



NEWS RELEASE

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U.S. AGRICULTURE DEPARTMENT'S FOOD FOR PROGRESS PROGRAM PROVIDES APPROX. 700 MILLION PESOS IN SUPPORT FOR AGRICULTURAL DEVELOPMENT IN MINDANAO

U.S. Embassy officials with the U.S. Department of Agriculture (USDA) met with non-governmental partner organizations in Davao City on September 8 and 9 to discuss three Food for Progress projects recently approved for funding. With a combined value of \$15.8 million (approx. 700 million pesos), these projects, spread throughout Mindanao, will help small farmers increase their yields of rice, coconut, and cacao, expand inter-cropping to raise incomes, and reduce post-yield harvest losses. They also support increases in milk production and distribution and small dairies' provision of milk to local public schools.

"USDA is very proud to work with our local Philippine partners to implement these project that serve not only the needs of farmers, but also school children, other agricultural producers, and the local agricultural market in general," said Philip Shull, U.S. Embassy Agricultural Counselor.

CoCoPal (Coconut-Cocoa-Palay) is a program carried out in partnership with the Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA). Through a 3-year \$5.8 million grant, USDA and ACDI/VOCA will help local farmers develop integrated farming models based on combinations of rice, corn, vegetables, coconuts, cacao, other tree crops, and livestock, to increase food security and income of smallholder farmers. This project will benefit approximately 25,000 farmers in Western Mindanao (including Basilan), areas of Northern Mindanao, and communities in Southern Mindanao. It is expected that some 125,000 more producers will derive indirect benefits through greater participation in cocoa, coconut and rice value chains.

The second project supports increasing milk production and distribution and increasing dairy-sector capacity. USDA awarded a 3-year \$5.8 million grant to Land O'Lakes Inc. for the establishment of a breeding center to increase the production of milk by crossing imported dairy cattle with local animals. This initiative will support market analysis, micro-business development, and the establishment of two new dairy processing plants. While it increases local farmers' productivity and co-op profitability, it will assist over 2,000 dairy farmers and provide dairy milk to 20,500 school children in Zamboanga del Norte, Misamis Oriental, Bukidnon, Davao del Sur, Lanao del Norte, and other areas.

The third FFP project supports the Expanded Small Farms Marketing Program. In partnership with Catholic Relief Services, USDA will provide \$4.2 million to build the capacity of local farmers to become active participants in the decision-making processes that affect their livelihoods. The project's goal is to increase agri-production, provide small rural infrastructure, and improve access to modern markets for an estimated 12,500 farmers in Bukidnon, North Cotabato and Maguindanao provinces.

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