000
B. LIVESTOCK AND POULTRY			
4 CATTLE	4000000	3523500	476500
5 CARABAO	8000000	7523500	476500
6 SWINE	5400000	4200000	1200000
7 GOAT	2500000	1000000	1500000
8 CHICKEN	4200000	2243560	1956440
9 DUCK	7300000	4816230	2483770
D. CUSTOM SERVICES			
10 LAND PREPARATION	1250000	875000	375000
11 COMBINED HARVESTING-THRESHING	2380000	1666000	714000
12 DRYING	720000	504000	216000
13 MILLING	1201395.349	840976.7442	360418.6047
C. BY-PRODUCTS UTILIZATION			
20 RICE STRAW	546000	0	546000
14 MUSHROOM PRODUCTION	2016000	1675800	340200
16 ANIMAL MANURE	578160	0	578160
15 VERMICULTURE	2270000	1016200	1253800
17 CORN BIOMASS	5200000	0	5200000
18 RICE BRAN	600697.6744	0	600697.6744
19 RICE HULL	120139.5349	0	120139.5349
SUBTOTAL	110649764.7	50601650.47	60048114.19
Additional Labor Cost		23475000	
Investment Capital (Annual Value)		3568454.377	
Interest Cost on Capital		2329353.145	
GRAND TOTAL	110649764.7	79974457.99	30675306.66
Average Annual Income per Household	1106497.647	799744.5799	306753.0666
Average Monthly Income per Household	92208.13721	66645.38166	25562.75555

IV. Our Partners

A. Organizations

- Philippine Rice Research Institute (PhilRice)
- Philippine Center for Postharvest Development and Mechanization (PhilMech)
- Philippine Carabao Center
- International Rice Research Institute (IRRI)
- UPLB Crop Science Cluster
- Department of Agriculture
- Manila Overseas Press Club
- Coalition for Agricultural Modernization (CAMP)

B. Private Individuals

- Mr. Bernadino Nunez, *Bulacan City*
- Mr. Ramon Penaloza, *Bacolod*

C. Projects

- Intensified Rice-based Agro-bio Systems (IRBAS) Program
- Korean Project for International Agriculture (KOPIA)
- The Future Rice Program
- Be Riceponsible Campaign
- Infomediary Campaign
- *Palayabangan challenge*
- IpAD or Improving Technology Promotion and Delivery through Capability Enhancement of the Next Generation of Rice Extension Professionals and Intermediaries

V. Our contacts

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