



Department of Agriculture
Agricultural Credit Policy Council

Rapid Assessment of Upland Southern Mindanao - Credit and Institutional Building Program (USM-CIBP)

December 19, 2020

By the DA-ACPC Monitoring Division

Director Norman William S. Kraft

Annalyn R. Garay

Gregoria M. Guce

Rachel A. Bustamante

Arlyn D. Bancud

Rufino T. Estrada Jr.

Lariza Nicole A. Aure

Christian Allain B. Canoy



EXECUTIVE SUMMARY

The Upland Southern Mindanao-Credit and Institutional Building Program (USM-CIBP) is the successor program of the Rural Finance Services (RFS) Component of the Upland Development Program for Southern Mindanao (UDP), a special project of the Department of Agriculture (DA) co-funded by the European Union (EU) and the Government of the Philippines (GOP), which officially ceased operations on July 11, 2007. The USM-CIB Program was established in July 2008 to continue the credit and ICB support to the UDP-assisted upland farmers' associations.

The USM-CIBP is implemented in the six (6) provinces covered by the UDP, namely, Compostela Valley, Davao del Sur, Davao del Norte, Davao Oriental, Sarangani, and South Cotabato. In particular, the program serves the municipalities that were also assisted under the UDP. The two (2) components of the program are implemented by ACPC in partnership with: a) Landbank under the Cooperative Component and b) microfinance institutions under the Micro-finance Component. As of June 2020, out of the twenty-eight (28) cooperatives targeted to be assisted, four (4) cooperatives are classified as "performing cooperatives" while seven (7) are classified as "potentially new accessing cooperatives".

After noting the differing for the program-assisted cooperatives during the USM-CIBP National Executive Committee (NEC) Meeting held on June 26, 2020, the NEC recommended the conduct of a rapid

assessment to determine the factors that contributed to attaining eligibility for Landbank accreditation among some of the assisted cooperatives. The result of the rapid assessment will be an important input in planning the appropriate strategic capacity-building interventions for the seven organizations that remain unaccredited by Landbank, that will be included in the USM-ICB Strategic and Operational Plan and Budget for the period 2020-2022.

The three main objectives of the rapid assessment are as follows: 1) To determine the extent of which the USM-CIBP has been successful in achieving its program objectives of: a) strengthening the management and systems capability of beneficiary cooperatives to qualify for accreditation with the Land Bank of the Philippines and source funds from other financial institutions; b) graduating the beneficiary cooperatives accredited by Landbank from the USM-CIBP; and c) establishing a security mechanism that would encourage financial institutions to lend to the program-assisted cooperatives; 2) To identify success and constraining factors; and 3) To give recommendations on the program moving forward.

Four (4) core criteria were used in the assessment, namely, (i) responsiveness, (ii) effectiveness, (iii) sustainability, and (iv) timeliness. The methodology used for the assessment is taken largely from the Guidelines for Preparing Performance Evaluation Reports for Public Sector

Operations released in January 2006 by the Asian Development Bank Operations Evaluation Department.

Seven (7) representative sample cooperatives were selected for the assessment: four (4) were selected based on their being classified as “performing,” while the other three (3) were selected on the basis of their being “potentially new accessing” cooperatives as of June 2020.

Findings from the rapid assessment revealed the following overall ratings: i) Overall, program interventions are “Responsive”; ii) Program interventions are “Effective” overall; iii) The program interventions are found to be “Less Sustainable”; and iv) Program outcomes are “Not Timely”. Overall program assessment is “Partly Successful”. This rating indicates that, while the program may have partly achieved some of its objectives for most of the cooperatives, and all its objectives for only one cooperative, it remains short of achieving all the outcomes it had set out to accomplish for all the assisted cooperatives within a reasonable period. The program’s capacity building interventions need to be improved, more especially with respect to enhancing sustainability and timeliness.

Some of the factors for the success of the program are the following: i) Regular conduct of Annual Strategic Planning and Performance Review; ii) Strengthening of Institutional Capacities; iii) Level of commitment of the Core Management Team (CMT); iv) Continuous mentoring of program staff; v) Production and marketing support provided by various government and non-government agencies, vi) Automation of bookkeeping/financial

system; vii) Enhanced cooperative performance and business operation; viii) Well-established market tie-up; ix) Coordination and linkages with other development organizations; x) Access to credit from Landbank guaranteed by hold-out deposits.

Some of the constraining factors among cooperatives that have not yet qualified for bank assistance are the following: i) Gaps in the conduct of follow-up training/coaching as well as other interventions that can address the weaknesses in their respective organizations; ii) Mismatch between interventions and the weaknesses identified in the cooperative; iii) Limited capacity (low incomes) of members to contribute capital and put up savings; iv) Geographic location that limits cooperatives from increasing their membership base; v) Inability to identify viable and profitable business activities/enterprises vi) Lack of capital for implementing the businesses identified by the program; vii) Inability to identify institutional buyers and establish a marketing agreement. outcomes

The following are some recommendations for improving the USM-ICB Program’s implementation: i) Review program objectives to link target setting with the maturity level of cooperatives ii) Address the effectiveness and sustainability of ICB activities through a) Training of teams, not individuals; b) Re-evaluate the weak pillars/areas of cooperatives that need to be prioritized to make sure they match with interventions being introduced; c) Pursue follow up or follow through capacity building interventions (although this would require infusion of more resources); d) In the meantime, due to

budget constraints, the program should focus its interventions on the initial set of cooperatives being assisted and consider a moratorium on enrolling PNACs until the initial group of assisted cooperatives have graduated; e) Review the budget allocation for ICB interventions by identifying a mechanism that would determine a more responsive ICB allocation that meets the requirements of ACPC's Magna Carta mandate to provide ICB grants; f) Continuous capacity building interventions are more effective in ensuring the

sustainability of cooperative operations; g) Strengthen links with CDA, DAR, ATI, DTI, and LBP to augment and share resources and cover more cooperatives. iii) Fast track the graduation of coops/set a timeline for graduation of assisted cooperatives; iv) The program needs to adopt a more proactive and results-based monitoring and evaluation system for its ICB activities to ensure that they effectively strengthen the beneficiary cooperatives.

TABLE OF CONTENTS

EXECUTIVE SUMMARY	2
TABLE OF CONTENTS.....	5
I. BACKGROUND AND RATIONALE OF THE RAPID ASSESSMENT	8
A. USM-ICB Program Background.....	8
B. Objectives of the Study	10
II. ANALYTICAL FRAMEWORK AND METHODOLOGY.....	11
A. Analytical Framework.....	11
B. Methodology	12
1. Overall Assessment.....	13
2. Responsiveness.....	16
3. Effectiveness	17
4. Sustainability	19
5. Timeliness.....	21
III. SCOPE AND LIMITATIONS	23
IV. SUMMARY OF ASSESSMENT RESULTS	24
A. Responsiveness.....	25
B. Effectiveness	25
C. Sustainability	26
D. Timeliness.....	27
E. Overall Assessment.....	28
F. Success Factors	29
1. Responsiveness.....	29
2. Effectiveness	30
3. Sustainability	31
4. Timeliness.....	31
G. Constraining Factors	32
1. Encountered by cooperatives that were able to become bank-assisted.....	32
2. Encountered by cooperatives that have not yet become bank-assisted.....	33
V. RECOMMENDATION.....	34
A. United Maligang Farmers Multi-Purpose Cooperative (UMFMPC).....	35
B. Kaliac Multi-Purpose Cooperative (KALIAC MPC)	35
C. Upper Lumabat Small Farmers Producers Cooperative (ULSFPC).....	35
D. Mati Davao Oriental Upland Cooperative (MADOUCO)	36
E. Baganga Rubber Planters Multi-Purpose Cooperative (BARPLAMCO).....	36
F. San Isidro Cacao Producers Cooperative (SICAPCO)	37
G. Mikit Upland Farmers Marketing Cooperative (MUFARMCO).....	37
H. Overall Recommendations.....	38
CASE STUDY NO. 1: UNITED MALIGANG FARMERS MULTI-PURPOSE COOPERATIVE (UMFMPC)	
.....	40
A. Profile of the Cooperative.....	40
B. Responsiveness of the ICB Interventions	41
C. Effectiveness of the ICB Interventions	44
D. Success Factors	45
E. Constraining Factors	46
F. Sustainability of the ICB Interventions.....	46
G. Timeliness of the ICB Interventions.....	48
H. Overall Assessment.....	48
I. Recommendation.....	49
CASE STUDY NO. 2: KALIAC MULTI-PURPOSE COOPERATIVE (KALIACMPC).....	49
A. Profile of the Cooperative.....	49

B.	Responsiveness of the ICB Interventions	50
C.	Effectiveness of the ICB Interventions	51
D.	Success Factors	52
E.	Constraining Factors	53
F.	Sustainability of the ICB Interventions	54
G.	Timeliness of the ICB Interventions.....	56
H.	Overall Assessment.....	57
CASE STUDY NO. 3: UPPER LUMABAT SMALL FARMERS PRODUCERS COOPERATIVE (ULSFPC)		58
A.	Profile of the Cooperative.....	58
B.	Responsiveness of the ICB Interventions	59
C.	Effectiveness of the ICB Interventions	62
D.	Sustainability of the ICB Interventions	64
E.	Success Factors	65
F.	Constraint Factors	66
G.	Timeliness of the ICB Interventions.....	66
H.	Overall Assessment.....	67
I.	Recommendations.....	67
CASE STUDY NO. 4: MATI DAVAO ORIENTAL UPLAND COOPERATIVE (MADOUCO)		68
A.	Profile of the Cooperative.....	68
B.	Responsiveness of the ICB Interventions	69
C.	Effectiveness of the ICB Interventions	73
D.	Success Factors	75
E.	Constraining Factors	76
F.	Sustainability of the ICB Interventions	76
G.	Timeliness of the ICB Interventions.....	78
H.	Overall Assessment.....	78
I.	Recommendation.....	79
CASE STUDY NO. 5: BAGANGA RUBBER PLANTERS MULTI-PURPOSE COOPERATIVE (BARPLAMCO)		79
A.	Profile of the Cooperative.....	79
B.	Responsiveness of the ICB Interventions	81
C.	Effectiveness of the ICB Interventions	84
D.	Success Factors	85
E.	Constraining Factors	86
F.	Sustainability of the ICB Interventions	86
G.	Timeliness of the ICB Interventions.....	87
H.	Overall Assessment.....	88
I.	Recommendation.....	88
CASE STUDY NO. 6: SAN ISIDRO CACAO PRODUCERS (SICAPCO)		89
A.	Profile of the Cooperative.....	89
B.	Responsiveness of the ICB Interventions	90
C.	Effectiveness of the ICB Interventions	93
D.	Constraining Factors	95
E.	Overall Assessment.....	95
F.	Recommendation.....	96
CASE STUDY NO. 7: MIKIT UPLAND FARMERS MARKETING COOPERATIVE (MUFARMCO)		97
A.	Profile of the Cooperative.....	97
B.	Responsiveness of the ICB Interventions	98
C.	Effectiveness of the ICB Interventions	101
D.	Constraining Factors	102
E.	Overall Assessment.....	103
F.	Recommendation.....	104
ANNEXES.....		105

LIST OF TABLES

Table 1. Maturity Levels of USM-CIBP Beneficiaries Cooperatives upon Enrollment in the Program.....	10
Table 2. Analytical Framework for the USM-CIBP Rapid Assessment	11
Table 3. Corresponding Weights of the Responsiveness, Effectiveness, Sustainability, Timeliness 13	
Table 4. Overall Assessment Matrix.....	15
Table 5. Responsiveness Scoring Guide	16
Table 6. Effectiveness Scoring Guide.....	18
Table 7. Sustainability Scoring Guide.....	20
Table 8. Timeliness Scoring Guide.....	21
Table 9. Overall Assessment Results	24

RAPID ASSESSMENT OF USM-CIBP

Background and Rationale for the Rapid Assessment

USM-ICB Program Background

The Upland Southern Mindanao-Credit and Institutional Building Program (USM-CIBP) is the successor program of the Rural Finance Services (RFS) Component of the Upland Development Program for Southern Mindanao (UDP), a special project of the Department of Agriculture (DA) co-funded by the European Union (EU) and the Government of the Philippines (GOP), which officially ceased operations on July 11, 2007. The USM-CIB Program was established in July 2008 to continue the credit and ICB support to the UDP-assisted upland farmers associations.

The DA officially appointed the Agricultural Credit Policy Council (ACPC) to be the implementing agency of the USM-CIBP, through DA-Administrative Order No. 27, Series of 2007 (DA-AO 27, s. 2007), dated July 11, 2007. The ACPC also became the manager and trustor of the fund for the program.

The USM-CIBP consists of two components, namely: a) the Cooperative Component; and b) the Microfinance Component. While the Microfinance Component is implemented by ACPC with microfinance institutions, the Cooperative Component, on the other hand, is implemented through the Land Bank of the Philippines (Landbank).

In line with DA-AO, s. 2007, the ACPC and Landbank entered into an agreement on July 31, 2008 to implement institutional capacity-building (ICB) assistance activities for the 28 beneficiary cooperatives of USM-CIBP. The ICB assistance is aimed at strengthening the beneficiary farmers and fisherfolk cooperative organizations (FFCO)¹ through a package of interventions that include training, coaching and mentoring, systems installation and other relevant ICB activities (e.g. *Lakbay-Aral*, market linkaging, initiating business alliances with other cooperatives) designed to enhance the organizations' capability/capacity to conform with Landbank's cooperative accreditation criteria².

¹ RA 7607 (Magna Carta for Small Farmers) refer to small farmers' cooperatives, associations, or corporations duly registered with appropriate government agencies and which are composed primarily of small agricultural producers, farmworkers, and other agrarian reform beneficiaries dependent on small-scale subsistence farming as their primary source of income and whose sale, barter or exchange of agricultural products do not exceed a gross value of one hundred eighty thousand pesos (Php180,000.00) per annum based on 1992 constant prices. The target beneficiaries of the USM-ICB program are small farmer and fisherfolk cooperative organizations (FFCO) that are beneficiaries of the UDP that require development assistance to strengthen and upgrade their maturity level and status to become credit-worthy and able to access credit.

² Using the LBP Cooperative Accreditation Criteria (CAC) as reference, the ICB Program focuses on FFCOs, SLAs, and RFAs that may fall under Class D, C, and F categories which are not yet viable organizations. LANDBANK adopts the Cooperative Accreditation Criteria (CAC), a system for accrediting and classifying cooperatives, to properly calibrate the delivery of financial and technical assistance to cooperatives. The CAC classifies cooperatives according to maturity level based on

Also included in the MOA as a support component is the provision of credit by the Landbank to the USM-CIBP beneficiary cooperatives through the program's Hold-Out Deposit Coverage Scheme (HODCS). Beneficiary cooperatives with viable projects as well as marketing and collection agreements with traders but remained unassisted by Landbank can already be eligible for credit assistance through a guarantee from the HODCS. The HODCS is a guarantee mechanism under the program that assumes 100% of loan default risks.

The objective of the program's Cooperative Component is to improve the viability and creditworthiness of its beneficiary cooperatives so they can have sustainable access to financial services by being mainstreamed into the formal financial system as clients and partners of institutions such as the Landbank.

The USM-CIBP is implemented in the six (6) provinces covered by the UDP, namely, Compostela Valley, Davao del Sur, Davao del Norte, Davao Oriental, Sarangani, and South Cotabato. In particular, the program serves the municipalities that were also selected for assistance under the UDP. The two (2) components of the program are implemented by ACPC in partnership with: a) Landbank under the Cooperative Component, and b) with microfinance institutions under the Micro-finance Component.

After noting the differing outcomes for the program-assisted cooperatives during the USM-CIBP National Executive Committee (NEC) Meeting held on June 26, 2020, the NEC recommended the conduct of a rapid assessment to determine the factors that contributed to attaining eligibility for Landbank accreditation among some of the assisted cooperatives. The result of the rapid assessment will be an important input in planning the appropriate strategic capacity-building interventions for the seven organizations that remain unaccredited by Landbank, that will be included in the USM-ICB Strategic and Operational Plan and Budget for the period 2020- 2022.

Seven (7) sample program-assisted cooperatives were selected to be evaluated in connection with the rapid assessment of the program. Four (4) cooperatives were selected based on being classified as "performing", while the other three (3) were selected on the basis of being representative of the cooperatives classified as "potentially new accessing" as of June 2020. Table 1 shows the maturity levels (based on Land Bank's accreditation standards) of the 7selected sample cooperatives.³

three major indicators: organization and management, business operation, and financial and loan portfolio, and identifies the weak areas in their operations. Cooperatives classified as A and B are considered the stronger co-ops. Class C and D levels require further development assistance to strengthen and eventually upgrade them. A level F means the cooperative has failed to attain the minimum score under CAC, thus, needs further technical assistance.

³Maturity level is measured based on the coops' financial, management, and business performance using the Enhanced Cooperative Accreditation Criteria (ECAC) of Landbank.

Table 1

Maturity Levels of USM-CIBP Beneficiaries Cooperatives upon Enrollment in the Program

Name of Cooperative	Maturity Level
1. Mati Davao Oriental Upland Credit Cooperative	D
2. KALIAC Multi-Purpose Cooperative	D
3. United Maligang Farmers Multi-Purpose Cooperative	C
4. Upper Lumabat Small Producers Cooperative	D
5. Baganga Rubber Planters Multi-Purpose Cooperative	F
6. Mikit Upland Farmers Cooperative	D
7. San Isidro Cacao Producers Cooperative	D

During program implementation, four (4) of these cooperatives were eventually able to successfully access credit assistance for the first time from Landbank.⁴ The ULSFPC, UMFMP, MADOU and KALIAC were able to pass the Landbank's cooperative accreditation criteria. The loans of these 4 cooperatives also had guarantee cover from the Hold-Out Deposit Coverage/Guarantee Scheme of the program. Aside from Landbank credit, the 4 cooperatives were also eventually able to access grants and other forms of assistance from other sources.⁵

On the other hand, the remaining three (3) cooperatives are still in the process of satisfying the accreditation criteria of Landbank.

This report documents the results of the rapid assessment that was conducted as directed by the USM-CIBP NEC.

Objectives of the Study

The objectives of the assessment are the following:

1. To determine the extent of which the USM-CIBP was successful in achieving its program objectives of:
 - a. Strengthening the management and systems capability of beneficiary cooperatives to qualify for accreditation with the Land Bank of the Philippines and source funds from other financial institutions;
 - b. Graduating the beneficiary cooperatives accredited by Landbank from the USM-CIBP; and

⁴ "Successful coops" are those that passed the LBP's cooperative accreditation criteria. These coops are classified according to the maturity level based on three indicators: organization and management, business operation, and financial and loan portfolio. The classification of these coops facilitates the determination and calibration of the financial and technical assistance to cooperatives.

⁵ Sources: Philippine Rural Development Project (PRDP), Department of Trade and Industry (DTI), Philippine Fiber Industry Development Authority (PhilFIDA) and Non-Government Organizations

- c. Setting in place a security mechanism that would encourage financial institutions to lend to the program-assisted cooperatives.
2. To identify success and constraining factors.
3. To give recommendations on the program moving forward.

Analytical Framework and Methodology

Analytical Framework

The objectives of this assessment were designed using the following analytical framework:

Table 2

Analytical Framework for the USM-CIBP Rapid Assessment

Program Goals & Objectives ⁶	Expected Program Outcomes	Indicators, Data, and Information to be Analyzed
1. Strengthen the management and systems capability to qualify for accreditation with the Land Bank of the Philippines, source funds from other financial institutions, and deliver financial services to members or targeted beneficiaries.	<ul style="list-style-type: none"> • The maturity levels of assisted cooperatives are upgraded to the minimum level required for credit access with the Land Bank of the Philippines. • Assisted cooperatives can access credit from the Land Bank of the Philippines and other financial institutions. 	<ul style="list-style-type: none"> • Documented areas of weakness of the cooperatives (based on Landbank's annual operations review of the Cooperative Categorization Scoring Worksheet (CCSW) scores). • The types and content of capacity-building interventions introduced by the program for the cooperatives. • Improvements, if any, in the cooperatives' organization and management, business operations, and financial indicators based on: <ol style="list-style-type: none"> 1. Landbank's annual operations review of the CCSW scores; 2. Other available data and information to validate organizational, technical, and financial management capacities; 3. Landbank's annual maturity level classifications for the cooperatives. • A credit line, if any, with Landbank and other financial institutions for the assisted cooperatives. • Whether the cooperatives' loans are covered by guarantee through the program. • Other factors that helped facilitate program

⁶ Memorandum of Agreement on Upland Southern Mindanao-Capacity and Institutional Building Program between the Department of Agriculture-Agricultural Credit Policy Council (DA-ACPC) and Land Bank of the Philippines (LBP)

Program Goals & Objectives ⁶	Expected Program Outcomes	Indicators, Data, and Information to be Analyzed
		<p>success, if any.</p> <ul style="list-style-type: none"> • Factors that constrained program success, if any.
<p>2. The beneficiary cooperatives accredited by Landbank would “graduate” from the USM-CIBP and be phased in with the bank’s regular credit and ICB assistance.</p>	<ul style="list-style-type: none"> • Program-assisted cooperatives are mainstreamed with Landbank and other lending institutions. 	<ul style="list-style-type: none"> • Sustainability in the assisted cooperatives’ organization and management, business operations, and financial indicators based on: <ol style="list-style-type: none"> 1. Landbank’s annual operations review of the CCSW scores; 2. Other available data and information to validate organizational, technical, and financial management capacities; 3. Landbank’s annual maturity level classifications for the cooperatives. • A recommendation from Landbank, if any, for the assisted cooperatives to graduate from USM CIBP capacity-building support and the consequent graduation of the cooperatives from USM CIBP capacity-building support. • The amount of time it has taken for the program to achieve outcomes, if any. • Other factors that helped facilitate program success, if any. • Factors that constrained program success, if any.
<p>3. Set a security mechanism in place that would encourage financial institutions to lend to the program-assisted cooperatives.</p>	<ul style="list-style-type: none"> • A credit guarantee mechanism is set up exclusively to cover loans of assisted cooperatives. • Loans of assisted cooperatives are provided with guarantee cover. 	<ul style="list-style-type: none"> • Guarantee cover from the USM-CIBP Holdout Deposit Cover (HODC) for loans accessed by the assisted cooperatives.

Methodology

The methodology used for the assessment is taken largely from the method discussed in the Guidelines for Preparing Performance Evaluation Reports for Public Sector Operations released in January 2006 by the Asian Development Bank Operations Evaluation Department.⁷

⁷ Asian Development Bank Operations Evaluation Department, “Guidelines for Preparing Performance Evaluation Reports for Public Sector Operations,” 2006: 7-16.

The overall assessment uses separate evaluations of four core criteria, which are then aggregated to produce the overall rating, namely, (i) Responsiveness, (ii) Effectiveness, (iii) Sustainability, and (iv) Timeliness.

Overall Assessment

a. Approach

The overall rating is determined by separately evaluating and ranking the four core criteria. The four are given equal weights in assessing the program's success, i.e., each criterion contributes equally to the overall assessment (Table 3).

Table 3

Corresponding Weights of the Responsiveness, Effectiveness, Sustainability, Timeliness (R.E.S.T.) Assessment Criteria

CRITERIA	WEIGHTS (%)
Responsiveness	25
Effectiveness	25
Sustainability	25
Timeliness	25
TOTAL	100

Based on points garnered between 0 and 25, each core criterion is then assigned a corresponding whole-number rating or scale point between 0 and 3. A clearly defined descriptor corresponding to each scale point is then assigned. An average of the values for the core criteria ratings is the overall program assessment rating and ranges between 0 and 3. Fixed cut-off points are used to assign appropriate descriptors (highly successful, successful, partly successful, or unsuccessful) to the aggregate numeric rating. Table 4 summarizes the overall assessment approach and shows the relationship between rating values and descriptors. The evaluation matrix spreadsheets used for each criterion are discussed later in this section.

b. Rating Each Core Criterion

To assist in the process of rating each core criterion, sub-criteria are assigned to each criterion. Each sub-criterion is given a scale value from which the rating value for the criterion is estimated. For purposes of this assessment, the sub-criteria are assigned maximum points corresponding to their viewed contribution in the core criterion's overall rating.

c. Assessment

Overall rating is either highly successful, successful, partly successful, or unsuccessful.

- i. **Highly Successful.** The overall weighted average is greater than 2.7. This rating is given if the program, through the capacity building interventions that it had introduced, was able to achieve the desired outcomes of sufficiently strengthening the assisted cooperatives such that it was able to facilitate sustainable access to credit from the Landbank of the Philippines and other financial institutions. This should be evidenced by the cooperatives' consequent graduation from program support. Moreover, these outcomes should have been achieved either within a 3-year period (e.g., the term of the program's original Memorandum of Agreement) or up to another 3-year extension (e.g., the term covered by the first MOA extension).
- ii. **Successful.** The overall weighted average falls between 1.6 and 2.7. This rating is given if the program, through the capacity building interventions it had introduced, played a slightly less although significant part in achieving the desired outcomes of strengthening the assisted cooperatives sufficiently such that it was able to facilitate sustainable access to credit from the Landbank of the Philippines and other financial institutions. There should at least be a recommendation from the Land Bank of the Philippines indicating that the cooperatives are ready to graduate from program support. Moreover, these

outcomes should have been achieved either within a 3-year period (e.g., the term of the program's original MOA) or within another 3-year extension (e.g., the term covered by the first MOA extension). A "successful" rating means the desired outcomes may not have been completely achieved or some factors may have constrained the program from a rating of highly successful. Nevertheless, no major shortfall has taken place and the desired program outcomes are, overall, still expected to be achieved sustainably.

- iii. **Partly Successful.** The overall weighted average falls between 0.8 and 1.6. This rating is given if the program was able to provide at least some capacity building interventions that helped result in achieving at least the desired program outcome of facilitating access to credit from the Land Bank of the Philippines for the assisted cooperatives. Moreover, this outcome should have been achieved either within a 3-year period (e.g., the term of the program's original MOA) or within another 3-year extension (e.g., the term covered by the first MOA extension). A "partly successful" rating means there is a significant shortfall in achieving the program's desired outcomes, and that full sustainability is considered unlikely. Nevertheless, at least some of the desired program outcome/s was/were achieved that still resulted in a major benefit/s.

iv. **Unsuccessful.** The overall weighted average is less than 0.8. Under this rating, the program is considered to have failed in two levels: a) Technically, i.e., there is minimal achievement of outcomes;

and b) Economically, i.e., the cooperatives are still expected to operate at a low level of installed capacity or at high cost, necessitating continued interventions or subsidy.

Table 4
Overall Assessment Matrix

Criteria	Weight (%)	Definition	Rating Description	Corresponding Points	Rating Value
1. Responsiveness	25	Responsiveness refers to the consistency between the program's ICB interventions and the documented weaknesses of the assisted cooperatives, i.e., whether the course (or activity) content and outputs of identified capacity building interventions were appropriate for addressing corresponding identified weaknesses of the cooperatives.	Highly responsive Responsive Partly responsive Not responsive	20-25 13-19 3-12 0-2	3 2 1 0
2. Effectiveness	25	Effectiveness refers to the extent to which the program's ICB interventions resulted in improvements in the assisted cooperatives' organization and management, business operations, financial indicators, maturity level classifications, and, consequently, in access to credit from Landbank and other financial institutions.	Highly effective Effective Less effective Ineffective	22-25 20-21 9-19 0-8	3 2 1 0
3. Sustainability	25	Sustainability refers to whether the program was successful in graduating the cooperative from program support and therefore, in having capacitated/ empowered the cooperatives enough for them to be able to maintain and sustain the program outcomes even beyond their participation in the program.	Highly sustainable Sustainable Less sustainable Unsustainable	19-25 15-18 8-14 0-7	3 2 1 0
4. Timeliness	25	Timeliness refers to whether	Highly timely	22-25	3

Criteria	Weight (%)	Definition	Rating Description	Corresponding Points	Rating Value
		the program was able to achieve the desired outcomes either within a 3-year period (e.g., the term of the program's original MOA), or within another 3-year extension (e.g., the term covered by the first MOA extension), or beyond.	Timely Less timely Not timely	14-21 6-13 0-5	2 1 0
Overall (weighted average above criteria)	Assessment of average of	Highly Successful: Overall weighted average is greater than 2.7. Successful: Overall weighted average is between 1.6 and 2.7. Partly Successful: Overall weighted average is between 0.8 and 1.6. Unsuccessful: Overall weighted average is less than 0.8.			

Responsiveness

The responsiveness criterion addresses the extent to which the program's identified and chosen capacity-building interventions, based on the course (or activity) content and outputs, were appropriate responses or were relevant to the identified institutional development problems (weaknesses) of the assisted cooperatives. The timing of specific capacity-building interventions is also crucial in assessing responsiveness.

The guide used in scoring responsiveness is shown in the table below:

Table 5

Responsiveness Scoring Guide

PARAMETERS (*Rate for each year and average rate over the total no. of years)	POINTS
A. 100% correspondence between documented weaknesses (weak pillars) and USM ICB interventions	25
B. 95 to 99% correspondence between documented weaknesses (weak pillars) and USM ICB interventions	24
C. 90 to 94% correspondence between documented weaknesses (weak pillars) and USM ICB interventions	23
D. 85 to 89% correspondence between documented weaknesses (weak pillars) and USM ICB interventions	22
E. 80 to 84% correspondence between documented weaknesses (weak pillars) and USM ICB interventions	21
F. 75 to 79% correspondence between documented weaknesses (weak pillars) and USM ICB interventions	20
G. 70 to 74% correspondence between documented weaknesses (weak pillars) and USM ICB interventions	19
H. 65 to 69% correspondence between documented weaknesses	18

PARAMETERS <i>(*Rate for each year and average rate over the total no. of years)</i>		POINTS
(weak pillars) and USM ICB interventions		
I. 60 to 64% correspondence between documented weaknesses (weak pillars) and USM ICB interventions		17
J. 55 to 59% correspondence between documented weaknesses (weak pillars) and USM ICB interventions		16
K. 50 to 54% correspondence between documented weaknesses (weak pillars) and USM ICB interventions		15
L. 45 to 49% correspondence between documented weaknesses (weak pillars) and USM ICB interventions		13
M. 40 to 44% correspondence between documented weaknesses (weak pillars) and USM ICB interventions		12
N. 35 to 39% correspondence between documented weaknesses (weak pillars) and USM ICB interventions		11
O. 30 to 34% correspondence between documented weaknesses (weak pillars) and USM ICB interventions		10
P. 25 to 29% correspondence between documented weaknesses (weak pillars) and USM ICB interventions		9
Q. 20 to 24% correspondence between documented weaknesses (weak pillars) and USM ICB interventions		8
R. 15 to 19% correspondence between documented weaknesses (weak pillars) and USM ICB interventions		7
S. 10 to 14% correspondence between documented weaknesses (weak pillars) and USM ICB interventions		6
T. <10% correspondence between documented weaknesses (weak pillars) and USM ICB interventions		3
U. No correspondence between documented weaknesses (weak pillars) and USM ICB interventions		0
MAXIMUM POINTS		25

Effectiveness

The effectiveness criterion looks at whether the program's ICB interventions resulted in improvements in the organization and management, business operations, financial indicators, and maturity level classifications of the assisted cooperatives to the extent that the desired outcome of access to credit from the Land Bank of the Philippines and other financial institutions was achieved. Attribution issues are also considered where necessary. For instance, even if the desired outcome has been achieved, but the contribution of program interventions is less than envisaged based on the documented institutional improvements and maturity levels of the cooperatives, then the rating for effectiveness is adjusted downward. A rating of highly effective, on the other hand, is given if the program exceeded expectations particularly in terms of facilitating access to credit for the assisted cooperatives.

The sub-criteria used in assessing effectiveness are the following:

- i. Improvements in organization and management, business operations, and financial indicators until the assisted cooperative gains access to credit from Landbank (as analyzed mainly through the Cooperative Categorization Scoring Worksheet (CCSW) scores but also validated through other available data and information on the cooperatives);
- ii. Improvements in maturity level rating until the assisted cooperative gains access to credit from Landbank; and
- iii. Eligibility for hold-out deposit cover offered by the program AND access to Landbank credit.

The guide used in scoring effectiveness is shown in the table below:

Table 6

Effectiveness Scoring Guide

PARAMETERS						POINTS
A. CCSW POINTS FOR ORGANIZATION & MANAGEMENT, BUSINESS OPERATIONS, AND FINANCIAL INDICATORS UP TO THE YEAR OF CREDIT ACCESS (*Rate for each year and average rate over the total number of years)						<u>8 PTS.</u>
POINTS INCREASED (↑), DECREASED (↓), OR MAINTAINED (=)			PASS / SURPASS (✓) OR BELOW (X) THE MINIMUM POINTS REQUIRED			
PILLAR 1	PILLAR 2	PILLAR 3	PILLAR 1	PILLAR 2	PILLAR 3	
↑	↑	↑	✓	✓	✓	8
↑	↑	=	✓	✓	✓	7
↑	=	=	✓	✓	✓	
=	=	=	✓	✓	✓	6
↑	↑	↓	✓	✓	✓	
↑	↓	↓	✓	✓	✓	5
=	↓	↓	✓	✓	✓	
↓	↓	↓	✓	✓	✓	
↑	↑	↑	✓	✓	X	4
↑	↑	=	✓	✓	X	
↑	=	=	✓	✓	X	
=	=	=	✓	✓	X	
↑	↑	↓	✓	✓	X	3
↑	↓	↓	✓	✓	X	
↑	↑	↑	✓	X	X	2
↑	↑	=	✓	X	X	
↑	=	=	✓	X	X	
=	=	=	✓	X	X	
↑	↑	↓	✓	X	X	
↑	↓	↓	✓	X	X	1
↑	↑	↑	X	X	X	
=	=	=	X	X	X	0

PARAMETERS						POINTS
↓	↓	↓	X	X	X	
B. MATURITY LEVEL UP TO THE YEAR OF CREDIT ACCESS (<i>*Rate for each year and average rate over the total number of years</i>)						8 PTS.
- Raised to the level required by Landbank						8
- Maintained at the level required by Landbank						6
- Raised but still lower than the level required by Landbank						4
- No improvement or declined and lower than the level required by Landbank						0
C. ABLE TO AVAIL OF USM-CIBP HOLD-OUT DEPOSIT COVER AND ACCESS LANDBANK CREDIT (<i>*One-time rating only</i>)						9 PTS.
MAXIMUM POINTS						25 PTS.

Sustainability

The sustainability criterion looks at whether the assisted cooperatives demonstrate that they have been adequately capacitated/empowered through the program and are ready and capable to maintain the program's achieved outcomes—especially access to credit from Landbank and other financial institutions—by themselves such that they have either been given clearance to graduate from the program or have already graduated from the program. Sustainability is an integral part of the program's design with one of the main objectives being the graduation of the beneficiary cooperatives from program support. Should the interventions be inadequate as evidenced through the cooperatives' documented CCSW scores and their maturity level classifications, then outcomes are expected to be constrained and sustainability is expected to be compromised.

The sub-criteria used in assessing sustainability are the following:

- Able to maintain, or had further improvements in organization and management, business operations, financial indicators in the years following initial credit access from Landbank (as analyzed mainly through the Cooperative Categorization Scoring Worksheet (CCSW) scores, validated by other available data and information);
- Able to maintain or had further improvements in maturity level rating in the years following initial credit access from Landbank;
- Access to financing/credit from other financial institutions with or without hold-out deposit coverage;
- Landbank recommendation to graduate from the USM-CIBP; and
- Actual graduation from the USM-CIBP

The guide used in scoring sustainability is shown in the table below:

Table 7

Sustainability Scoring Guide

PARAMETERS						POINTS
A. CCSW POINTS FOR ORGANIZATION & MANAGEMENT, BUSINESS OPERATIONS, AND FINANCIAL INDICATORS IN YEARS FOLLOWING CREDIT ACCESS (*Rate for each year and average rate over the total number of years)						5 PTS.
POINTS INCREASED (↑), DECREASED (↓), OR MAINTAINED (=)			PASS / SURPASS (✓) OR BELOW (X) THE MINIMUM POINTS REQUIRED			
PILLAR 1	PILLAR 2	PILLAR 3	PILLAR 1	PILLAR 2	PILLAR 3	
↑	↑	↑	✓	✓	✓	5
↑	↑	=	✓	✓	✓	
↑	=	=	✓	✓	✓	
=	=	=	✓	✓	✓	
↑	↑	↓	✓	✓	✓	4
↑	↓	↓	✓	✓	✓	
=	↓	↓	✓	✓	✓	
↓	↓	↓	✓	✓	✓	
↑	↑	↑	✓	✓	X	3
↑	↑	=	✓	✓	X	
↑	=	=	✓	✓	X	
=	=	=	✓	✓	X	
↑	↑	↓	✓	✓	X	2
↑	↓	↓	✓	✓	X	
↓	↓	↓	✓	✓	X	
↑	↑	↑	✓	X	X	
↑	↑	=	✓	X	X	1
↑	=	=	✓	X	X	
=	=	=	✓	X	X	
↑	↑	↓	✓	X	X	
↑	↓	↓	✓	X	X	0
↑	↑	↑	X	X	X	
=	=	=	X	X	X	
↓	↓	↓	X	X	X	
B. MATURITY LEVEL IN YEARS FOLLOWING CREDIT ACCESS (*Rate for each year and average rate over the total number of years)						5 PTS.
- Raised beyond the level required by Landbank						5
- Maintained at the level required by Landbank						4
- Raised but only up to the level required by Landbank						3
- Raised but still lower than the level required						2
- No improvement or declined (even if within the min. level required)						0
C. ABLE TO ACCESS FINANCING/CREDIT FROM OTHER FINANCING INSTITUTIONS WITH OR WITHOUT USM-CIBP HOLD-OUT DEPOSIT COVER (*One-time rating only)						5 PTS.
D.RECOMMENDED BY LANDBANK FOR GRADUATION(*One-time rating only)						5 PTS.

PARAMETERS	POINTS
E. GRADUATED FROM THE PROGRAM (*One-time rating only)	5 PTS.
MAXIMUM POINTS	25 PTS.

Timeliness

Timeliness refers to whether the program was able to achieve desired outcomes either within a 3-year period (e.g., the term of the program's original MOA), or within another 3-year extension (e.g., the term covered by the first MOA extension), or beyond. Timeliness in achieving outcomes is also a determinant of whether the program was efficient in the use of resources. An over-extended implementation period causes unwanted drain on program resources. Cooperatives left operating at low-capacity levels necessitate continued interventions or subsidy from the program. The sooner program outcomes are achieved, therefore, the lesser the cost of the program's economic benefits.

The guide used in scoring timeliness is shown in the table below:

Table 8

Timeliness Scoring Guide

PARAMETERS (*One-time rating only)	POINTS
A. Accessed Landbank credit and graduated from USM within 3 years of program implementation (i.e., period covered by the original program MOA)	25
B. Accessed Landbank credit and graduated from USM within 4 years of program implementation (i.e., covered by the MOA extension/s)	24
C. Accessed Landbank credit and graduated from USM within 5 years of program implementation (i.e., covered by the MOA extension/s)	23
D. Accessed Landbank credit and graduated from USM within 6 years of program implementation (i.e., period covered by the MOA extension/s)	22
E. Accessed Landbank credit and graduated from USM within 7 years of program implementation (i.e., period covered by the MOA extension/s)	21
F. Accessed Landbank credit and graduated from USM within 8 years of program implementation (i.e., period covered by the MOA extension/s)	20
G. Accessed Landbank credit and graduated from USM within 9 years of program implementation (i.e., period covered by the MOA extension/s)	19
H. Accessed Landbank credit and graduated from USM within 10 years of program implementation (i.e., period covered by the MOA extension/s)	18
I. Accessed Landbank credit within 3 years of program implementation (i.e., period covered by the original program MOA) with pending recommendation for graduation from USM	17
J. Accessed Landbank credit within 4 years of program implementation (i.e., period covered by the original program MOA) with pending recommendation for graduation from USM	16
K. Accessed Landbank credit within 5 years of program implementation (i.e., period covered by the original program MOA) with pending	15

PARAMETERS (*One-time rating only)	POINTS
recommendation for graduation from USM	
L. Accessed Landbank credit within 6 years of program implementation (i.e., period covered by the original program MOA) with pending recommendation for graduation from USM	14
M. Accessed Landbank credit within 7 years of program implementation (i.e., period covered by the original program MOA) with pending recommendation for graduation from USM	13
N. Accessed Landbank credit within 8 years of program implementation (i.e., period covered by the original program MOA) with pending recommendation for graduation from USM	12
O. Accessed Landbank credit within 9 years of program implementation (i.e., period covered by the original program MOA) with pending recommendation for graduation from USM	11
P. Accessed Landbank credit within 10 years of program implementation (i.e., period covered by the original program MOA) with pending recommendation for graduation from USM	10
Q. Accessed Landbank credit within 3 years of program implementation (i.e., period covered by the original program MOA) with NO pending recommendation for graduation from USM	9
R. Accessed Landbank credit within 4 years of program implementation (i.e., covered by the MOA extension/s) with NO pending recommendation for graduation from USM	8
S. Accessed Landbank credit within 5 years of program implementation (i.e., covered by the MOA extension/s) with NO pending recommendation for graduation from USM	7
T. Accessed Landbank credit within 6 years of program implementation (i.e., covered by the MOA extension/s) with NO pending recommendation for graduation from USM	6
U. Accessed Landbank credit within 7 years of program implementation (i.e., covered by the MOA extension/s) with NO pending recommendation for graduation from USM	5
V. Accessed Landbank credit within 8 years of program implementation (i.e., covered by the MOA extension/s) with NO pending recommendation for graduation from USM	4
W. Accessed Landbank credit within 9 years of program implementation (i.e., covered by the MOA extension/s) with NO pending recommendation for graduation from USM	3
X. Accessed Landbank credit within 10 years of program implementation (i.e., covered by the MOA extension/s) with NO pending recommendation for graduation from USM	2
Y. No access to Landbank credit yet	0
MAXIMUM POINTS	25

There were two levels of assessment done:

a.

Individual cooperative level-
Assessment of all four core criteria
and program success in each assisted

cooperative, applying the
methodology described above.

- b. Overall – Assessment of all four core criteria and overall program success applying the methodology described above on the consolidated assessment results of all the assisted cooperatives.

For the assessment at the individual cooperative level, case studies were done for each of the assisted cooperatives, documenting the characteristics of each cooperative and its participation in the USM-CIBP's ICB interventions. Results of program interventions were analyzed with respect to the cooperative's organizational, technical, and financial management capacities. Results with respect to the four major criteria and program success are then determined for each assisted cooperative.

Primary and secondary data were collected through a combination of methods and approaches:

- a. Primary data were gathered through the conduct of key informant interviews with key officers of the assisted cooperatives and other key program informants (e.g., USM-ICB Program Management Office [PMO]/staff in Davao and key staff of the Landbank lending centers) to complement and validate secondary data on program accomplishments.
- b. Secondary data were gathered from program reports, e.g., types of ICB activities provided by the program to assisted cooperatives, document reports/ development stories of sample assisted cooperatives and the Cooperative Accreditation Criteria/Cooperative Categorization Scoring Worksheets, and other available relevant secondary data.

Scope and Limitations

The rapid assessment covers seven program-assisted cooperatives located in the provinces of Compostela Valley, Davao Oriental, Davao del Sur, Davao del Norte, Sarangani and South Cotabato. These are: 1) United Maligang Farmers Multi-Purpose Cooperative (UMFMPC); 2) Upper Lumabat Small Farmers Producers Cooperative (ULSFPC); 3) Kablon-Linan-Acmonan (KALIAC) MPC; 4) Mati-Davao Oriental Upland Multi-Purpose Cooperative (MADUOMPCO); 5) Baganga Rubber Planters Multi-Purpose Cooperative (BARPLAMPCO); 6) San Isidro Cacao Producers Cooperative (SICAPCO); 7) Mikit

Upland Farmers Marketing Cooperative (MUFARMCO).

The scheduled primary data gathering activities (interviews) with four (4) other program-assisted cooperatives unfortunately had to be cancelled because of a) mobility problems caused by the Covid-19 community lockdown (i.e., the cooperative officers could not travel to a place with stronger internet connectivity), and b) poor internet connectivity. Hence, for lack of data on these cooperatives and due to time limitation, the four cooperatives were not included in the program assessment.

Some of the interview responses may lack accuracy due to difficulties in memory recall among some respondents, owing to the period that has elapsed.

Other data limitations were the following:

- a. Cooperatives that joined the program only in 2017 have yet no data to reflect their sustainability and timeliness. Hence, the only criteria for which they could be assessed were on responsiveness and effectiveness.
- b. In terms of the program objective to strengthen the cooperatives' delivery of financial services to their members or targeted beneficiaries, not all Landbank loans facilitated through the program were found to have been used for the purpose of relending.

Some of the cooperatives used the funds for working capital. Because of this, those cooperatives that did not use the loan/s they had accessed for relending would be assessed unfairly if delivery of financial services to members/targeted beneficiaries were made part of the assessment. In view of this, the assessment only has to include the cooperative's success in accessing credit from Landbank.

- c. ACPC data on USM CIBP performance remains very limited. There is no established program monitoring framework with an appropriate set of indicators.

The limited time for this rapid assessment, compounded by concurrent regular duties and tasks being performed by the evaluating team, has allowed for only a limited scope of analysis.

Summary of Assessment Results

Table 9 summarizes the overall results of program success for the 7 assisted cooperatives based on the assessment using the 4 core criteria:

Table 9

Overall Assessment Results

Name of the Cooperative	Core Criteria				Overall Success Rating	
	Responsiveness	Effectiveness	Sustainability	Timeliness		
	Rating	Rating	Rating	Rating		
	Value Description	Value Description	Value Description	Value Description	Value	Description
1. UFMPC	3 Highly Responsive	3 Highly Effective	2 Sustainable	1 Less Timely	2.25	Successful
2. KALIACMPC	2 Responsive	2 Effective	1 Less Sustainable	1 Less Timely	1.5	Partly Successful
3. ULSFPC	2 Responsive	2 Effective	1 Less Sustainable	0 Not Timely	1.25	Partly Successful

4. MADUOCO	2	Responsive	2	Effective	1	Less Sustainable	0	Not Timely	1.25	Partly Successful
5. BARPLAMCO	1	Partly Responsive	1	Less Effective	0	Unsustainable	0	Not Timely	0.5	Unsuccessful
6. SICAPCO	1	Partly Responsive	1	Less Effective	a/	a/	a/	a/	1	Partly Successful b/
7. MUFARMCO	1	Partly Responsive	0	Ineffective	a/	a/	a/	a/	0.5	Unsuccessful b/
Average Rating	1.71	Responsive	1.6	Effective	1.0	Less Sustainable	0.4	Not Timely	1.17	Partly Successful

a/ No available data yet for Potential Newly Accessing Cooperatives (PNACs).

b/ Initial assessment based only on 2 criteria.

Responsiveness

The results of the assessment on responsiveness of program interventions indicate that the program's identified and chosen capacity-building interventions were predominantly appropriate responses to the institutional weaknesses of the assisted cooperatives. In particular, interventions in four of the cooperatives (i.e., UMF MPC, KALIAC MPC, ULSFPC, and MADUOCO) were assessed to have been either 'responsive' or 'highly responsive' based on the contents and outputs of the capacity building courses or activities that were implemented for these cooperatives. These ratings were given based on the assessment that the correspondence between the cooperatives' identified weaknesses and the chosen interventions of the program was above 45%.

In one of the four cooperatives (i.e., UMF MPC), a very high 100% correspondence was noted between the

cooperative's weaknesses and the program interventions. The rating given for the interventions received by UMF MPC is 'highly responsive'.

The interventions in 3 other cooperatives (i.e., BARPLAMCO, SICAPCO, and MUFARMCO) were rated as only 'partly responsive'. For these cooperatives, less than 45% of the interventions that were introduced by the program were considered as appropriate responses to their identified weaknesses. A low percentage of correspondence between chosen interventions and identified weaknesses suggests the possibility of gaps in matching and planning appropriate interventions for the assisted cooperatives.

The overall assessment for the responsiveness of program interventions is 'Responsive'.

Effectiveness

In terms of effectiveness, the program's capacity building interventions were assessed to have been mainly 'effective'. The interventions were rated as

either 'effective' or 'highly effective' in four of the assessed cooperatives (i.e., UMF MPC, KALIAC MPC, ULSFPC, and MADUOCO). For KALIAC MPC, ULSFPC, and MADUOCO, the

interventions were 'effective', which means the interventions were validated to have indeed helped: a) improve the cooperatives' Cooperative Categorization Scoring Worksheet (CCSW) scores for organization and management, business operations, and financial indicators up to the minimum levels required for them to be eligible for credit access with Landbank; b) raise or maintain the maturity level of the cooperatives to the level required for eligibility to access Landbank credit; and c) facilitate eligibility for the hold-out deposit/loan guarantee cover being offered under the program and facilitate actual access to Landbank credit for the cooperatives.

On the other hand, the program interventions received by UMFMPD were rated 'highly effective'. This rating means that the program interventions had consistently contributed to improving the UMFMPD's CCSW scores and maturity levels over several years, until they even surpassed the levels needed for access to Landbank credit, and that these consequently culminated in the cooperative's eligibility for the program's hold-out deposit cover and access to credit from Landbank.

Program interventions in two cooperatives (i.e., BARPLAMCO and SICAPCO), meanwhile, were rated as 'less effective'. This rating means that while there is evidence that the interventions had, to some extent, helped improve their organization and management, business operations, financial indicators, and/or maturity levels, the improvements were unfortunately not enough to allow them to become eligible for the program's holdout deposit (guarantee) cover and to access credit from Landbank.

MUFARMCO is the outlier among the cooperatives in terms of the effectiveness of interventions. The low level of responsiveness of program interventions also took its toll on the cooperative's indicators for organization and management, business operations, financials, and maturity level. In spite of the program interventions, no significant improvements have yet been noted in MUFARMCO.

Despite the case of MUFARMCO, the overall assessment for the effectiveness of program interventions is 'Effective'.

Sustainability

Only five cooperatives were assessed for sustainability since the other two cooperatives (i.e., SICAPCO and MUFARMCO) only joined the program in 2017 and are still considered by the program as Potential Newly Accessing Cooperatives (PNACs)—cooperatives with business operating for less than 3 years. As

PNACs, both SICAPCO and MUFARMCO do not have enough data on the indicators that serve as basis for assessing sustainability of the program's interventions.

Overall, interventions in only one cooperative were rated as 'sustainable' (i.e., UMFMPD). After UMFMPD had already

successfully accessed Landbank credit, the additional interventions thereafter also managed to help maintain or even further improve the organization and management, business operations, financial indicators, and maturity levels of the cooperative such that Landbank already gave its recommendation in 2017 for the cooperative to graduate from the program. The cooperative has also successfully accessed other funding sources aside from Landbank.

Interventions in three other cooperatives (KALIAC MPC, ULSFPC, and MADUOCO), on the other hand, were all rated 'less sustainable'. This rating means that, although they have been able to access Landbank credit and were able to access other fund sources as well, their organization and management, business operations, financial indicators, and/or

maturity levels were, on average, not maintained or sustained once they had accessed Landbank credit. The more evident indicator of lesser sustainability for these three cooperatives, though, is the fact that the USM ICB Program has not recommended their graduation from the program.

The 'unsustainable' rating given to the interventions in BARPLAMCO, meanwhile, is not surprising considering that the interventions have not even been effective enough to improve the organization and management, business operations, financial indicators, and maturity of the cooperative to the levels that would give it access to Landbank credit.

The overall assessment for the sustainability of program interventions is 'Less Sustainable'.

Timeliness

As in the case of sustainability, only five cooperatives were assessed for timeliness since the two cooperatives classified as PNACs (i.e., SICAPCO and MUFARMCO) also do not have enough data to serve as basis for assessing the timeliness of the program's interventions.

The interventions in two cooperatives (i.e., UMF MPC and KALIAC MPC) were given a rating of 'less timely' because, while they helped both these cooperatives to access Landbank credit within a short period of only 3 years of program participation (i.e., 3 years is the period covered by the original program MOA), the recommendation for

UMFMPC to graduate from the program did not come until after an additional 5 years. On the other hand, KALIAC MPC until now remains ineligible to graduate from the program.

Interventions in the three other cooperatives (i.e., ULSFPC, MADUOCO, and BARPLAMCO), meanwhile, were rated 'not timely' because either they were only able to access Landbank credit at a very late stage (i.e., ULSFPC and MADUOCO) or have still not been able to access such credit (i.e., BARPLAMCO), and also continue to be ineligible for graduation from the program. Both the ULSFPC and MADUOCO have been

assisted by the program for 10 years. BARPLAMCO, on the other hand, has been under program support for 14 years.

Continued low levels of capacitation in the assisted cooperatives delay the full achievement of program outcomes. Program administrators may take the view that this obliges continued support and interventions on the part of the program. However, an overextended period of

assisting the cooperatives raises concerns not just on program effectiveness, but on program efficiency as well. This also deprives other cooperatives of the chance to be similarly assisted, considering that the program is budget-constrained.

The overall assessment for the timeliness of program interventions is 'Not Timely'.

Overall Assessment

Taking into account all the four core assessment criteria, only the program interventions in one cooperative (i.e., UMF MPC) were given an overall rating of 'successful' because within a 6-year timeframe (i.e., the total timeframe covered within the first MOA extension), all the program objectives are considered to have already been achieved by UMF MPC.

On the other hand, the program's interventions in four cooperatives (i.e., KALIAC MPC, ULSFPC, MADUOCO, and SICAPCO) were rated as only 'partly successful'. For KALIAC MPC, ULSFPC, and MADUOCO, the 'partly successful' ratings were influenced by the low ratings for sustainability and timeliness of the interventions (the ratings for timeliness were poorer particularly for ULSFPC and MADUOCO). The major objective of graduating KALIAC MPC, ULSFPC, and MADUOCO from program support has not been achieved even after 10 years of capacity-building interventions from the program.

For SICAPCO, the 'partly successful' rating may be considered premature since it is based on the ratings for only two core criteria, i.e., responsiveness and effectiveness. SICAPCO is classified as a PNAC and does not yet have enough data on the indicators that serve as basis for assessing the other criteria of sustainability and timeliness of the program's interventions. However, if only the responsiveness and effectiveness criteria were to be applied in assessing the program interventions in SICAPCO, the overall rating would only have been 'partly successful' due to the low ratings given for both criteria.

Meanwhile, the performance of the program interventions using the four core criteria was rated as 'unsuccessful' in the case of both BARPLAMCO and MUFARMCO. After being assisted by the program for 5 years, BARPLAMCO is still unable to access even Landbank credit.

In the case of MUFARMCO, the 'unsuccessful' rating on program interventions may also be considered premature since it is based on the ratings for the responsiveness and effectiveness criteria only. Like SICAPCO, MUFARMCO is also classified as a PNAC and therefore also does not have enough data for assessing the sustainability and timeliness of the program's interventions. If responsiveness and effectiveness were the only criteria to be applied in assessing the program interventions in MUFARMCO, the overall rating would be 'unsuccessful' because no significant improvements have been noted in the cooperative despite interventions that the program has already introduced.

Based on the four core criteria that were used to assess program success, the overall assessment is 'Partly Successful'. This assessment rating indicates that, while the program may have partly achieved some of its objectives for most of the cooperatives and all the objectives for one cooperative, it remains short of achieving all the outcomes it had set out to accomplish for all the assisted cooperatives within a reasonable period. The program's capacity building interventions need to be improved, more especially with respect to enhancing sustainability and timeliness.

Success Factors

The following factors were identified to have contributed to the program's success in addressing the core criteria for this assessment:

Responsiveness

The following are factors that contributed to the responsiveness of program interventions to the weaknesses identified in the cooperatives:

- a. Regular conduct of Annual Strategic Planning and Performance Review. Through the regular conduct of this activity, all the assisted cooperatives are able to assess which specific areas of their management and operations need improvements. One of the important outputs of the performance reviews is the

development of action plans that help guide the cooperatives on the organizational as well as economic activities and projects that they should undertake. The plans also outline the steps that the cooperatives should take and which interventions they need from the program. The clearer direction provided by the plans contribute to enhancing the cooperatives' operational efficiency.

- b. Strengthening of Institutional Capacities. In the case of some of

the assisted organizations that used to be farmers' associations prior to their participation in the USM program, the interventions resulted in their improved compliance with the requirements of government regulatory agencies (e.g., CDA, BIR, LGU, etc.), allowing them to become registered as cooperatives (i.e., SICAPCO and MUFARMCO). On the other hand, for all the assisted cooperatives, the program interventions resulted in the formulation of new policies, installation of new systems and procedures, installation and updating of books of accounts, enhancements in internal control systems, and improvements in records-keeping.

- c. Commitment of the Core Management Team (CMT). In the case of UFMFPC, the sincere commitment of the CMT was crucial to the actual application and implementation of their learnings from the ICB interventions.
- d. Continuous mentoring of program staff. In the case of KALIAC, UFMFPC, MADOUCO, and ULSFPC, the follow-through activities and continuous assistance provided by the USM program staff (e.g., in securing legal permits, licenses, and accreditation with various national and local government regulatory agencies) were vital in eventually enabling them to gain access to Landbank credit.

Effectiveness

Factors that contributed to the effectiveness of USM ICB interventions in facilitating the cooperatives' access to Landbank credit are the following:

- a. Skills and continuing education of coop officers (as in the case of MADOUCO, KALIAC, UFMFPC, and ULSFPC);
- b. Production and marketing support provided by various government and non-government agencies (as in the case of UFMFPC);
- c. Choice of main commodity (as in the case of UFMFPC, i.e., abaca fetches a good market price);
- d. Product innovation and adoption of innovative technology which enable the cooperative to expand and upgrade its business operations (as in the case of MADOUCO);
- e. Establishment of market linkages/tie-ups which was crucial in improving operations (as in the case of UFMFPC, KALIAC, ULSFPC, and MADOUCO);
- f. Guidance and assistance by the USM program staff in preparing documents required by Landbank for credit availment (as in the case of KALIAC, UFMFPC, ULSFPC, and MADOUCO);
- g. Automated bookkeeping system, which makes tracking financial transactions and records easier (as in the case of ULSFPC and UFMFPC);
- h. Improved organization and management, business operations,

financial performance, and maturity levels that successfully reach the minimum levels required by Landbank (as in the case of UFM MPC, KALIAC, ULSFPC, and MADOU CO);

- i. Improvements in cooperative credit policies (as in the case of ULSFPC, which helped achieve a 100% repayment rate among its members).

Sustainability

Factors that helped promote the sustainability of the gains/benefits derived from the USM program interventions are the following:

- a. Enhanced cooperative performance and business operation. In the case of UFM MPC and ULSFPC, the economic condition of their organizations was strengthened by the enhancements in their cooperatives' economic activities (e.g., their establishment of other viable businesses or projects).
- b. Well-established market tie-up. For UFM MPC and ULSFPC, the establishment of market tie-ups ensured the inflow of revenues and gave more income stability from their business operations.
- c. Linkages with other development organizations. Aside from their access to Landbank credit,

UMFMPC, ULSFPC, and MADOU CO were also able to access assistance/support from other government as well as non-government organizations (NGOs), such as the PRDP and ACPC. Their linkages with these organizations increased their access to more development assistance which allowed them to leverage more resources for the purpose of further enhancing their own organizations' growth.

- d. Access to credit from Landbank guaranteed with Hold-out Deposits (UMFMPC, ULSFPC, KALIAC, MADOU CO).

Timeliness

Factors that helped some of the cooperatives achieve some of the program objectives or targets within either the 3-year term of the original MOA or the 6-year period covered by the first MOA extension are the following:

- a. Enhancements in performance and maturity levels that resulted from

interventions introduced by the program in UFM MPC, ULSFPC, KALIAC, and MADOU CO helped facilitate particularly these cooperatives' timely availment of credit from Landbank.

- b. The well-identified business activities and established marketing tie-ups for UFM MPC,

ULSFPC, KALIAC, and MADOUCO were also instrumental to their

success in gaining timely access to Landbank credit.

Constraining Factors

Encountered by cooperatives that were able to become bank-assisted

<p>a. Sustainability</p> <ul style="list-style-type: none"> i. UFMFPC's application for an additional P1M credit line with Landbank has been delayed by the occurrence of the Covid-19 pandemic. ii. Both Kaliac and MADUOCO were unable to establish stable marketing arrangements for their copra and whole coconut trading activities. Buyers of these commodities in their area are limited. There were instances when the cooperatives even fell prey to unfavorable buying practices (e.g., being subjected to a long queueing time). Predatory buying practices caused deterioration in the quality of their products and made their commodities vulnerable to pilferage. iii. The unfavorable market conditions (i.e. low buying price) experienced by both Kaliac and MADUOCO consequently led to unsustainability of their 	<p>agricultural trading activities.</p> <ul style="list-style-type: none"> iv. In the case of Kaliac, the net losses it incurred resulted in its failure to follow through on monthly loan amortizations with Landbank. v. Massive assistance delivered by NGOs, in the case of MADUOCO, overwhelmed the cooperative which had difficulty absorbing overly diversified business activities foisted on them. vi. Past due loans of some member-borrowers have diminished some of the gains derived from the program by UFMFPC, Kaliac, and Maduoco. <p>b. Timeliness</p> <ul style="list-style-type: none"> i. UFMFPC's application for an additional P1M credit line with Landbank has been delayed by the occurrence of the Covid-19 pandemic. ii. Another factor that caused ULSFPC's delay in accessing Landbank credit was the disbanding of its precursor organization, the Nagmabaul
---	---

- | | |
|--|---|
| <p>Cooperative, in 2010, i.e., 1 year after joining the USM program. The cooperative was reorganized and registered anew as ULSFPC only 3 years thereafter (2013).</p> <p>iii. For MADUOCO, the delay in accessing Landbank credit was due mainly to</p> | <p>difficulties it encountered in complying with Landbank's minimum required volume of business and market linkage.</p> <p>iv. For Kaliac, delays were due to its difficulty in identifying a viable and profitable business activity/enterprise.</p> |
|--|---|

Encountered by cooperatives that have not yet become bank-assisted

- | | |
|--|---|
| <p>a. Responsiveness</p> <p>i. For BARPLAMCO, SICAPCO, and MUFARMCO there was a gap in the conduct of follow-up training/coaching, as well as other interventions that can address the weaknesses in their organizations.</p> <p>ii. In the case of MUFARMCO, a mismatch was also observed between interventions (training) provided by the program and the weaknesses identified in the cooperative.</p> <p>iii. Due to poor accessibility, visits by USM program staff to MUFARMCO have been infrequent.</p> <p>b. Effectiveness</p> <p>i. While they were able to formulate new organizational policies (e.g., on CBU, savings, membership expansion, etc.) with help from the program, BARPLAMCO, SICAPCO, and</p> | <p>MUFARMCO are currently still having difficulty implementing these new policies.</p> <p>ii. Geographic location is one of the factors that limit BARPLAMCO, SICAPCO, and MUFARMCO from increasing their membership base. The size of MUFARMCO's membership, in particular, has not expanded since joining the program.</p> <p>iii. The limited capacity (low incomes) of their members to contribute capital and mobilize savings still constrains CBU formation for BARPLAMCO, SICAPCO, and MUFARMCO, despite the training they have received.</p> <p>iv. Members of BARPLAMCO, SICAPCO, and MADUOCO hardly patronize their own cooperative's business due to their low incomes.</p> <p>v. Their inability to identify a viable and profitable business activity/enterprise is preventing both BARPLAMCO and SICAPCO</p> |
|--|---|

	from improving their financial condition.		limits the cooperative's ability to generate capital and mobilize savings (BARPLAMCO, SICAPCO, MUFARCO).
vi.	Lack of capital prevents SICAPCO and MUFARCO from implementing the businesses that the program has helped identify for them.	iii.	BARPLAMCO still has a low production capacity and sales volume (i.e., for miki noodles).
vii.	Their inability to identify an institutional buyer and establish a marketing agreement are also factors preventing an economic turnaround for BARPLAMCO, SICAPCO, and MUFARCO.	iv.	Failure to identify a viable and profitable business activity/enterprise (BARPLAMCO, SICAPCO, MUFARCO).
		v.	Lack of capital to sustain their current business (BARPLAMCO, SICAPCO, MUFARCO).
c.	Sustainability	d.	Timeliness
i.	Failure to meet the minimum requirements of Landbank (i.e., in terms of membership size, CBU, savings, break-even business operations) to be eligible for loan access (BARPLAMCO, SICAPCO).		BARPLAMCO is still unable to meet the minimum requirements of Landbank (i.e., in terms of membership size, CBU, savings, break-even business operations) to be eligible for loan access.
ii.	Failure to increase membership, which also		

Recommendation

This section contains recommendations in consideration of the results of this assessment. There are two levels of recommendations:

1. Individual cooperative level – Specific recommendations for each of the assisted cooperatives.
2. Overall – Recommendations for the program.

United Maligang Farmers Multi-Purpose Cooperative (UMFMPC)

Following the program's goals, the graduation of UMFMPC should have been given due consideration. This would also

allow the program to re-allocate resources to the remaining assisted cooperatives.

Kaliac Multi-Purpose Cooperative (KALIAC MPC)

The program should consider approving the cooperative's request for its outstanding loan balance (i.e., amounting to P235,000 as of December 2019) to be charged to the program's HODC. This would release the cooperative's new BOD and officers from the mismanaged obligation incurred by the previous set of cooperative officers.

Prospective succeeding ICB interventions (e.g. coaching, mentoring, and training) should focus mainly on the following four strategic areas:

- Identifying and implementing a definite project for KALIAC MPC that is viable and profitable.

- Establishing a stable market linkage to ensure sales.
- Identifying and implementing strategies to beef up capital formation (e.g., promoting the cooperative's financial management capability among the members of the community).
- Implementing effective savings mobilization scheme/s

A definite timeline and plan for Kaliac should also be adopted by the program, taking into consideration the cooperative's current maturity level, CCSW scores, and its current constraints. Target outcomes for Kaliac should be anchored on what can be realistically accomplished within the MOA's term.

Upper Lumabat Small Farmers Producers Cooperative (ULSFPC)

ULSFPC only has one primary business activity and income source, i.e., cacao processing/trading. To increase its revenue stream and diversify its business risks, ULSFPC should consider diversifying into other business ventures.

The program has no definite timeline as to when ULSFPC is being targeted for graduation. A definite timeline and plan should be adopted by the program taking into consideration the cooperative's current maturity level, CCSW scores, and its current constraints.

Mati Davao Oriental Upland Cooperative (MADOUCO)

Prospective succeeding ICB interventions (e.g., coaching, mentoring, and training), should focus mainly on the following two strategic areas:

- Mentoring the cooperative on effective and efficient management of the massive assistance given to them.
- Establishing stable marketing linkages and buyers.

A definite timeline and plan for MADUOCO should be adopted by the program, taking into consideration the cooperative's current maturity level, CCSW scores, and its current constraints. Target outcomes for MADUOCO should be anchored on what can be realistically carried out within the MOA's term.

Baganga Rubber Planters Multi-Purpose Cooperative (BARPLAMCO)

Prospective succeeding ICB interventions should focus on the following six strategic areas:

- Establishing marketing linkages and agreements for its business (i.e., miki noodles production).
- Increasing business production capacity.
- Identifying and implementing strategies to beef up capital formation (e.g., by conducting a vigorous membership recruitment campaign and implementing savings mobilization scheme/s).
- Improving the cooperative's financial system (internal control, recording/bookkeeping, BOA and PSP).

- Improving the cooperative's CCSW score and maturity level in line with Landbank's requirement for accreditation.
- Identifying and implementing another viable and profitable business to increase revenue streams and diversify business risks.

For the meantime, without the credit access from Landbank, BARPLAMCO may be considered for endorsement to a DA-ACPC program such as PLEA, SURE Covid 19, or ANYO for possible credit assistance or funding for working capital.

San Isidro Cacao Producers Cooperative (SICAPCO)

Prospective succeeding ICB interventions (e.g., coaching, mentoring, and training), should focus mainly on the following four strategic areas:

- Establishing marketing tie up and agreement with institutional buyers for stable income.
- Finding viable and profitable businesses to increase the cooperative's income.
- Capacitating more members of the cooperative per training activity.
- Increasing its membership base so that the cooperative can increase its CBU and savings.

For the meantime, in the absence of access to credit from Landbank, SICAPCO may be considered for endorsement to a DA-ACPC program such as PLEA, SURE Covid 19, or ANYO for credit assistance or funding for working capital.

The cooperative's recruitment process should be improved to focus on membership quality (i.e., in terms of educational attainment, experience, and level of commitment, among others).

Mikit Upland Farmers Marketing Cooperative (MUFARMCO)

Prospective succeeding ICB interventions (e.g., coaching, mentoring and training), should focus mainly on the following four strategic areas:

- Establishing marketing tie-up and agreement with institutional buyers for stable income.
- Identifying viable and profitable businesses to increase the cooperative's income.
- Capacitating more members of the cooperative per training activity.
- Increasing its membership base so that the cooperative can increase its CBU and savings.

The cooperative's recruitment process should be improved to focus on membership quality (i.e., in terms of educational attainment, experience, and level of commitment, among others).

The program should carefully assess which of MUFARMCO's weak pillars/areas should be prioritized for capacity-building to avoid any mismatch between planned interventions and identified weaknesses.

For the meantime, in the absence of access to credit from Landbank, MUFARMCO may be considered for endorsement to a DA-ACPC program such as PLEA, SURE Covid 19, or ANYO for

possible credit assistance or funding for

working capital.

Overall Recommendations

The following recommendations are for the overall improvement of the USM-ICB Program's implementation.

- One of the observations arising from the assessment is the absence of specific timelines for the assisted cooperative to access credit from Landbank or to graduate from the program. This makes it difficult to properly gauge the program's progress and success. Definite timelines should therefore be set by the program for the accomplishment of its objectives. However, since the cooperatives have different levels of maturity and different weak areas based on their initial (baseline) CCSW score and maturity level, outcomes should be expected to vary per cooperative at the end of the MOA's term. Otherwise, for some cooperatives, the objectives of the program and the term of the MOA would be mismatched. The program should figure out and set different targeted outcomes for each cooperative based on their respective baseline CCSW scores and maturity levels, and what can be realistically accomplished within the term of the MOA.
 - *Review program objectives to link target-setting with the cooperatives' maturity level.*

- Effectiveness and sustainability of the training programs and other ICB activities would be maximized if they address the weak areas of operation, level of understanding, and capacity of the assisted cooperatives through the following:
 - *Training of teams, not individuals-* It has been noted that transfer and application of learnings, knowledge, and skills being carried out through the ICB activities would be more effective if offered to a group rather than to individuals only, or only to the management. Capacitating the group or more widespread transfer promotes *esprit de corps* and ensures better retention of learnings, knowledge, and skills, especially in case of staff movement (e.g., retirement).
 - *Prioritize weaknesses that need to be cured.* Re-evaluate the weak pillars/areas of the cooperatives that need to be prioritized to avoid mismatch with interventions being introduced.
 - *Conduct follow-up or follow-through capacity building interventions (and, therefore, consider increased budgetary allocation for interventions).* Retention and application of knowledge and skills would be greater when two to three-day training sessions are followed by

further related training or hands-on training, coaching, or mentoring interventions.

- *Know the optimum number of cooperatives that the program can manage to assist at any given time.* Due to budget constraints, the program should focus its interventions on the initial set of cooperatives being assisted and consider implementing a moratorium on the enrollment of more PNACs until the incumbent set of assisted cooperatives has graduated from the program. In consideration of the limited budget and resources, the program should determine the optimum number of cooperatives that it can manage to assist at any given time, which would still lead to the successful attainment of the program's objectives within a reasonable period. Once such optimum number of assisted cooperatives has been figured out, it should be observed as a rule in the course of program implementation.
- *Review budget allocation for ICB interventions.* Determine a more responsive ICB budgetary allocation that meets the requirements of ACPC's Magna Carta mandate to provide ICB grants. The budget allocation for ICB grant assistance remains small such that the rising cost of training resources limits the reach and affects the quality of ICB activities.
- *Implement phased intervals of capacity building interventions.* Capacity building interventions that are implemented in phases
-

are more effective in ensuring the sustainability of cooperative operations.

- *Strengthen institutional linkages.* Linkages with CDA, DAR, ATI, DTI, and LBP should be established and strengthened to augment and share resources and cover more cooperatives.
- *Fast track graduation of coops/set timelines for graduation of assisted cooperatives.* Assisted cooperatives that have achieved significant outcomes and demonstrated improved cooperative management and performance, as translated through their CCSW scores and maturity levels, should merit recommendation and/or actual graduation from the USM-ICB Program.
- *Adopt a more proactive and results-based monitoring and evaluation system for the program's ICB activities.* The establishment of a better monitoring system will help ensure that the program has effectively strengthened the beneficiary cooperatives, through the following:
 - Identification and establishment of performance indicators.
 - Close collaboration among the ACPC Advocacy Division, Monitoring Division, and the Information System Management Division to produce a results-based M&E system and database for the USM CIBP. The M&E results will also be useful for the documentation of program best practices.

Case Study No. 1:

United Maligang Farmers Multi-Purpose Cooperative (UMFMPC)

Profile of the Cooperative

The cooperative, located in Barangay Maligang, Kiamba, Sarangani, was organized in 2003 and was registered with the Cooperative Development Authority in the same year. It started with USB-ICBP in 2009 as a “Class “C” cooperative categorized by the Land Bank’s Cooperative Accreditation Criteria (CAC). UMFMPC was qualified as a beneficiary of the USM-ICB Program that needs development assistance to further strengthen and upgrade its maturity level. The cooperative has an initial eighty-two (82) members, however, with no program for membership campaign. Its initial capital build-up amounted to P75, 321.00, with no program for CBU generation. Its savings amount to P13,815.75, which was accumulated when UDP ended. Since

2008, the cooperative has been engaged in abaca stripping and knotted abaca (*tinagak*) trading. The business is already linked with a local trader for their abaca products.

The following section describes the cooperative’s performance before its participation in the Program.

Based on the completed CCSW in 2009, UMFMPC’s total score was recorded at 57.45 broken down as follows: Organization and Management- 13.68; Business Operation – 12.01; and Financial and Loan Portfolio-31.76. The total score indicates UMFMPC’s maturity level of C or a score of 1.55 points below 65 points.

Table 1

UMFMPC’s CCSW Score and Maturity Level, from 2009 to 2019

Weak Pillars	Minimum Standard Points	Points Earned										
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Organization and Management	7.5	13.68	20.12	19.55	21.07	20.85	22.42	15.19	16.04	20.61	16.14	20.39
Business Operations	7.5	12.01	12.76	13.22	20.87	21.26	18.50	13.07	20.81	27.65	22.93	24.31
Financial and Loan Portfolio	9.5	31.76	31.76	30.71	40.78	37.38	37.18	36.01	43.10	42.35	32.96	31.78
Total	24.75	57.45	64.63	63.48	82.72	78.48	78.10	64.27	79.95	90.62	72.04	76.48
Maturity Level		C	C	C	B	B	B	C	B	A	B	B

Organization and Management. In terms of organization and management performance, the cooperative's score was 13.68, wherein 10.65 points came from leadership and governance aspects, characterized by a BOD wherein majority are college level or have a one-year experience in coop operation and/or related business, while COMAT is composed of a part-time Manager and Bookkeeper/Accountant who are college level and with one-year experience in coop operation and/or related business. Majority of the committee members are college level and have a one-year experience in coop operation and/or related business. UFMFPC has installed and implemented prescribed policies on membership, capital build-up, savings deposit and loaning/credit, and with installed BOAs, e.g., GL, SL, CRB & CBD and updated semi-annually.

One aspect under organization and management—CBU and savings mobilization— obtained a zero score due to the lack of members' patronage of their business and savings mobilization.

Business Operation. Under this aspect, UFMFPC obtained a 12.01 rating out of 30 points as standard score requirements. The score, however, reached the minimum 7.5 standard points that was

attributed to its existing business operation and market established with marketing agreement. There was no availment of capital from any formal source. The cooperative could withdraw from a readily available cash advance from a trader whenever it ran out of cash. The cooperative started to set up a market linkage with a local trader for their abaca products. It also has an annual business plan.

Other aspects of business operation, such as affiliation to federation and other cooperatives, remained to be explored, and thus, UFMFPC got a zero score on this.

Financial and Loan Portfolio. Upon its participation, UFMFPC scored high attaining 31.76 out of 40 points (standard), 9.750 (minimum), respectively. The score, however, exceeded the 9.750 minimum points.

Selected financial indicators such as liquidity and profitability ratios were as follows: Liquidity ratio, 3.34; ROE, 27%; ROA, 14.92. Business operation from *tinagak* and abaca stripping generated positive returns. The cooperative has not yet established any relationship with LandBank during this time, thus, got zero points on this.

Responsiveness of the ICB Interventions

UMFMPC was initially qualified under the Program per organizational and enterprise assessment in 2009 as shown in

its CCSW (Annex A.1). ICB interventions commenced in 2010 which focused on the weak areas on organization and

management, and business operation. While the Program considered UFMFPC as having the potential to access credit from LandBank through the credit guarantee scheme, the cooperative was also prepared in building up its capability to pass the LandBank's accreditation criteria starting in 2010 (Annex A.1).

In 2010, UFMFPC received its first training on organization and management and business operation. The topics included were Strategies of capital formation, Enterprise Development—Review of Policies, Systems, and Procedures, among others. The cooperative being weak in the aspects of membership expansion, CBU generation and savings mobilization, the training sessions were undertaken to help UFMFPC come with strategies to improve its performance in these aspects, as well as improve its abaca business management.

In 2010, UFMFPC improved in its CCSW scores at 64.63 points. Under Organization and Management, it scored 20.12 from 13.68 the previous year. Its Business Operation has likewise improved with 12.77 points. However, its financial and loan portfolio had stayed at 31.76.

Improvements in its organization and management performance included an increase in the number of regular and special meetings conducted by the BOD, members' patronage of the business, and full-time involvement by the COMAT instead of the previous part-time involvement. Aside from having an annual plan, UFMFPC was able to formulate a 3-year MTPDP while Books of Accounts were updated quarterly instead of the previous semi-annual updating. All of these

are attributed to the ICB assistance provided to UFMFPC through mentoring and coaching by the Program staff assigned to the officers and staff. In the same year, UFMFPC has established linkages with a primary cooperative which improved its points in business performance.

By the end of 2011, UFMPPC was classified as a Class "C" cooperative, obtaining a total score of 63.48. The cooperative continued to improve in terms of generating capital from members, while savings mobilization showed no improvement. Leadership and governance continued to perform well in terms of acquiring more knowledge, skills, and experience. UFMFPC updated its annual plan for 2011 and majority of its businesses have a 3-year MTPD. The cooperative's Books of Accounts was installed and updated bi-monthly instead of quarterly as before. The coop's basic policies, systems and procedures, and computer bookkeeping system were installed. Lastly, ICB assistance equipped the staff with basic transaction recording skills.

UMFMPC was given assistance in preparing for its accreditation and access to credit from LandBank. This includes assistance in preparing business plans/proposals for bank financing and the required loan application documents, and in complying with the legal and documentary requirements of regulatory agencies such as CDA, the LGU, and BIR. In terms of its business operation, the cooperative was assisted in establishing arrangements with an institutional buyer of abaca fiber and products.

With the continuous USM ICB interventions and CMT's technical assistance and support, UFMFPC eventually strengthened its organization and management, business operation, and financial performance, thus, qualifying for a loan amounting to P500,000 covered by the program's credit guarantee scheme. This scheme enables the assisted cooperatives to improve their organizational maturity and eventually hurdle the minimum eligibility and risk acceptance criteria (RAAC) as required by Land Bank to become a regular bank-assisted cooperative (BAC) and eventually graduate from the USM Program.

UMFMPC continues to receive ICB interventions to further strengthen its organization and business management up to the present.

Credit Access from Landbank. Based on the completed CCSW in 2012, UFMFPC's total score was recorded at 82.72 points, which upgraded its maturity level to Class "B". This score is 19 points higher than the previous year. It must be noted that UFMFPC showed improvement in all its scores covering organization and management, 21.07 points; 20.87 points in business operation; and 40.78 points in financial and loan portfolio.

The improvement in scores is attributed to LandBank's approval of its credit line of P0.50 million for working capital on the abaca trading business, hence, an improved score in financial performance from 30.71 in 2011 to 40.78 points in 2012.

In terms of business operation/performance, UFMFPC was able to increase the number and volume of business due to the approval of this expansion project, and most importantly, the established market linkage with an institutional buyer of abaca fiber and products. Hence, the improvement in score from 13.22 points to 20.87 in 2012.

UMFMPC ICB's Responsiveness Rating. In assessing the responsiveness criterion, this study looked at the extent in which the program's choice of capacity building interventions were the right responses to the identified institutional development problems (weaknesses) of the cooperatives based on Landbank's Cooperative Categorization Scoring Worksheet (CCSW) tool. Likewise, the appropriateness of the timing of specific capacity-building interventions as well as the appropriateness of the outputs of those interventions were also considered.

Table 2 indicates that UFMFPC's responsiveness score/rating is 83% responsive, or the cooperative obtained 21 points for the responsiveness criterion, implying that the program's ICB interventions according to their CCSW scores are "highly responsive" and corresponds to a little over 80% of the identified weaknesses of the cooperative. The ICB interventions are found relevant since they were the priority intervention areas needed by the cooperative that enhanced its organizational, operational, and financial capabilities.

Table 2

UMFMPC's Responsiveness Rating

Year	Score
(before Credit Access)	
2010	21
2011	21
2012	22
(After Credit Access)	
2013	21
2014	21
2015	21
2016	21
2017	21
2018	23
2019	21
Total Score	213
Average Total Score	21
Rating Value	3
Rating Description	Highly Responsive

Effectiveness of the ICB Interventions

This assessment found that the program's ICB interventions resulted in improvements in UFMPC's CCSW scores and maturity level classification and consequently, facilitated its access to LandBank's credit.

UMFMPC's ICB Interventions Effectiveness Score. Using the effectiveness criteria scoring guide, the effectiveness score is 23 points with the corresponding Rating Value of 3, implying "highly effective" ICB interventions. This

suggests that ICB interventions resulted in improvement in the performance of the cooperative as translated in the coop's CCSW. Likewise, UFMPC's level of maturity upgraded from Class "C" to Class "B" cooperative in 2019, one level higher from its classification upon enrollment from the Program. The highest level reached by UFMPC so far was Class A in 2017. It was during this year that the cooperative was able to get credit access from other sources, namely from DA-PUNLA and grant support from PRPD for capital goods and working capital for its abaca trading project.

Table 3
UMFMPC's Effectiveness Rating

Year (before Credit Access)	CCSW Score	Maturity Level Score	Loan Access and Hold-Out Deposit Score	Total Score
2009	8	8		16
2010	7	6		13
2011	5	6		11
2012	8	8		16
Average Total Score	7	7	9	23
Rating Value				3
Rating Description				Highly Effective

Success Factors

UMFMPC was strengthened as an organization and identified the following factors that contributed to its success:

i. Organization and Management

- Commitment by the Core Management Team to implement the business. The officers and Management Team helped each other to recover from the setbacks;
- Enhanced knowledge and skills acquired from the ICB interventions that guided the conduct of their duties and responsibilities;
- Annual performance assessment with the assistance of CMTs which made the BOD and officers aware of the cooperative's weak aspects and the needed improvements;
- Updated strategic and action plans for operational guidance and direction;
- Cooperative policies, systems and procedures that

contributed to improving their operation; Improved record keeping and bookkeeping; and

- An enhanced reputation for the coop that attracts more grants and donations.

ii. Business Operation

- Established linkages with various government and non-government agencies for production and marketing assistance in the abaca trading business
- Focused direction on abaca products and related businesses
- Upgraded business operation and product quality
- Product innovation and adoption of new technology in abaca production and value adding products—*sinamay*, *escohido*, handicraft.

- Higher and fair market price offered to farmer-suppliers of their abaca products
- Acquisition of fixed assets and facilities through grants/donations from various government agencies and NGOs
- Systematic recording of finances
- Well-functioning financial management system
- Market Linkages/Tie-up

iii. Financial and Loan Portfolio

- Business proposal for financing to LandBank and loan application for PLEA program financing and other funding sources (PRDP)
- Compliance with other legal and documentary requirements for loan application

Constraining Factors

The following are some of the limiting/constraining factors in credit delivery and management.

- i. Application for additional credit line with LBP of P1M was delayed due to the pandemic.

- ii. The required audited FS was not yet complied with.

- iii. Past due loans by member-borrowers affected credit delivery to other members.

Sustainability of the ICB Interventions

UMFMPC, years after credit access. ICB intervention played a huge role in upgrading UFMPC's maturity level over the years. The year 2012 onwards placed UFMPC at Coop "B" category level until 2015, though at different levels /score points within the Class B category (65 points to below 85 points). Given the ICB's continued interventions, UFMPC gained its Class "A" Classification in 2017, registering the highest rating of 90.62. The remarkable achievements include, among others: i) P0.50 million in credit line from

LBP as working capital for abaca trading in 2012, that increased annually up to P2.0 million in 2017 with guarantee fund coverage of P1.2 million; ii) P3.5 million in credit accessed from DA-ACPC-PLEA (another source of credit for various upland agricultural undertakings of coop members; iii) forged partnership and linkages with a foreign-assisted program which qualified UFMPC for grant assistance from PRDP to fund the capital requirement of its Abaca/Tinagak Project (namely, warehouse construction, spindle stripping machines,

vehicle, among others); iv) establishment of a ready market for abaca; product/ link with an institutional buyer; and v) maturity level upgrading.

UMFMPC became a Class “A” cooperative showing peak financial performance in 2017 due to the increase in loan portfolio and business expansion and improvement in organization and management, as well as the increase in loans portfolio and assets. The highest total score of UMFMPC is 85.87 registered in 2017. In just one year, the cooperative was back to being a Class “B” cooperative in 2018 with a score of 78.82. The slight decrease in the score is attributed to reduction in points in financial and portfolio indicators such as liquidity ratio, debt equity ratio and return on equity. While UMFMPC encountered loan defaults for PLEA loans, restructuring was made to maintain its current status. The cooperative, however, incurred a net loss in abaca trading in 2017, which also affected its liquidity.

The cooperative remained as Class “B” in 2019 with a very slight decrease from 78.82 to 77.08 points. Despite this, the cooperative maintained its good credit standing with no past due record and kept its loan current with the bank. Moreover, the cooperative has accumulated savings deposits with LandBank.

UMFMPC’s ICB Intervention’s Sustainability Score. UMFMPC obtained a sustainability rating score of 18.4 points with a corresponding Rating Value of 2, implying “sustainable” ICB interventions. This suggests that a strengthened UMFMPC is now ready and capable to maintain and/or further improve performance in organization and management, business operations, and financial management, following access to LBP credit with HOD, PUNLA/PLEA credit, and grant support from foreign-assisted programs. It must be noted that UMFMPC exhibited fluctuating CCSW scores, though within the C and B cooperative maturity level after 2017, while its recommendation to graduate from the program has been held in abeyance since 2017.

Table 4

UMFMPC’s Sustainability Rating

Year (after Credit Access)	CCSW Score	Maturity Level Score	Loan Access from other Financing Inst. With or without HODC Scores	Recommendation for Graduation Scores	Graduated from the Program Scores	Total Score
2013	4	5				
2014	4	4				
2015	3	4				
2016	5	5				
2017	5	5	5	5	0	
2018	3	4			0	
2019	4	5			0	
Average Total	4	4.42	5	5		18.42

Score						
						Rating Value
						Rating Description
						Sustainable

Timeliness of the ICB Interventions

UMFMPC was able to achieve the desired outcome within an 8-year period with another 3-year extension. The timeliness score obtained is 12 points, implying a “less timely” attainment of some desired outcome, specifically, its graduation

from the Program, considering that the cooperative accessed LandBank credit within 4 years of program implementation (i.e., period covered by the original program MOA) with a pending recommendation for graduation from USM.

Table 5

UMFMPC's Timeliness Rating

PARAMETERS <i>(*One-time rating only)</i>	POINTS	Rating Value	Rating Description
Accessed Landbank credit within 8 years of program implementation (i.e., period covered by the original program MOA) with pending recommendation for graduation from USM	12	1	Less Timely

Overall Assessment

UMFMPC's overall rating is “Successful,” obtaining an overall weighted average rating of 2.25 points. The rating suggests that UMFMPC was “successful” in being able to benefit from capacity building interventions which strengthened their

organizational, business operation and financial capabilities, resulting in being able to access credit from the Land Bank of the Philippines and other financial and donor institutions.

Table 6

UMFMPC's Overall Assessment Rating

Criteria	Scores	Rating Value	Rating Description
Responsiveness	21	3	Highly responsive
Effectiveness	23	3	Highly Effective
Sustainability	18	2	Sustainable
Timeliness	12	1	Less Timely
Overall Assessment		2.25	Successful

Recommendation

The preceding sections presented the development story of UFMFPC, including its assessment and how it transformed from a Class “C” to a Class “B” cooperative, now a stronger small cooperative. Within barely ten (10) years, the cooperative was able to accomplish what was expected. Through the ICB interventions, UFMFPC’s management and systems capabilities have been strengthened and gained: i) accreditation and access to credit from LandBank, covered by hold-out deposit; ii) grant support from PRDP for equipment and

working capital for abaca trading (P36 million); iii) credit access from another fund source under DA-ACPC-PLEA Program; and, iv) an upgraded maturity level. Above all, UFMFPC has shown improved capability and capacity to manage both business and credit delivery.

The urgency to graduate UFMFPC from the program must be looked into by the Program following its criteria for graduation.

Case Study No. 2:

Kaliac Multi-Purpose Cooperative (KALIACMPC)

Profile of the Cooperative

KALIAC MPC is located in Tupi, South Cotabato. It was organized and registered with the Cooperative Development Authority (CDA) in 2004 with 139 regular members. At that time, the cooperative was primarily engaged in rice retailing service. In 2009, when KALIAC participated in USM, it had a total membership of 104, a capital build-up of P196,896 and members’ savings of P131,712.

Based on the completed CCSW in 2009, its Organization and Management (8.2 points) and Financial and Loan Portfolio (21.51 points) are slightly above the minimum standard of 7.5 points and

9.75 points, respectively. On the other hand, its Business Operation with a score of 1.25 points was below the standard score of 7.5 points. The total score (30.96 points) obtained by KALIAC MPC indicated its maturity level of D or a score of 25 points to below 45 points.

During the year, the weak pillars identified, or those performance indicators where the cooperative scored zero points were as follows: a) membership, specifically, patronage of business and participation of members in savings mobilization, capital build-up and savings; b) leadership and management, particularly

on the education of the Board of Directors, and lack of plans and programs and internal performance review; c) business operation,

specifically, poor volume of business, and lack of business plan and market linkage.

Responsiveness of the ICB Interventions

Responsiveness refers to the consistency between the program's ICB interventions and the documented weaknesses of the cooperatives according to their CCSW scores, i.e., whether the course or activity content of identified capacity building interventions were appropriate for addressing corresponding identified weaknesses of the cooperatives.

Having identified the cooperative's weak pillars or areas that need improvements, the USM-ICB provided interventions including technical assistance and other support needed by the cooperative to improve its maturity level (e.g., mentoring/coaching activities, *Lakbay-Aral*/market tie-up, etc.). The program's CMTs also provided other assistance to the cooperative (i.e., securing legal permits,

licenses, and accreditation with government regulatory agencies and LGUs). These are listed in Annex A.2.

Table 1 shows the result of the responsiveness evaluation criteria of KALIAC MPC averaging 18 points from 2010 to 2019—the period when the cooperative received ICB assistance to strengthen its organization and management, business operation, and financial performance. Based on the equivalent rating description, this score indicates that the ICB interventions were responsive to the needs of the cooperative. The reported weaknesses in terms of organization and management, business operation, and financial performance were addressed by the various ICB interventions provided by USM.

Table 1

KALIACMPC's Responsiveness Rating

Year	Score
2010	21
2011	21
2012	23
2013	25
2014	21
2015	17
2016	11
2017	17
2018	17
2019	9
Total Score	182
Average Total Score	18.2

Rating Value	2
Rating Description	Responsive

Effectiveness of the ICB Interventions

Effectiveness refers to the extent to which the program's ICB interventions resulted in improvements in the assisted cooperatives' organization and management, business operations, financial indicators, maturity level classifications, and, consequently, in access to credit with Landbank and other financial institutions.

Based on the effectiveness evaluation criteria, KALIAC MPC averaged 21.25 pts from 2009 to 2012 with a rating value of 2, indicating "effective" ICB interventions. This can be attributed to the improved maturity level of the cooperative from D to C in 2011. During this year, KALIAC MPC explored possible marketing arrangements with Magpet Agro-Industrial Coop (MAGIRCO), a highly diversified coop located in Magpet, Cotabato for its cardava trading. They were also assisted by the USM CMT in their marketing tie-up with CARGILL. Their proposal for copra trading business was, likewise, approved.

Moreover, the assigned USM CMT have visited KALIAC MPC 68 times or 26% of his total working days. These visits reinforced the learnings of the cooperative

during coaching and mentoring sessions. By the end of 2012, KALIAC's CCSW score increased by 7 points, reaching a total of 60.69 points. This was brought about by the improvement in its Financial and Loan Portfolio as a result of their new relationship with Land Bank.

The coop was able to access a loan from Land Bank (formal financial institution) for the first time in 2012 in the amount of P250,000.00 covered by the program's Hold-Out Deposit Coverage (credit guarantee) scheme. This scheme is an arrangement under the USM-CIBP, that provides 100% guarantee to the loans granted by LANDBANK to beneficiary cooperatives, charged against the USM-CIBPTF should a cooperative loan become past due and uncollectible after collection efforts have been exhausted by LANDBANK. This support enables the assisted cooperatives to improve their organizational maturity and eventually hurdle the minimum eligibility and risk acceptance criteria (RAAC) per Land Bank's requirement to become a regular bank-assisted cooperative (BAC) and graduate from the USM Program.

Table 2

KALIACMPC's Effectiveness Rating

Year (before Credit Access)	CCSW Score	Maturity Level Score	Loan Access and Hold-Out Deposit Score	Total Score
2009	30.95	D		13
2010	34.95	D		9

2011	53.69	C		25
2012	60.69	C	Accessed Loan	11
Total Score				58
Average Total Score				21.25
Rating Value				2
Rating Description				Effective

The following improvements were achieved by the cooperative due to the initial P250,000.00 credit support from the Program:

- 1) Net income from trading business increased from P26,000.00 in 2011 to P54,864.00 in 2012;
- 2) Generated additional employment by hiring one full-time scaler/banana classifier (P2,000.00 monthly salary) and one part-time posting clerk with a salary of P1,000.00 per month;
- 3) Upgraded the employment status of the manager and the cashier to "full time" and each are receiving P2,000.00 per month salary in 2012 from a mere P600.00 per month in 2011;
- 4) Purchased three (3) weighing scale equipment for its trading business which amounted to P12,000.00;
- 5) Increased the income of the 261 coop members and about 70 non-members due to a higher buying

- price for Cardava (P0.50 higher than that of the local buyers);
- 6) Refurbished the coop office and storage room for its agri-products;
 - 7) Purchased a 140 SQM lot where the coop office cum trading business has been established; and
 - 8) KALIAC has been prompt in paying its loan with Land Bank and used the borrowed fund for the buying and selling of Cardava (banana) and other agri-products.

The Cardava banana trading operation of KALIAC has been operating efficiently for the last three years (2011-2013). The coop, however, experienced fund depletion in 2013 due to the following issues:

- 1) Unliquidated cash advances of former key coop officers (manager and BOD Chairperson);
- 2) Incurred losses due to pilferage; and
- 3) Fund diversion.

Success Factors

The USM ICB interventions were able to help KALIAC MPC to successfully access loans from Land Bank. The following are some of the factors that have contributed to the improvement of the cooperative's

maturity level since joining the USM program:

- i. Organization and Management

- The semi-annual performance assessment activities of the Program with the assistance of CMTs enabled the BOD and officers to address the identified weak aspects of the cooperative.
 - Developed and updated their strategic and action plans which were instrumental in keeping track of their improvements.
 - Implementation of refined cooperative policies, systems, and procedures which contributed to the efficiency and effectiveness of their operation.
 - Capital build-up strategies were also employed
- ii. Business Operation
- Identified and engaged in an agri-trading business enterprise based on available marketable crops in the area.
 - Established market linkage/tie-up and continuous marketing arrangements in order to sustain business operations
- Developed internal control systems (e.g., record keeping, fund management, etc.)
 - Improved record keeping and updated books of accounts and financial statements
- iii. Financial and Loan Portfolio
- Program Assistance:*
- Continuous mentoring by CMTs with follow through activities/visits to monitor adoption and/or application of lessons learned.
- Agricultural Environment/Profile:*
- The three barangays covered by Kaliac (Kablon, Linan, Acmonan) are agricultural areas primarily planted with banana, coconut, pineapple, cacao and papaya. The cooperative took advantage of the available crops in the area for its trading activities.

Constraining Factors

The following are some of the constraining factors that prevented KALIAC MPC from graduating from USM.

- i. Organization and Management
- Lack of trust and confidence of members which caused their inactivity/withdrawal. These

- emanated from the various problems faced by the cooperative, such as low sales due to cargo theft, delayed and non-payment of loans with Land Bank, mismanagement, unstable coconut price, etc.
- Lack of capital build-up and savings mobilization strategies

ii. Business Operation

- Due to unfavorable market conditions (i.e., low buying price of copra and whole nut) and buying practices of institutional buyers (i.e., long queuing time and pilferage of stocks during delivery of banana) the agri-trading activity of the coop did not succeed. Accordingly, the cooperative failed to pay its monthly amortizations with LBP due to net losses.
- Finding a viable and profitable business.
- The cooperative failed to establish a stable marketing arrangement for its agri-trading activity

iii. Financial and Loan Portfolio

- Due to unfavorable market conditions (i.e. low buying price of copra and whole nut) and buying practices of institutional buyers (i.e. long queuing time and pilferage of stocks during delivery of banana) the agri-trading activity of the coop did not succeed. Consequently, the cooperative failed to pay its monthly amortizations with LBP due to net losses.
- Failure to establish a viable and profitable business.
- Lack of a stable marketing arrangement for its agri-trading activity

Sustainability of the ICB Interventions

Sustainability refers to whether the program was successful in graduating the cooperative from program support and, therefore, in having capacitated/empowered the cooperatives enough for them to be able to maintain and sustain the program outcomes even beyond their participation in the program.

Under the USM program, cooperatives that have been accredited by Land Bank would be phased-in with the bank's ICB programs so that their capacity and capability level would be maintained. Institutional development indicators such as membership, capital build-up, and savings continue to be monitored. ICB

interventions are extended further to improve the cooperatives' maturity level.

Based on the sustainability evaluation criteria, the average score of KALIAC MPC during the seven-year period is 8 pts, or a rating description of "less sustainable". Its highest score (12 points) was registered in 2014. It was during this time that the cooperative was upgraded to maturity level B, with a 76.96 CCSW score—the highest attained by the cooperative.

Further, with good repayment performance, KALIAC MPC was able to re-

avail of loans from Land Bank in 2013, 2014 and 2017.

However, on the following years, its CCSW score and maturity level began to decline, which hindered the cooperative from graduating from the program. In 2017, the cooperative continued to face strings of problems (e.g., low harvest due to coconut areas affected by El Nino, low/no coconut mortgage borrowers, damaged records due to heavy rains, unstable financial performance, etc.), thus, showing almost no improvement in its CCSW score. KALIAC MPC's coconut mortgage activity remained operational in 2018, albeit, producing low income mainly due to the low market price

of coconut. This further caused its CCSW score to plunge to 47.93—a 12-point drop from the previous year. In 2019, KALIAC's performance further weakened. Its sales from their harvests remained low and their members failed to repay their loans for the same reason (i.e., low/no income from sales). Further, the cooperative did not succeed in finding other viable projects which consequently led to the delay or non-payment of loan with Land Bank starting in June. Its CCSW score further dipped to 41.33 points. Its maturity level went down from C to F following its past due loan with Land Bank, thus, obtaining the lowest sustainability evaluation score of 2 pts. The amount of past due loans as of December 2019 stood at P435,400.

Table 3

KALIACMPC's Sustainability Rating

Year (after Credit Access)	CCSW Score	Maturity Level Score	Loan Access from other Financing Inst. With or without HODC Scores	Recommendation for Graduation Score	Graduated from the Program Score	Total Score
2013	64.82	C	x	x	x	8
2014	76.96	B	x	x	x	10
2015	52.97	C	x	x	x	8
2016	56.79	C	x	x	x	8
2017	57.04	C	x	x	x	9
2018	47.93	C	x	x	x	8
2019	41.33	F*	x	x	x	3
Total Score						54
Average Total Score						8
Rating Value						1
Rating Description						Less Sustainable

*with past due loan with Land Bank

Table 4

KALIACMPC's Schedule of Loans and HODC Assistance

Year	Approved Credit Line	Type of Loan	HODC (USM-CIBP)	Project
2012	250,000.00	Short Term Loan Line (STLL)	250,000.00	Cardava Trading
2013	250,000.00	Short (STLL)	250,000.00	Cardava Trading
2014	300,000.00	P250K Term Loan	300,000.00	Cardava Trading
2017	P250,000	P50K-STLL	250,000.00	Coconut Trading
Sub-Total	1,050,000.00		1,050,000.00	

Note: Due to poor business operations, the P250,000 loan of KALIAC in 2014 was converted into a 5-year long term loan. Additional working capital fund of P50,000.00 was provided by the program to give leeway for the cooperative to rebound from previous losses and be able to pay the reconfigured amortizations.

Timeliness of the ICB Interventions

Timeliness refers to whether the program was able to achieve the desired outcomes either within a 3-year period (e.g., the term of the program's original MOA), or up to another 3-year extension (e.g., the term covered by the first MOA extension), or beyond.

Based on the timeliness evaluation criteria, KALIAC MPC registered a rating

value of 1. This means that the cooperative was able to access loan from Land Bank during the 3-year term of the program's original MOA. However, it was not recommended to graduate from the program during the term of the program's original MOA or even up to the 3-year extension period.

Table 6

Timeliness in Accessing Loan from Land Bank and Graduation from USM

Criteria	Score
Access Land Bank Credit and Graduated from USM	9 pts
Rating Value	1
Rating Description	Not timely

Overall Assessment

The assessment of KALIAC MPC's participation in USM using the four (4) major criteria resulted in a 1.25 overall score with a rating description of "partly successful" (Table 7). The ICB interventions were responsive (rating value of 3) to the needs of the cooperative, notably at the onset of their participation in the program. Their management and operation improved after ICB interventions (e.g., training, coaching/mentoring, etc.) which resulted in an upgrade of the cooperative's maturity level from D to C in 2011, and from C to B in 2014. Moreover, the ICB interventions were assessed to be "effective". This can be attributed to the improved maturity level of the cooperative from D to C in 2011. During this year, KALIAC MPC was able to establish a marketing arrangement for its cardava trading. Moreover, the assigned USM CMT have continuously monitored and conducted follow-through activities. These reinforced the learnings of the cooperative during coaching and mentoring sessions. By the end of 2012, the CCSW score of KALIAC increased by 7 points, reaching a total of 60.69 points. This was brought about by the improvement in its Financial

and Loan Portfolio as a result of their new relationship with Land Bank following their loan availment.

In 2017, the cooperative experienced a low harvest due to El Niño, that was then followed by the low market price of coconut which affected their coconut trading activity. This weakened their operation, resulting in low/no income from their harvests eventually leading to delay in their loan payments with Land Bank. Because of this, they were not recommended for graduation from the program, hence, a rating value of 1 or "less sustainable". The timeliness rating of 1 or "not timely" description indicates that the cooperative may have been able to access loans from Land Bank during the 3-year term of the program, but was not recommended to graduate from the program during the term of the program's original MOA or even up to the 3-year extension period. In 2019, the cooperative's maturity level dropped to F because of the past due loans they incurred. As of December 2019, the amount of their past due loans with Land Bank stood at P435,400.

Table 7

KALIACMPC's Overall Assessment Rating

Criteria	Scores	Rating Value	Rating Description
Responsiveness	18.2	3	Responsive
Effectiveness	21.25	2	Effective
Sustainability	8	1	Less Sustainable
Timeliness	9	1	Less Timely
Overall Assessment	56.45	1.50	Partly Successful

Case Study No. 3:

Upper Lumabat Small Farmers Producers Cooperative (ULSFPC)

Profile of the Cooperative

The Upper Lumabat Small Farmers Producers Cooperative (ULSFPC), located in Brgy Upper Lumabat, Malungon, Sarangani, was formerly known as NAGMABAU when they joined the Upland Southern Mindanao-Credit and Institution Building Program (USM-CIBP) in 2009. The cooperative struggled in its initial years under the program due mainly to loan delinquency problems with members who borrowed from the cooperative's Upland Development Program (UDP) seed capital fund. In order to recover, the cooperative decided to reorganize and register as a new cooperative – the Upper Lumabat Small Farmers Producers Cooperative (ULSFPC). This time, however, membership was carefully screened. As a result, the number of cooperative members drastically went down to 18 in 2011 from 131 in 2009 (see Table 1). The cooperative's outstanding capital build-up and savings also declined.

In 2010, the cooperative had problems with the reportorial requirements of the Cooperative Development Authority (CDA). Instead of complying with the required reports, NAGMABAU waited for the one (1) year moratorium given to them by the CDA to lapse. Soon after, they started processing the requirements for registering as a new cooperative, aided by the cooperative management technicians (CMTs) of USM-CIBP in the submission of documents. By 2013, the ULSFPC was registered with the (CDA). Since then, the ULSFPC has slowly been able to increase its membership and capital build-up (Table 1). On the other hand, the cooperative was still unable to engage in savings mobilization activities due to lack of manpower. Some of the cooperative's officers are on-board only on a "voluntary" basis.

Table 1

ULSFPC's No. of Members, Amount of CBU and Savings, from 2009 to 2013

Year	No. of Members	Amount of Capital Build-Up (PhP)	Amount of Savings (PhP)
2009	131	116,391.00	14,519.00
2010	136	116,391.00	14,519.00
2011	18	17,800.00	-
2012	15	33,800.00	-
2013	21	65,000.00	-

When the cooperative joined the USM-CIBP, it was categorized as a Class D cooperative under the Enhanced Cooperative Accreditation Criteria (ECAC) of the Land Bank of the

Philippines (LBP).⁸ The cooperative was qualified as a beneficiary under the USM-CIBP since they needed to strengthen their organization through capacity building assistance in order to access credit from Land Bank. For the base year 2009, ULSFPC failed to meet the minimum score points in business operation because of minimal business activity. Meanwhile, due to the cooperative's reorganization the following year, the number of members decreased, resulting in a decline in share capital as well as the lack of members' efforts to patronize their business. As a result, business activity ceased contributing to their financial performance. In effect, the cooperative showed weak areas in all the major pillars (organization and management, business operation, and financial and loan portfolio).

Responsiveness of the ICB Interventions

The previous section mentioned the institutional weaknesses of ULSFPC based on LandBank's criteria. This section discusses how the USM-CIBP interventions contributed to addressing the institutional weaknesses of the cooperative.

In 2010, when the cooperative's membership and share capital dwindled due to its reorganization activities, the USM-CIBP conducted coaching/mentoring on approaches to capital formation. These mentoring activities on capital formation strategies helped the cooperative undertake recruitment activities, since membership size is crucial to capital formation in cooperatives. The Cooperative Management Technicians (CMTs) also helped review the cooperative's old policies, systems, and procedures in preparation for the registration of the new cooperative. Some basic inputs on credit management were also imparted in the coaching and mentoring activities.

However, the precursor to ULSFPC—Nagmabaul—had been downgraded to maturity level F in 2010 due to loan delinquency problems at the time. The members were also contemplating on dissolving their cooperative due to liquidity problems. It was the CMTs that encouraged them to reorganize and register as a new cooperative. To address their organizational and management problems, the USM-CIBP conducted a training on leadership and governance for the remaining officers and staff of Nagmabaul/ULSFPC in 2011. Included in the training outline were: i) the fundamentals of cooperatives; ii) the duties and functions of officers and staff, as well as rights and privileges of its members; iii) an overview of RA 9520; and iv) organizational structure. The USM-CIBP also conducted strategic planning for the cooperative wherein the CMTs assisted in assessing the cooperative's performance and formulation of both a one-year and three-year strategic plan for the organization.

⁸*The Enhanced Cooperative Accreditation Criteria (ECAC) is a tool used by the Land Bank of the Philippines (LBP) in determining the maturity level of cooperatives focusing on the three pillars of strength: i) organization and management; ii) business operation; and iii) financial and loan portfolio.*

Since one of the identified weak areas of Nagmabaul/ULSFPC was business operation, the CMTs conducted project identification activities in 2012 to expose the cooperative to different business ventures and encourage them to increase the cooperative's business activity. Since members of the cooperative had long been engaged in cacao production, cacao trading was identified as a possible enterprise for Nagmabaul/ULSFPC. This was the only training or coaching/mentoring activity conducted by USM-CIBP for Nagmabaul/ULSFPC in 2012 because the CMT was also preoccupied with assisting the cooperative in completing and submitting registration requirements to CDA.

In 2013, the basic cooperative course was conducted for officers and staff of ULSFPC as required by CDA. USM-CIBP also conducted training on financial systems recording and management, particularly training in basic accounting. To help prepare the cooperative in starting a new business, the program also helped with the preparation of the cooperative's financial report.

When the cooperative opened a consumer store in 2014, the USM-CIBP gave a follow-up training on financial systems, record keeping, as well as on basic auditing focused on inventory systems and procedures, which helped the cooperative in their business operations. The program also arranged a *Lakbay Aral* activity to Kennemer Foods Inc. in line with the ULSFPC's plans to also venture into cacao trading.

Another *Lakbay Aral* was arranged by the program in 2015 for abaca suppliers to also help ULSFPC learn the business of abaca trading. In the same year, USM-CIBP conducted an organization policy system performance review of the ULSFPC in order to review the coop's existing policy and formulate a new one. Coaching was done on basic internal control systems and procedure, which include the review of their existing internal control mechanism, duties and responsibilities of officers and management, and formulation of new internal control systems, among others.

The assistance provided by USM-CIBP to ULSFPC in linking them with Kennemer, Inc. resulted in the signing of a marketing agreement and issuance of a purchase order in 2016. To further strengthen the cooperative, CMTs coached/mentored them on parliamentary procedures that includes basic knowledge, skills, and ideas in the conduct of a meeting. They were also assisted in formulating initial policies on cacao and abaca trading. In addition, to ensure a successful business operation, CMTs taught them basic knowledge in internal control monitoring system. Towards the end of 2016, LandBank was finally convinced that it was not worth putting ULSFPC at risk. Hence, LandBank granted approval of their loan application amounting to P 180,000 to be used as working capital.

From 2017 to 2019, USM-CIBP continued to provide capacity building assistance to ULSFPC such as in policy formulation for relending operations, coaching on the installation of books of accounts and ledgers, review of existing coop policies for the new set of officers,

project identification for possible financing from ACPC-Production Loan Easy Access Program, *Lakbay Aral* to another cacao processing plant, and computer literacy.

Aside from training, coaching, and mentoring, the CMT assisted the cooperative in facilitating the release of DA-ACPC PLEA loan amounting to P 1.5 million for a hog raising project. In addition, they were assisted in complying with the document requirements under the Philippine Rural Development project (PRDP) for the proposed cacao processing project. With the assistance of the CMT, the ULSFPC was able to negotiate with the Department of Environment and Natural Resources (DENR) to become one of the implementers of the National Greening Program (NGP), wherein the NGP's beneficiaries became their associate members.

In order to evaluate the progress of ULSFPC, the CMT assisted the cooperative in their yearly performance review and action/strategic planning.

It can be noticed that during the cooperative's first three (3) years with the program, the CMT assigned to them focused on strengthening their organization and capacitating their officers and members, such that they are more prepared to handle business activities before venturing into them. The program did not address the poor savings mobilization of ULSFPC due to the fact that it is located in the upland area, making it difficult for members to access their savings deposits. Moreover, the lack of manpower hinders services on savings deposits which entail computing for daily interest. Hence, the cooperative was not encouraged to have members' savings mobilization.

On the other hand, even if the ULSFPC had already accessed loans from LandBank, USM-CIBP continued to provide institutional capability assistance until such time that the cooperative is strong enough to access LandBank's regular lending window.

In general, the training, coaching, and mentoring activities were able to address the documented weak areas of ULSFPC. Using the tool for evaluating the responsiveness of the program's interventions to the cooperative's weaknesses, Table 2 shows that ULSFPC recorded an average score of 17.8, which indicates that the program has been responsive in addressing the documented weak areas of the cooperative, confirming the above discussion.

Table 2
ULSFPC's Responsiveness Rating, from 2010 to 2019

Year (before Credit Access)	Total Score
2010	17
2011	25
2012	17
2013	13
2014	7

2015	11
2016	13
2017	25
2018	25
2019	25
Total Score	178
Average Total Score	17.8
Rating Value	2
Rating Description	Responsive

Effectiveness of the ICB Interventions

This section will try to analyze the effectiveness of USM-CIBP intervention on improving the performance of the cooperative including the level of maturity.

Table 3 shows the CCSW Scores in three major pillars as well as the maturity level of ULSFPC from 2009 to 2016. For the

year 2009, ULSFPC's total ECAC score was 41.07 with Class D level of maturity. Most of the cooperative's score then was due to its financial and loan portfolio (22.16 points) and organization and management (13.91 points). Its score for business operation, meanwhile, failed to meet the required minimum score (i.e., 7.5 points)

Table 3

ULSFPC's CCSW Score and Maturity Level, from 2009 to 2016

Weak Pillars	Minimum Standard Points	Points Earned							
		2009	2010	2011	2012	2013	2014	2015	2016
Organization and Management	7.5	13.91	10.16	13.25	10.08	9.72	14.45	15.19	16.04
Business Operations	7.5	5.0	5.0	7.5	4.03	3.47	8.04	13.07	20.81
Financial and Loan Portfolio	9.5	22.16	0.0	15.04	24.38	23.75	22.08	22.26	36.85
Total	24.75	41.07	15.16	35.79	38.49	36.94	44.57	50.52	73.7
Maturity Level		D	F	D	D	D	D	C	B

In 2010, all the scores in the three (3) major pillars went down as it encountered operational problems while being in the process of reorganization and transition

into a new cooperative. The cooperative's maturity classification deteriorated to F.

In 2011, the ULSFPC was able to regain level D maturity classification when

their scores in the three (3) major pillars increased. This can be attributed to the training and coaching/mentoring activities conducted by the USM-CIBP that helped in capacitating the officers and staff to fully understand their roles and responsibilities, as well as improve their efforts in recruiting more and better-quality members.

However, in 2012, the cooperative's membership and capital build-up again suffered when some members backed out. As a result, the cooperative's score in organization and management went down. The score in business operation also decreased due to minimal business activity.

Membership in the cooperative grew in 2013. Despite this, the cooperative's score in organization and management continued to go down, this time due to the decrease in the members' patronage of the cooperative's products and services which, in turn, was caused by the decline in business activity in the previous year. The cooperative was also given no score in terms of affiliation with other federations or organizations, which resulted in a lower score in business operation relative to the previous year. This is not surprising, considering that it was only in 2013 that the ULSFPC was finally able to register as a (new) cooperative and, hence, still had to establish an affiliation with any federation and/or other organization. Notwithstanding the decline in scores, ULSFPC was able to retain its level D maturity classification.

Addressing the weak areas of ULSFPC by providing training, coaching, and mentoring in the previous years has finally shown an effect on the cooperative's performance, as the latter was able to attain

scores higher than the required minimum for each pillar in 2014. Because of continued improvement in the 3 pillars, ULSFPC's maturity classification was upgraded to C in 2015.

It is worth noting that despite ULSFPC's Class C level of maturity, they still were not able to access credit from LandBank. One of the factors that caused this was the P150,000 minimum amount in capital build-up required in the program guidelines. It was only in 2015 when the program guidelines were amended, lowering the required capital build-up to P 50,000.

Lowering the required capital build-up, as well as the continued improvement in performance, paved the way for ULSFPC to finally gain access to credit from the LandBank in 2016. Further, the cooperative's market linkage with Kennemer, Inc. earned for them additional points which perhaps contributed to the upgrading of ULSFPC's maturity classification from C to B. The cooperative was able to avail of a loan amounting to P180,000 from LandBank covered by a hold-out deposit. The loan was used as working capital for the cacao trading business.

Based on the evaluation criteria for effectiveness, ULSFPC received an average score of 21 with a rating of 2, which means that the program has been effective in delivering the interventions needed to improve on the weak areas of the cooperative. This can be confirmed by the fact that from a maturity level of Class D when they first joined the program in 2009,

the cooperative levelled up to Class B in

2016, albeit at a slow pace.

Table 4

ULSFPC's Effectiveness Rating

Year (before Credit Access)	CCSW Score	Maturity Level Score	Loan Access and Hold-Out Deposit Score	Total Score
	5.0	6.0	9.0	20
Total Score				20
Rating Value				2
Rating Description				Effective

Sustainability of the ICB Interventions

This section discusses the performance of ULSFPC following its credit access with LandBank.

Table 5 shows the CCSW scores and maturity level of ULSFPC from 2017-2019.

It can be seen that during those years, score points of the cooperative continued to improve in all three (3) major pillars. From a total score of 73.79 in 2017, it further went up to 85.96, thereby levelling up from Class B to Class A by year-end 2019.

Table 5

ULSFPC's CCSW Score and Maturity Level, from 2017 to 2019

Weak Pillars	Minimum Standard Points	Points Earned		
		2017	2018	2019
Organization and Management	7.5	17.89	19.48	20.86
Business Operations	7.5	22.93	22.88	25.83
Financial and Loan Portfolio	9.5	32.96	42.04	39.27
Total	24.75	73.79	84.39	85.96
Maturity Level		B	B	A

Gaining access to credit from LandBank opened a lot of doors for ULSFPC. First, they received a dryer project from the Kasilac Foundation which they used in their cacao business. In addition, the ULSFPC became an implementer of the NGP under DENR in 2016, and in the following year, became a cluster leader of United Maligang Cooperative's P35 million abaca project. In

the last quarter of 2017, they were selected by PRDP as implementer of the Cacao Processing Project (P 5.0M), wherein their proposal has already been endorsed to the second level. In 2019, the cooperative qualified and became a recipient of the DA_ACPC PLEA Program amounting to P1.0 million for hog raising. Another achievement of the cooperative was their

acquisition of the fabricated cacao processing machine using their own funds, and renovation of the coop building to accommodate the increasing volume of cacao procurement. Indeed, the good performance of the cooperative over the years has attracted other government agencies, as well the private sector, to provide them with assistance/projects. However, the cooperative still needs to increase their capital build up and accumulate enough properties to offer as collateral before they can be considered

sustainable enough to access formal credit on their own.

In Table 6, ULSFPC got a rating of 1 based on the sustainability criterion indicating that the intervention provided by the program did little to help them become sustainable, despite the continued improvement in their performance as well as garnering a Class A level of maturity—the highest rating under the LBP criteria, within three (3) years after accessing credit from LandBank.

Table 6
ULSFPC's Sustainability Rating

Year (before Credit Access)	CCSW Score	Maturity Level Score	Loan Access and Hold-Out Deposit Score	Total Score
	4.67	4.33	5.0	14
Total Score				14
Rating Value				1
Rating Description				Less Sustainable

Success Factors

The following contributed to the success of the cooperative in accessing credit from LandBank:

i. Organization and management

- Leadership of officers and management encouraged a sense of volunteerism especially during the start of the cooperative's operations

- Dedication of officers and staff despite working on a part time basis
- Strict screening and recruiting of members resulting in quality membership
- With the assistance of USM-CIBP, the cooperative was able to access government projects/assistance
- Conduct of the annual performance assessment with the assistance of CMTs, which

<p>made the BOD and officers aware of the cooperative's weak aspects and the improvements needed</p> <ul style="list-style-type: none"> • Yearly conduct of assessment and strategic/action planning 	<ul style="list-style-type: none"> • Market linkage and tie up with Kennemer Inc.
<p>ii. Business Operation</p> <ul style="list-style-type: none"> • <i>Lakbay Aral</i> helped a lot in improving their product quality and processing techniques 	<p>iii. Financial Management</p> <ul style="list-style-type: none"> • Training in credit and financial management helped them become credit responsive, resulting in 100% repayment from members. • Training on internal control and inventory helped with the day-to-day business operation, leading to a good financial recording system.

Constraint Factors

- Previous record of failed management and operation with Nagmabaul that led to its disbandment, reorganization, and registration as a new cooperative—ULSFPC
- One factor that caused the delay in LBP credit access was the required minimum amount of capital build-up.

Timeliness of the ICB Interventions

ULSFPC was only able to avail of loans from LandBank 7 years after joining the USM-CIBP, and has not yet been recommended to graduate from the program. Hence, using the evaluation criteria for timeliness, ULSFPC got an average score of 5 with a rating value of 1 or “not timely”, indicating that the program intervention did not help the cooperative access credit within the desired time.

One factor that caused the delay in LBP credit access was the required minimum amount of capital build-up. The program guidelines stated that a minimum amount of P150,000 shall be required from the cooperative before that can be qualified to borrow from LandBank. ULSFPC's shared capital remained low over the years due to the low membership. It was only in 2015 that the guidelines were amended to lower the required amount to P50,000 instead of P150,000. Hence, the cooperative was able to avail of the loan in 2016.

Overall Assessment

Based on the discussions from the previous sections, we can deduce that USM-CIBP intervention was able to address some of the weak areas of ULSFPC and has somehow been effective in improving their performance, earning them points to continuously level up their maturity classification. The program intervention

also helped the cooperative become sustainable in the long run. However, it took a long time for the cooperative to access credit from LandBank. As such, it can be said that the program was partly successful in assisting ULSFPC. Below is the summary of ratings in four criteria: responsiveness, effectiveness, sustainability, and timeliness.

Table 7

ULSFPC's Overall Assessment Rating

Criteria	Scores	Rating Value	Rating Description
Responsiveness	17.8	2	Responsive
Effectiveness	20	2	Effective
Sustainability	14	2	Sustainable
Timeliness	5	0	Not Timely
Overall Assessment	56.8	1.5	Partly Successful

Recommendations

- ULSFPC has only one main business activity which is cacao processing/trading. In order to increase resources and profitability, it should consider venturing into other businesses in case there will be some problem in their cacao business operation.
- Membership size, although increasing, remained small and below the required 60 members by LandBank's criteria to access their regular lending. Also, an increase in the number of members will help increase their

capital build-up. Hence, they should find ways to increase capital formation and membership size.

- It was observed during the conduct of the study that the program has no specific timeline for the assisted cooperative to access credit from LandBank or graduate from the program. The regular three-year program extension can be considered detrimental in planning for a long term target outcome for the assisted cooperative.

Case Study No. 4:

Mati Davao Oriental Upland Cooperative (MADOUCO)

Profile of the Cooperative

The Mati Davao Oriental Upland Multi-Purpose Cooperative is located in Taguibo, Mati, Davao Oriental. It was registered with the Cooperative Development Authority (CDA) in 2005 with 84 members. MADOUCO was originally engaged mainly in relending activities. Their sources of fund came from pooled internal funds plus loans from an NGO in Mati, Davao Oriental. However, the size of their capital for relending barely covered the cost of operation. Over the years, after joining the USM-ICB Program, the

cooperative had expanded and ventured in cardava banana production and other lines of business, including palm oil production, cacao production, copra trading, charcoal trading, and carabao dairy project. It started as a “Class D” cooperative garnering a total of 35.16 points based on the Cooperative Categorization Scoring Worksheet (CCSW). Before MADOUCO participated in USM-ICB Program, it had a total membership of 161, a capital build-up of P182,542, and members’ savings of P80,327.

Table 1

MADOUCO’s No. of Members, Amount of CBU and Savings

Year	No. of Members	Amount of Capital Build-Up (PhP)	Amount of Savings (PhP)
2009	161	182,542	80,327.00

Table 2

MADOUCO’s CCSW Scores and Maturity Level, from 2009 to 2019

Program Pillars	Minimum Points Required	Points Earned										
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Organization and Management	7.5	10.3	12.7	14.7	14.7	14.7	18.4	18.5	19.0	18.8	7.9	16.6
Business Operations	7.5	2.8	2.0	4.3	4.3	4.3	6.5	8.0	16.0	13.0	2.8	8.0
Financial and Loan Portfolio	9.8	22.1	25.4	23.6	23.7	24.1	22.5	22.5	16.3	22.5	15.4	32.6
Total	24.8	35.2	40.1	42.5	42.6	43.1	47.4	49.0	51.3	54.3	26.0	57.3
Maturity Level	D	D	D	D	D	D	C	C	C	C	D	C

The Cooperative Categorization Scoring Worksheet (CCSW) shows that MADOU CO MPC was able to reach the required minimum points set by Land Bank for the Organization & Management and Financial & Loan Portfolio pillars, but its score for business operation failed to meet the required minimum score of 7.5 points.

The poor volume of business and the absence of market linking, as well as the lack of business alliance with other institutional buyers, critically affect the cooperative's business operation. The geographical location of MADOU CO MPC hinders access to marketplaces and other business enterprises. Under organization and management, poor performance on capital build-up and savings mobilization was also recorded. The penetration of MFIs

and individual money lenders that have a more competitive lending approach affected the cooperative's internal resource mobilization. In 2009, there was also a lack of education, training, and experience for MADOU CO's core management team. The CCSW also shows that they do not undertake internal performance review and do not have plans and programs as well, which is very important for a cooperative.

Having identified these areas for improvement, a capacity building assistance was needed to strengthen the management and systems capability of MADOU CO MPC to qualify for accreditation with the Land Bank and have a security mechanism that would encourage financial institutions to lend to the cooperative.

Responsiveness of the ICB Interventions

Upon joining the USM-ICB Program, various modes of activities such as mentoring, coaching, *Lakbay Aral*, and the like, were adopted to strengthen the MADOU CO MPC. This section evaluates whether the program's capacity building interventions were appropriate responses to the cooperative's institutional development problems (weaknesses). In assessing the responsiveness, specific capacity-building interventions as well as the relevance of its outputs are also considered.

In 2010, MADOU CO MPC's identified areas of weaknesses were as follows: a) capital build-up and savings mobilization; b) leadership and management particularly on the education, training & experience of

its core management team; c) lack of internal performance review; d) poor volume of business and lack of business plan; e) absence of marketing links, institutional buyers, and business alliance membership; and f) a weak financial and loan portfolio.

Having recognized that MADOU CO MPC needs improvements in managing its capital build-up and savings mobilization, the USM-ICB provided a training course entitled Approaches on Capital Formation, which helped the cooperative in assessing the current status of its Members' Savings Operations & Capital Formation. Campaigning for the coop to operate an over-the-counter savings operation served as a good financial intermediation venture

among coops in the upland areas due to the absence of rural banks or other coops that offer savings deposit services. It is important to note that after the conduct of this intervention, the CCSW shows an improvement in the participation of members in CBU generation and savings mobilization in the succeeding years.

In addition to this, since MADOUCO cooperative is also engaged in relending activities, a Credit Management Training was also conducted to strengthen and enhance its credit policies. One of MADOUCO's weaknesses was the lack of plans and programs, and this was addressed by the USM-ICB Program through a Strategic Planning Workshop that resulted in the formulation of a 3-year action plan.

In 2011, the USM-ICP program provided the following ICB interventions: a) Enterprise & Business Management; b) Market Visits/*Lakbay Aral*; c) Credit Management; d) Financial System and Recording; and e) Leadership & Governance.

The data from CCSW shows that MADOUCO MPC's Business Operation was the weakest among the 3 major program pillars, and the year 2011 was very crucial, since this was when the cooperative started to show improvement on its business operation. The conduct of Enterprise & Business Management and Market Visits/*Lakbay Aral* played a vital role in addressing the cooperative's weakness in this pillar, particularly its problems on the volume of business and market linkaging. The informative visits to the cardava production site of SEMCO and

oil palm production of LAMPCO helped to expand MADOUCO's knowledge in identifying prospective additional businesses.

The first proposed project was cardava banana production, where the USM facilitated a *Lakbay-Aral* to SARBEMCO in Monkayo on June 23, 2011. However, the coop dropped the project idea due to a previous failed banana production venture (during UDP), where they lost their products to diseases. The second project proposed was palm oil production, for which the USM-CIBP went to MANGLOY Coop in Laak to witness the coop's success in the industry. However, the coop rejected the project after learning that it would potentially cost tens to hundreds of millions.

In 2012 and 2013, the USM-ICB carried on the following interventions: a.) Action and Strategic Planning and Review; b.) Project Identification; c.) Market Visit/Tie-up and *Lakbay-Aral* d.) Organization and Business Management e.) Internal Control System Training; and f.) Credit Management Training.

Through the conduct of an Annual Strategic Planning and Review, with the help of the USM-ICB Program, the cooperative finally manages to improve its organization and management pillar, particularly its weakness in adopting Plans and Programs and undertaking an Internal Performance Review. The CCWS shows that after MADOUCO participated in the USM-ICB program, it succeeded in having an updated Annual Plan, Annual Budget and VMG. The BOD, COMAT and committees also learned to conduct a quarterly Internal

Performance Review which helped the cooperative improve its ECAC score in this area. The Annual Strategic Planning and Review developed not just the annual plans and programs of the cooperative, but also its leadership and management aspect.

However, even though the business operation side showed improvement, the cooperative still encountered difficulties in expanding its business enterprises and market links. As a result, the USM-ICP Program continued to arrange market visits, tie-up and *Lakbay-Aral* activities.

This included a visit to the fermentation facility of Kinnemer Inc. in Asuncion, Davao del Norte. (Kinnemer is one of the leading exporters of cacao raw materials in Davao City.) It offered its willingness to impart the cacao production technology, and thus, a project and marketing briefing was conducted. After this visit, two Project Identification Activities were facilitated by the USM. An orientation about cacao production was given to MADOUCO upon expressing their increasing interest in the commodity. The activity focused on production, targeting potential implementers, identified market and the offer of technical assistance. In addition to this, the USM-ICB also helped the cooperative to prepare a business plan for the cacao project which the cooperative decided to explore. It submitted a BOD resolution to Land Bank for financial assistance. However, due to the absence of registration with the BIR, background investigation could not be initiated immediately.

The year 2014 showed significant progress in the cooperative's overall

performance, as MADOUCO MPC's maturity level was upgraded from Class "D" to Class "C". The development in score is greatly attributed to the increase in the cooperative's business enterprises. The ICB-USM interventions during this year, which still include Project Identification and Planning, and *Lakbay Aral*, continued to strengthen the cooperative's business operations. Furthermore, a request by MADOUCO to the DA Regional Office, as assisted by the CMT, for the provision of cacao seedlings, was approved. Some 10,000 cacao seedlings were delivered to Taguibo in the last quarter of 2014. An Annual Strategic and Action Planning was also conducted.

In 2015, the USM-ICP program provided the following ICB interventions: a) Strategic Planning Workshop; b) Leadership Management and Governance; c) Performance Review and Evaluation; d) and Financial Systems Bookkeeping/Record-Keeping. For this year, MADOUCO MPC decided to venture into copra trading, and with the help of *Lakbay Aral*, the cooperative visited NAGMASID Coop in San Isidro, Davao Oriental to learn more about this project. Immediately after the *Lakbay Aral*, the coop mobilized P15,000 as initial capital for copra trading which started in the first quarter of 2015. Moreover, the Davao Cooperative of Farmers & Fisheries (DAFISCO) lent them P 30,000 in additional working capital for copra trading. This project was also made possible through the help of a Project Identification and Planning Workshop conducted by USM-ICB program last year. The intervention's expected output was a working capital loan application for copra trading, which became effective during the year. With the help of the CMTs, the documentary requirements

for Land Bank were updated by the cooperative in order to avail of financial assistance for copra trading.

In 2016, MADOU CO MPC continued to receive ICB interventions to strengthen its management skills, coaching on financial aspects, as well as on business operation. Finally, during this year, the cooperative managed to improve its business operation significantly. This development was mainly attributed to MADOU CO's growth in market linkages. This indicator has been considered as the coop's weakness since 2009 and was addressed by having a business alliance with DAFISCO in copra trading. All the training and activities aimed at expanding MADOU CO's business operation finally showed a notable result this year.

With the continuous USM-ICB interventions and the CMT's technical assistance and support, MADOU CO MPC eventually succeeded in availing of credit access to Land Bank in 2017. The cooperative's credit line with Land Bank amounted to P1,000,000 for copra trading. It was also during this year that MADOU MPCO was identified by the Philippine Rural Development Project (PRDP) as one of its recipients of P 5.0M worth of projects in cardava trading.

However, even though MADOU CO Cooperative had achieved one of the USM-ICB Program's major objective, there were still areas for refinement. Capital Build-up & Savings Mobilization still shows no improvement, and the continuing education and skills development remained insufficient. The cooperative also lost some of its marketing agreements with their buyers. Having identified these weak pillars, the USM-ICB provided the following ICB interventions in 2017: a) Strategic and Action Planning on Capacitating; b) Internal Control System Training; c) Enterprise & Organizational PSP; d) Organizational & Business Management; e) Bookkeeping and Records Keeping; f) Capital Build-Up Formation; and g) Overall Cooperative Performance Review.

All the training programs mentioned in this section were undertaken to help MADOU CO come-up with strategies to further improve and strengthen the coop's overall performance. Garnering a total score of 19 points, the Responsiveness Criterion shows that the USM-ICB intervention was "responsive" in addressing the cooperative's documented weaknesses. The activity content of the identified capacity building interventions for MADOU CO were appropriate for addressing the weaknesses of the cooperative.

Table 3

MADOU CO's Responsiveness Rating

Year	Total Score
2010	13
2011	21
2012	21
2013	17
2014	17
2015	13
2016	17
2017	25

2018	21
2019	21
Total Score	186
Average Total Score	19
Rating Value	2
Rating Description	<i>Responsive</i>

Effectiveness of the ICB Interventions

This section looks at whether the USM-ICB interventions resulted in the improvement of the three major program pillars, as well as the maturity level of MADOU CO MPC. This part evaluates the cooperative's overall performance, and examines whether it had succeeded in accessing a credit line with Land Bank.

Annex D.1 shows the ECAC scores for the three major pillars as well as the maturity level of MADOU CO MPC from 2009 to 2017. For the year 2009, its total ECAC score was 35.16 with a Class D level of maturity. It can be seen that the cooperative attained the required minimum points set by Land Bank for the Organization & Management and Financial & Loan Portfolio pillars, but their score for business operation failed to meet the required minimum points.

In 2010, after taking part in the USM-ICB Program, MADOU CO MPC improved in its CCSW scores, garnering a total of 42.53 points compared to 35.16 points in the previous year. The growth is attributed to the improvement of the organization and management aspect, wherein the cooperative managed to increase its Continuing Education & Skills Development score through the help of activities conducted by USM-ICB which promoted

advancement in knowledge of the cooperative's members.

In 2011, the CCSW scores garnered a total of 42.53 points. Its Organization and Management scored 14.69 points from 12.68 points the previous year. Starting this year, MADOU CO managed to conduct a regular monthly meeting, and the participation of its members in savings mobilization also improved. Furthermore, one of the major progress in the cooperative's performance for this year was having updated books of accounts (BOAs). It is important to note that a lecture on Financial Recording was conducted by the USM Program this year which helped in the updating of the BOAs. However, even though there was an increase in the overall organization and management aspect, there was still a decline in the cooperative's membership size, from 3.114 points down to 3.090 points. The cooperative mentioned in their interview that some of its members had become inactive. MADOU CO focused on its active and better-quality members, even though it meant a decline on its membership size.

The CCWS also shows that for the years 2012 and 2013, the cooperative continuously succeeded in increasing its overall ECAC score. However, the maturity level remained at Class D. This is because

even though the MADOUCO showed an increase in the three major pillars, their score for business operation still failed to meet the required minimum set by Land Bank. It was mentioned in the responsiveness section that the cooperative encountered difficulties in expanding its business enterprises and market links, and this indicator has been considered as the coop's weakness since 2009. In line with this, the USM-ICP Program continued to arrange market visits, tie-up and *Lakbay-Aral* activities.

The year 2014 showed significant progress in the cooperative's overall performance, and MADOUCO MPC's maturity level was upgraded to Class "C". The cooperative improved in its CCSW scores from 43.08 points in 2013 to 47.44 points in 2014. This score was 19 points higher than the previous year. It must be noted that MADOUCO showed improvement in scores in all its performance covering organization and management, 18.44 points; 6.50 points in business operation; and 22.50 points in financial and loan portfolio. The cooperative improves its score by strengthening its core management team (COMAT). The presence of a complete COMAT was recorded in the 2014 CCSW as well as the improvement in their education/training and experience. Furthermore, even though the business operation still did not reach the required minimum points needed, MADOUCO managed to increase the number of business enterprises this year by engaging in cacao trading.

For the year 2015, MADOUCO MPC maintained its maturity level at Class C. The overall score increased from 43.08 points to 47.44 points. The development in

organization and management aspect was due to the increase in the number of special board meetings conducted by the cooperative. It is also important to note that the increase in the total score came from the cooperative's business operation that rose from 6.50 points to 8.00 points from the previous year. For this year, MADOUCO MPC decided to venture into copra trading and with this new enterprise, the cooperative finally succeeded in reaching the required minimum points for business operation.

In 2016, MADOUCO MPC continued to receive ICB interventions to strengthen its management skills, coaching on financial aspects as well as on business operation. An increase from 49.1 points to 51.26 points was recorded in its CCSW. The cooperative managed to improve its organization and management pillar by focusing on continuing education and skills development through the help of the ICB-USM Program. Furthermore, its business operation had increased by 50%, from 8 points to 16 points, a score higher than the required minimum points. This development is mainly attributed to MADOUCO's growth in market linkages, an indicator considered to be one of the coop's weaknesses, and was finally addressed. However, the financial and loan portfolio declined this year as a result of zero liquidity ratio recorded on its CCSW.

For the year 2017, a significant increase in the financial and loan portfolio performance of MADOUCO's CCSW was recorded. This was brought about by the approval of MADOUCO's loan by Land Bank, amounting to P1,000,000 for copra trading. It was also during this year that the cooperative was selected by the Philippine

Rural Development Project (PRDP) to be one of the recipients of a P 5.0M Cardava Trading Project. Their overall score increased from 51.26 to 54.26 points, and the coop's maturity level was maintained at Class C.

Garnering a total score of 20 points, the Effectiveness Criterion shows that the USM-ICB intervention was "effective," since MADOU CO MPC succeeded in improving its 3 major pillars as well as its maturity level. The cooperative also managed to access loans from Land Bank.

Table 4

MADOU CO's Effectiveness Rating

Year	CCSW Score	Maturity Level Score	Loan Access and Hold-Out Deposit Score	Total Score
2010	3	6	9	
2011	3	6		
2012	4	6		
2013	4	6		
2014	3	8		
2015	7	6		
2016	6	6		
2017	5	6		
Average Total Score				20
Rating Value				2
Rating Description				Effective

Success Factors

The USM ICB interventions helped MADOU CO successfully access loans from Land Bank. With the continuous USM ICB interventions and CMT's technical assistance and support, MADOU CO MPC eventually strengthened its organization and management, business operation, and financial performance. The following are some factors that have contributed to the improvement of the cooperative since joining the USM program:

i. Responsiveness

- Strengthening the cooperative's core management team (COMAT).
- The conduct of the Annual Strategic Workshop which helped address specific areas that needed improvement.
- The implementation of an annual cooperative performance review served as a guide in keeping track

<p>MADOUCO's weaknesses and strengths.</p> <ul style="list-style-type: none"> • Expansion/upgrading of business operations and additional business enterprises. 	<p>advancement of knowledge among the members.</p> <ul style="list-style-type: none"> • Improvement on the participation of members in CBU generation and savings mobilization. • Improvement on internal control systems (e.g., record keeping, fund management, etc.) • Maintaining updated books of accounts.
<p>ii. Effectiveness</p> <ul style="list-style-type: none"> • Improvements in continuing education and skills development, which promoted 	

Constraining Factors

The following are some of the constraining factors that prevented MADOUCO from graduating from USM.

- Massive NGO assistance within just a short period of time resulted in overly diversified business enterprises (Every project should be accompanied by training that focuses specifically on how the cooperative can effectively and efficiently manage the enormous assistance given to them.).
- Difficulty in complying with the minimum required points set by

Land Bank for the business operation pillar.

- Incurred losses in its copra trading activity (Every project identification should be accompanied by stable market links and buyers in order to ensure sustainability.).
- CMT reported that the coop's funds intended for payment to LBP had been diverted to purchasing a piece of land as their counterpart for the PRDP cardava trading project (deviating from the CMT's instructions/advice).

Sustainability of the ICB Interventions

This section discusses whether the cooperative was able to maintain or further develop its three major pillars and maturity level rating in the years following initial credit access from Land Bank and other

institutions. This part also looks at one of the main objectives of the ICB-USM program which is the graduation of the beneficiary cooperative from program support.

The year 2018 was critical for MADOUCO since its maturity level declined from Class C to Class D. Its overall ECAC score decreased from 54.26 points down to 26.04 points. This was attributed to the reduction in the financial and portfolio indicators. The cooperative incurred losses in its copra trading activity due to the decline in the nationwide market price of copra. The problem affected the coop's capacity to increase income and financial resources. CMT also reported that the cooperative's funds intended for payment to Land Bank had been diverted to purchasing a piece of land as their counterpart for the PRDP project for the construction of the coop warehouse. This resulted in a past due account in 2019. This major turn of events affected not just MADOUCO's financial and loan portfolio but also the cooperative's overall performance. It can also be observed that its business operation has become too diversified due to the massive NGO assistance, and the cooperative was not yet fully equipped to handle new enterprises.

Fortunately, by the year-end 2019, the cooperative managed to immediately recover its maturity level from Class D to Class C. MADOUCO's CCSW score increased by 55% (31.21 points), reaching its highest recorded ECAEC score of 57.26 points. It must be noted that MADOUCO showed improvement in scores in all areas covering organization and management, 16.63

points; 8.00 points in business operation; and 32.63 points in financial and loan portfolio. Its loan with Land bank fell past due this year, but the cooperative managed to recover and was able to settle the loan obligation on July 25, 2019. Furthermore, Land Bank approved MADOU MPCO's increased credit line worth P500,000 as working capital for Agri-Trading. The cooperative also received a P6,000,000 carabao dairy project from the DA-Philippine Carabao Center. To avoid being tied up in copra production which has not been performing since last year, the cooperative decided to expand into other agri-trading activities such as for corn and cacao. The cooperative also engaged in charcoal trading activities to maximize available capital. MADOUCO continued to receive ICB interventions to strengthen its management skills, financial aspects as well as business operation.

Garnering a total score of 10.5 points, the Sustainability Criterion shows that the USM-ICB intervention was "Less sustainable". Even though MADOUCO MPC has regained its maturity level and quickly recovered in 2019, the decline on its overall ECAC score in 2018 compromised the cooperative's overall sustainability. The cooperative encountered difficulty in maintaining and sustaining its maturity rating and because of this, the ICB-USM Program was unsuccessful in graduating the cooperative from program support.

Table 5

MADOUCO's Sustainability Rating

Year (after Credit Access)	CCSW Score	Maturity Level Score	Loan Access from other Financing Inst.	Recommendation for Graduation	Graduated from the Program	Total Score
2018	0	1	5	0	0	10.5
2019	5	5				
Average Total Score	2.5	3	5	0	0	
Rating Description						Less Sustainable

Timeliness of the ICB Interventions

MADOUCO MPC accessed Land Bank credit within 7 years of program implementation but with no pending recommendation for graduation from the USM-ICB Program. Garnering a total score of 5 points, the Timeliness Criterion shows that the USM-ICB intervention is “Not timely”.

The geographical location of MADOUCO affected their access to the lending center, marketplace, and other organizations. It was mentioned in the previous discussions that the market linkaging and the number of business

enterprises were some of the cooperative's weaknesses which affected its overall performance, particularly its ECAC score for business operation. It was only in 2015 that the cooperative managed to attain an ECAC score that was higher than 7.5 points.

Furthermore, the sudden expansion of the cooperative's business operation resulted in an undesirable performance for the year 2018. It became too diversified due to massive NGO assistance, and the cooperative was not yet fully equipped to handle and manage these new enterprises.

Overall Assessment

The Annex D.2 below shows the assessment of MADOUCO's participation in USM using the four (4) major criteria: responsiveness, effectiveness, sustainability and timeliness. The cooperative's overall rating is “Partly Successful”, obtaining an overall weighted average rating of 1.25

points. As mentioned in the previous discussions, the USM-CIBP intervention is responsive in addressing the cooperative's weaknesses and has been effective in improving MADOUCO's 3 major pillars as well as its maturity level. However, the cooperative failed in maintaining and

sustaining its maturity rating, and it also took a long time for the cooperative to access credit from Land Bank. As such, it

can be said that the program was only partly successful in supporting MADOCUO MPC.

Recommendation

- The USM-ICB Program intervention (coaching, mentoring, and training) should create a specific training content that focuses mainly on how the cooperative can effectively and efficiently manage the massive assistance given to them.
- The identified/proposed projects of the cooperative should also be accompanied by stable marketing linkages/buyers.

Case Study No. 5: Baganga Rubber Planters Multi-Purpose Cooperative (BARPLAMCO)

Profile of the Cooperative

The cooperative located in Poblacion, Baganga, Davao Oriental, was registered with CDA on Jan 08, 1997. The original purpose was to establish a consumer store, a coffee shop/restaurant, produce and market organic rice and fertilizer, and operate a lending service. Towards mid-2000, some members were enticed with the bright prospects of the rubber industry such that to comply with RA 9520, BARPLAMCO was re-registered on March 03, 2010 to include rubber production and trading among their services. The cooperative started with thirty-four (34) members.

The cooperative's operation was greatly affected by Typhoon Pablo that hit Davao Oriental on December 4, 2012. With

assistance from DOLE, the cooperative was able to start its "fresh miki" business wherein equipment worth P0.434 was provided to the cooperative.

BARPLAMCO was referred to the program by LBP-AO in late 2013 after their meeting in Baganga, where the coop was inquiring for financial assistance. In its initial evaluation, it was found that some of the coop members were beneficiaries of the UDP and suggested that the coop be enrolled in the program. The coop was endorsed to the Program and enrolled in 2015.

BARPLAMCO's enrollment under the Program. Based on the completed CCSW in 2015, BARPLAMCO's total score

was recorded at 23.88 broken down as follows: Organization and Management- 8.63; Business Operation – 2.75; and

Financial and Loan Portfolio-12.5. The total score indicates BARPLAMCO's maturity level to be Class "F".

Table 1

BARPLAMCO's CCSW Scores and Maturity Level, from 2015 to 2019

Program Pillars	Minimum Points Required	Points Earned				
		2015	2016	2017	2018	2019
Organization and Management	7.5	8.63	8.75	11.78	8.75	7.85
Business Operations	7.5	2.75	2.75	2.75	2.75	2.75
Financial and Loan Portfolio	9.8	12.5	20.5	20.25	20.25	20.25
Total	24.8	23.88	31.75	34.17	31.75	30.85
Maturity Level	D	F	D	D	D	D

Organization and Management. In terms of Organization and Management performance, the cooperative score is 8.63, 1 point above the minimum point requirement for this aspect. BARPLAMCO has 34 members upon its participation in the program, which is below the minimum membership size of 65 members. The cooperative started with a CBU amounting to P4,660.00 and no accumulated savings. Majority in its BOD were college level or have a one-year experience in coop operation and/or related business, while COMAT was composed of a part-time Manager and Bookkeeper/Accountant who are college level and with one-year experience in coop operation and/or related business. Majority of the committee members are likewise college level and have one-year experience in coop operation and/or related business. BARPLAMCO has installed and implemented prescribed policies on membership, capital build-up,

savings deposit, and loaning/credit, and with installed BOAs, e.g., GL, SL, CRB & CBD and updated semi-annually.

Business Operation. BARPLAMCO obtained a low score of 2.75 points, way below the 7.5 minimum points and 30 points as standard score requirements. This is attributed to the following: The cooperative had minimal income from "miki" production to sustain its operation and affiliation as member of a primary cooperative. The cooperative's business on rubber has yet to be rehabilitated as a result of Typhoon Pablo.

In terms of Financial and Loan Portfolio, debt to equity ratio is .02 and scored 6.25 points. Further, liquidity ratio at 10.10 received 6.25 points. BARPLAMCO has not yet established any relationship with LandBank in 2015.

Responsiveness of the ICB Interventions

The cooperative's performance is monitored according to the three (3) major areas of cooperative performance based on the CCSW, as follows: organization and management, business operation, and financial and loan portfolio. The USM-CIBP must provide the technical assistance necessary that would result in the upgrading of maturity levels of cooperatives and eventually accessing loans from Land Bank and other financial institutions. Annex E.2 shows the ICB interventions provided for the weak pillars identified, and the outputs from ICB interventions.

The following sections discuss the outputs from capacity building interventions provided by the Program to BARPLAMCO for the period 2015-2019.

Per CCSW in 2015, the identified weaknesses or those performance indicators in which they scored zero points are as follows: a) membership, specifically, patronage of business and participation of members in savings mobilization, capital build-up and savings; b) leadership and management, particularly on the education of the Board of Directors, lack of plans and programs, and internal performance review; c) business operation, specifically, poor volume of business, lack of business plan and market linkage. Having identified these areas that need improvements, the USM-ICB provided the following ICB interventions in 2015: a) Strategic and Action Planning; b) Project Identification and Business Planning; c) Leadership and Governance/Basic Cooperative Course; and) Review of Policy, Systems, and Procedure.

With the interventions provided, BARPLAMCO was able to come up with the following:

i. On Organization and Management

- Prepared their one (1)-year and three (3)- year strategic plan;
- Installed and implemented their Policy, Systems and Procedures (PSP);
- Installed and updated their Books of Accounts semi-annually
- Formulated duties and responsibilities of members, officers, and management

ii. On Business Operation

- Prepared a program of activities in accessing financial assistance

In 2016, BARPLAMCO improved in its CCSW scores to 31.75 from 23.88 points in 2015, that upgraded its maturity level to Class "D". Its Organization and Management performance slightly increased from 8.63 in 2015 to 8.75 points in 2016. Its Business Operation showed no improvement in score because the cooperative has not come up with a business proposal, although BARPLAMCO has started collating the preparatory requirements for the rubber project. Financial and loan portfolio stayed at 31.76

in 2016. The cooperative also completed the loan document application for the PLEA Program.

Improvements in its organization and management performance included an increase in the number of regular and special meetings conducted by the BOD, members' patronage of the business, and the full-time involvement of COMAT instead of the previous part-time involvement. Aside from having an annual plan, BARPLAMCO was able to formulate a 3-year MTPDP, while Books of Accounts were updated quarterly instead of semi-annually.

BARPLAMCO's CCSW score in 2017 improved slightly from 31.75 points in 2016 to 34.17 in 2017. It appeared in the scoring worksheet that no improvements in the two aspects of cooperative management was recorded, except on the upgraded skills of the Committee members. The cooperative, however, was able to prepare their 2017 annual plan and started the collection of inputs for the 2017 proposed business venture on rubber project. Assistance, likewise, was provided by the Program for business management of their miki project.

No improvement in CBU and savings mobilization was reported. According to an officer, the members were hard up to put up capital and save due to their limited income that was just enough for their daily subsistence.

Fresh noodle (miki) production at the minimum level was on-going. Moreover, BARPLAMCO completed the loan document requirements for the PLEA loan assistance.

BARPLAMCO's ratings dropped from 34.17 in 2017, to 31.75 and 30.85 in 2018 and 2019, respectively. The same weak pillars were identified, namely, on organization and management, business operation, and financial and loan portfolio. Given the ICB interventions provided to the cooperative, the ratings obtained in 2018 and 2019 suggested that BARPLAMCO had difficulties in upgrading its level of maturity. BARPLAMCO's cooperative classification was pegged at Class "D" since 2016. It must be noted that its rating for two consecutive years has decreased, but still fell within the cooperative category of Class "D".

ICB interventions provided to the cooperative in 2018 focused on coaching on internal control systems, particularly on the conduct of internal audit. A follow-through meeting on record-keeping was also undertaken with the cooperative. It was able to formulate its 2018 annual plan which was prepared with inputs from the coop performance review in 2017.

Related to improving its business operation rating, BARPLAMCO, with the assistance of the Program staff, was able to review and revise the enterprise policy on rubber trading. This was done to prepare for its loan application with the LandBank for rubber trading.

Based on BARPLAMCO's CCSW rating in 2019, the cooperative was still categorized as Class "D". The rating suggests an improvement in terms of strengthening the leadership and governance skills of the Core Management Team and its Committee. This is not to discount, however, that continued coaching

and mentoring was necessary for the weak pillars under organization and management, specifically on membership, CBU generation, and savings mobilization. Likewise, maintenance and continued improvement through mentoring and coaching on what have been started on PSP, internal control systems, and Books of Accounts were necessary. Ratings on these aspects showed no improvement since 2015, despite interventions.

On the business operation performance, much is needed to boost the operation of its current business on fresh miki. Business plans and documentary requirements were prepared for the rubber trading project. However, identifying institutional buyers of rubber is essential to merit approval for financing. Market linkage has to be established.

On financial and loan portfolio performance, no improvement in score was recorded since 2016. The cooperative has not yet established a relationship with LandBank and other financial institutions.

BARPLAMCO's ICB Responsiveness Score. In assessing the responsiveness criterion, this assessment sought to find out the extent to which the program's capacity building interventions were appropriate responses to the identified institutional development problems (weaknesses) of the cooperative based on Landbank's Cooperative Categorization Scoring Worksheet (CCSW) tool. Likewise, the appropriateness of the timing of specific capacity-building interventions as well as the appropriateness of the outputs of those interventions are also considered.

Table 2 indicates BARPLAMCO's responsiveness score/rating of 53% or 13 points for the responsiveness criterion, implying that the program's ICB interventions are responsive according to their CCSW scores, and corresponds to a little over 50% of the documented weaknesses of the cooperative. However, while the ICB interventions were appropriate, some identified weakness on the three aspects were left unattended. On the average, four ICB interventions were provided to BARPLAMCO to strengthen the three weak pillars (Please refer to Annex E.2).

Table 2

BARPLAMCO's Responsiveness Rating

Year (before Credit Access)	Score
2015	57
2016	58
2017	51
2018	42
2019	51
Average Total Score	52
Rating Value	13
Rating Description	Responsive

Effectiveness of the ICB Interventions

This assessment sought to find out the extent to which the program's ICB interventions resulted in improvements in the CCSW scores and maturity level classifications of the cooperatives and, consequently, in the cooperatives' access to LandBank credit.

BARPLAMCO's ICB Interventions Effectiveness Score. Using the effectiveness criteria scoring guide, the effectiveness score is 9.75 points with the corresponding Rating Value of 1, implying "less effective" ICB interventions (Table 3). Annex E.1 shows that BARPLAMCO's level of maturity was upgraded from Class "F" to Class "D" in 2019, one level higher than its classification upon enrollment in the Program. This means that the program's ICB interventions somehow resulted in improvement in the CCSW scores. The scores, however, did not register a consistent upward trend.

Among the three pillars, business operation did not show any improvement in its CCSW score of 2.75 points since it started with the Program. Financial and loans portfolio performance improved from 12.5 points in 2015 and maintained its 20.25 score until 2019. The cooperative has not yet established a relationship with LandBank and other financial institutions. Organization and management performance showed very little improvement, yet with a fluctuating trend.

The ICB intervention to strengthen the coop's capability to address the weak areas under business was less effective in terms of achieving the expected outcomes

of having a livelihood/enterprise (e.g, increasing volume of current business and establishing market linkage for its proposed rubber trading project), hence, there was no improvement in score. The intervention on this was limited to assistance in preparing the business proposal, which must reflect the market viability of the project, among other factors. Helping the cooperative to comply with the needed documents facilitated the completion of the requirements. The cooperative had a pending business proposal for financing with LandBank and PLEA. More interventions are needed by BARPLAMCO to be able to pass the minimum points for this pillar. Market linkaging is also necessary to boost its current miki business.

The ICB intervention to strengthen the cooperative's organization and management capability resulted in little improvement in the CCSW score. It is evident that the efforts to build the capacity of the cooperative to put up capital, and increase its membership base and savings, was lacking as shown by low performance scores in these aspects. No ICB intervention was provided to the cooperative during its first year of participation. ICB intervention to equip management with leadership and governance skills, resulted in improvement in the delivery of their functions and duties. However, follow-through and coaching/mentoring could have been done for further strengthening. One weakness that was not addressed was the need to equip the CMT with skills to undertake an internal performance review. ICB was not responsive and effective in this aspect. For whatever reason, majority of the ICB

interventions were done at once and follow-throughs were seldom made. (Annex E.2).

Overall, BARPLAMCO's effectiveness score suggests that the program's ICB interventions resulted in little improvements in the CCSW scores and

maturity level classifications, but was even less effective in achieving the desired outcome of facilitating BARPLAMCO's access to credit. Based on BARPLAMCO's CCSW score, the cooperative is not yet ready to pass the accreditation criteria of LandBank, thus, access to credit may not be possible.

Table 3.

BARPLAMCO's Effectiveness Rating

Year (before Credit Access)	CCSW Score	Maturity Level Score	Loan Access and HODC Score	Responsiveness Score
2015				
2016	4	8		
2017	3	6		
2018	3	6		
2019	3	6		
Average Total Score	3.25	6.5	0	9.75
Rating Value				1
Rating Description Value				Less Effective

Success Factors

BARPLAMPCO has slowly progressed as an organization. The following factors have been identified that enabled them to improve:

i. Organization and Management

- Commitment of the Core Management Team to implement the business. Officers and the Management Team helped each other to improve;
- Enhanced knowledge and skills acquired from the ICB interventions that guided the conduct of their duties and responsibilities;

- Annual performance assessment with the assistance of CMTs which made the BOD and officers become aware of the cooperative's weak aspects and needed improvements;
- Updated strategic and action plans for operational guidance and direction;
- Formulated cooperative policies, systems, and procedures which contributed to improve their operation; and
- Improved record keeping and bookkeeping.

ii. Business Operations

- Willingness to learn the technology of rubber production. The process of producing rubber follows strict techniques and quality control.
- Linkage established with various government and non-government agencies for production and marketing of the miki business
-

iii. Financial and Loan Portfolio

- Business proposal for LandBank financing, and loan application for PLEA program financing
- Compliance with the legal and documentary requirements for loan application

Constraining Factors

The following are some of the limiting/constraining factors that delayed the progress of strengthening BARPLAMCO's

- Failure to meet the minimum eligibility requirement of LandBank (membership size, CBU and savings, break even business operations) due to:
 - Limited number of coop members and lack of capability to generate capital and mobilize savings
 - Low level of miki production and sales

- Business plan/project was yet ready for implementation and/ or merit approval due to:
 - Lack of market viability (still in the process of identifying an institutional buyer for the rubber trading project)
 - Lack of technical/production viability (Rubber production in the area was still recovering from the effects of Typhoon Pablo)
- No experience in lending operations.

Sustainability of the ICB Interventions

BARPLAMCO was assessed whether they have been adequately capacitated/empowered through the program to maintain its achieved outcomes on its own, especially access to credit from Landbank and other financial institutions, such that

they have either been given clearance to graduate from the program or have already graduated from the program.

BARPLAMCO's Sustainability Score.
The coop's sustainability score registered at

7.1 points, implying that the coop's performance is "unsustainable". The program's ICB interventions resulted in little improvements in the CCSW scores and maturity level classifications, and was less sustainable in achieving the desired outcome of facilitating BARPLAMCO's access to credit. It must be noted that

BARPLAMCO failed to achieve this desired outcome because of its lack of capacity to pass the eligibility criteria and other business criteria. It is necessary to provide them with the needed ICB intervention to further strengthen the organization. However, the ICB interventions seemed inadequate (Annex E.2).

Table 4.

BARPLAMCO's Effectiveness Rating

Year	CCSW Score	Maturity Level Score	Loan Access from other Financing Inst. With or without HODC Scores	Recommendation for Graduation Score	Graduated from the Program Score	Total Score
2015		5				
2016	3	5				
2017	3	5				
2018	2	4				
2019	2	4				
Average Total Score	2.5	4.6	0	0	0	7.1
Rating Description						Unsustainable

Timeliness of ICB Interventions

BARPLAMCO's Timeliness Score. BARPLAMCO was not able to achieve the desired outcome of accessing credit from LandBank within the time scheduled, thus the timeliness score was registered at 0 points, or "Not Timely". BARPLAMCO has been under the Program since 2005.

Table 5.

BARPLAMCO's Timeliness Rating

PARAMETERS (*One-time rating only)	POINTS	Rating Value	Rating Description
No access to credit yet	0	0	Not timely

Overall Assessment

BARPLAMCO's overall rating is "Unsuccessful", obtaining an overall weighted average rating of 0.75 points. The rating suggests that BARPLAMCO was "unsuccessful" in being able to access credit from the Land Bank of the Philippines, and other financial and donor institutions. This, however, does not disregard the minimal achievement of outcomes in the organization and management aspects. BARPLAMCO was able to benefit from capacity building interventions which strengthened some of its weak pillars of cooperative management (Table 6).

Table 6.

BARPLAMCO's Overall Assessment Rating

Criteria	Score	Rating Value	Rating Description
Responsiveness	13	2	Responsive
Effectiveness	10	1	Less Effective
Sustainability	7	0	Unsustainable
Timeliness	0	0	Not timely
Overall Assessment	30	0.75	Unsuccessful

Recommendation

The following are recommendations to further improve the performance of BARPLAMCO:

- Continued provision of ICB intervention to strengthen their capabilities in organization and management, business operation, and financial aspects;
- Build BAPLAMCO's capability for accreditation with LandBank and other financing institutions/donors;
- Continue to provide ICB intervention to the cooperative on the maintenance and improvement of its financial system (internal control, recording/bookkeeping, BOA and PSP);

- Assist the cooperative in identifying viable projects and or specifically in finding an institutional buyer for its proposed venture on rubber trading;
- Boost the operation of its current miki business (increase outreach and level of production);
- Beef up capital formation through vigorous campaigns for membership and savings mobilization.

For the meantime that the cooperative could not access credit from Landbank, it is recommended that they be considered for credit assistance or funding (working capital) from a DA-ACPC Program such as PLEA, SURE Covid 19, or ANYO.

Case Study No. 6: San Isidro Cacao Producers (SICAPCO)

Profile of the Cooperative

The Cooperative of San Isidro Cacao Producers (SICAPCO) is located in Barangay Maag, Municipality of San Isidro, Davao Oriental. It was registered in the USM-CIBP as Maag Cocoa Producers Association (MACOPA) in 2015. Members of MACOPA are engaged in cacao production and coconut farming. Under the Upland Southern Mindanao (USM), MACOPA underwent training in preparation for converting the association into a cooperative. Also, the USM-ICB had reviewed the association's documents for CDA registration, particularly the list of members, CBU, and other required documents. In mid-2016, MACOPA ventured into whole nuts trading with Franklin Baker as buyer, but the business was temporarily closed due to the effect of

the long dry spell during that year. MACOPA transitioned to become a cooperative in May 2017. The cooperative had an initial membership of twenty-four (24). Its initial capital build-up (CBU) amounted to P130,695.00, which was carried over when it became a cooperative.

In 2018, SICAPCO MPC increased its membership to twenty-six (26) members, but its CBU remained the same at P130,695.00. The following year (2019), the cooperative managed to increase its CBU to P131,695, and its members to thirty-five (35). The reason for the slow increase in membership was the capital build-up (CBU) in the amount of P4000 each which was not fully subscribed. Savings, however, was not compulsory for cooperative members.

Table 1.

SICAPCO's No. of Members, Amount of CBU and Savings, from 2017 to 2019

Year	No. of Members	Amount of Capital Build-Up (PhP)	Amount of Savings (PhP)
2017	24	130,695.00	0
2018	26	130,695.00	0
2019	35	P131,695.00.	0

SICAPCO was rated as a Class "D" cooperative when they first joined USM. This was based on the result of the Cooperative Categorization Scoring Worksheet (CCSW), which was used by the Land Bank in determining the maturity level of the cooperative as well as the kind of institutional development assistance to be given under the program. As a Class D cooperative, SICAPCO is qualified as a beneficiary of the USM-ICB in order to strengthen the organization, establish a stable business, and prepare them to become eligible to access financing from formal sources and from LBP. The breakdown of the points earned by year is showed in Annex F.1.

Responsiveness of the ICB Interventions

According to the SICAPCO officers, the ICB interventions greatly contributed in enhancing their institutional capabilities. The Upland Southern Mindanao-Capacity Institutional Building Program (USM-CIBP) provided technical assistance in the preparation of documents required for CDA registration. It also assisted them in upgrading from association to cooperative. SICAPCO has been registered as one of the association beneficiaries of the USM-CIBP in 2015. In preparation for registering as a cooperative, in the same year, USM-CIBP provided training. Topics included in the Module were: Strategic Planning Workshop; Project ID & Business Planning; Financial Systems Bookkeeping and Record keeping; Leadership Management and Governance; and Ginger Production. With the interventions provided, the coop was able to come up with the following outputs:

- 1) Prepared a three (3)-year plan and action plan for the previous year;
- 2) Identified potential business ventures – Cacao trading, tableya processing, and ginger production;
- 3) Basic bookkeeping and recording of business transactions; and
- 4) Formulated duties and responsibilities of staff and management

In 2016, follow-through training was conducted by USM-ICB for SICAPCO. These were: Strategic Planning Workshop; Project ID & Business Planning; Organizational and Business Management; Parliamentary procedures; Bookkeeping and Records Keeping; Lakbay Aral; and Trainers

Training on PMES. The steps undertaken below were the results of the follow through training conducted:

- 1) Prepared an action plan for 2016;
- 2) Identified whole nuts trading as a potential business;
- 3) Acquired knowledge and skills in conducting pre-membership and cooperative meetings;
- 4) Updated books of accounts; and
- 5) Visited Franklin Bakers Plant site for possible business replication

The USM-CIBP technical assistance was essential, as this training would result in upgrading the maturity levels of the cooperative. Their participation in the training greatly expanded their knowledge about the cooperative. The cooperative officers also mentioned that their knowledge regarding production management was upgraded regarding cacao production and organic farming. In terms of financial management, improvements were made in the proper recording of day to day business transactions in the books of accounts and updating of financial transactions of the cooperative. The USM-ICB intervention also helped the cooperative in coming up with a manual of operations as their guide in their operations activities.

In 2017, SICAPCO was evaluated based on the CCSW of LandBank (see Annex F.1), despite the fact that it was registered as a cooperative only in the 2nd quarter of the year. Although the coop passed the

maturity level required by Land Bank (level D) in order to access credit, it failed with regard to the other requirements. This indicates that the cooperative needs more ICB interventions in order to strengthen the weak pillars. The identified weaknesses of SICAPCO MPC in 2017 were as follows: 1) membership size; 2) participation of members in savings mobilization; 3) leadership and management, particularly in the number of special board meetings; 4) internal performance review under plans and programs; 5) volume of business; and 6) market linkaging. (Annex F.2)

In the same year, the USM-ICB provided training, coaching and mentoring, as follows: 1) Action planning; 2) Enterprise and Organizational Policy System and Procedures; 3) Bookkeeping and Recording; 4) Internal Control System; and 5) Coop performance review.

In the first quarter, USM helped the cooperative review their CDA registration documents such as the list of members, CBU, coop name reservation and other requirements for its successful registration as a cooperative under the name of SICAPCO. In the next quarter, the training involved a review of existing policies, and formulation of new policies to be included in the Cooperative's manual. Through the interventions made by CMT, the cooperative also received various cacao processing equipment from the LGU. In terms of bookkeeping and recording, the cooperative was able to resolve cashbook problems and assisted the treasurer in encoding the coop's financial transactions. Furthermore, SICAPCO was able to conduct a cooperative year-end performance review of targets against accomplishment. USM-CIBP also provided technical assistance in

preparing the required documents for a possible PLEA loan. These interventions adequately addressed the weak pillars of the SICAPCO MPC in 2017, but with the exception of market linkaging, savings mobilization, and livelihood/enterprise.

In 2018, the USM-ICB provided the following ICB interventions: 1) Strategic Planning and Workshop; 2) Business Planning; 3) Enterprise & Organizational, System and Procedure; 4) Organizational and Business Management; 5) Bookkeeping and Records Keeping; and 6) Cacao Good Agri Practice. Based on the training given by the USM-ICB, the cooperative was able to improve their capacity.

In terms of Organization and Management, SICAPCO was able to prepare a plan and budget that would be presented to the general assembly. Continuous coaching on bookkeeping also resulted in the proper recording of transactions/sales/purchases in the books of accounts, reporting system, and review of financial transactions. Furthermore, the cooperative came up with policy on the functions and duties of management and staff.

In the area of business operations, the cooperative was able to learn new techniques in cacao processing and chocolate making, as well as techniques in market negotiation and marketing, and how to improve sales. These were some of the knowledge acquired by the coop when they visited the Biao Agrarian Reform Beneficiaries Coop (BARBCO) and SAWATA.

In the same year, SICAPCO was able to attend the Coconut Consultation Conference in Tagum City to gather inputs on coconut

organic, coffee, and cacao production, including processing activities. SICAPCO MPC also received two (2) units of chillers from ACDI-VOCA for the use of their cacao processing business. CMT helped them review the documents and business plan for the PRDP P5.0 million Cacao Processing Project. The CMTs continuous coaching activities on income projection, costing, and bookkeeping benefited the management and staff who are not yet familiar with financial management and projections. In terms of marketing agreement /linkages to institutional buyers, USM-ICB should give more value on this aspect. On the other hand, the rest of the identified weak pillars of the cooperative were given the corresponding interventions.

Based on the CCSW, the weaknesses identified in 2019 were as follows: 1) membership size; 2) participation of members in savings mobilization; 3) capital build-up and savings; 4) leadership and management, particularly in the number of special board meetings; 5) internal performance review; 6) volume of business; 7) market linking. To address the weak pillars, the USM-ICB provided the following ICB interventions: 1) Enterprise & Organizational PSP; 2) Internal Control System; 3) Organizational & Business Management; 4) Bookkeeping and Records Keeping; and 6) Action Planning. With these interventions, SICAPCO was able to continue to increase its score points. It continued to receive ICB interventions to strengthen its management skills, financial aspects, as well as business operations. A follow through coaching and mentoring was also conducted on the three (3) pillars.

SICAPCO was a member of FARMCOOP and Davao Federation of

Farmer Integrated Service Cooperative (DAFISCO), which were provided assistance in the assessment for accreditation of Certified Organic Farms. CMTs also assisted SICAPCO's officers and management with their participation in the Provincial Trade Fair through selection of products to be promoted (chocolate candies made of cacao, and cacao tablets or *tableya*). Moreover, CMTs assisted the coop with the necessary requirements for Eng Seng Corporation as the principal *tableya* market.

The USM-ICB interventions provided to SICAPCO resulted in improvements in their performance after the cooperative joined the program. The training provided from 2017 to 2019 focused on strengthening the cooperative and capacitating the officers and staff in handling their organization, business sales, and income. However, weaknesses in membership and capital build-up have not been addressed. Because of the long dry spell in their area and lack of income, the members had difficulty in raising the amount needed for the CBU share. They also found it difficult to invite new members who are living in remote areas.

Using the "Guidelines for Preparing Performance Evaluation Reports for Public Sector Operations" criteria in evaluating the responsiveness of USM interventions to the cooperative's weaknesses based on the CCSW rating, Table 2 shows SICAPCO's average points and the equivalent rating description, which is "*partly responsive*" in terms of providing training/coaching, and mentoring. This is because in terms of business organization, the training provided did not address some of the identified weaknesses of the cooperative. Although the cooperative has installed new systems

and policies within the organization, it still struggled in following these policies which

have not been explained correctly.

Table 2.

SICAPCO's Responsiveness Rating

Year	Score
2017	11
2018	13
2019	13
Total Score	37
Average Total Score	12
Rating Value	1
Rating Description	Partly responsive

Effectiveness of the ICB Interventions

This section discusses the effectiveness of the USM-ICB interventions in improving the coop's performance, based on its maturity level and capacity to access credit from LBP and other financial institutions.

Based on the CCSW rating, SICAPCO's total score was at 35.69 points in 2017, broken down as follows: Organization and Management (7.25); Business Operation (6.5); and Financial and Loan Portfolio (21.94). Under the category of Organization and Management and Business Operations, the total points earned was below the minimum standard points required by Land Bank.

In 2018, SICAPCO MPC improved its CCSW scores at 42.15 points after receiving ICB interventions in the program. Its organization and management score increased to 9.75 from 7.25 in the previous year. Based on the ECAC 2018, its business operation has remained the same (6.50

points) due to the lack of marketing agreements/linkages with an institutional buyer. The CMT found it hard to find prospective sure markets for the products produced by the cooperative. On the other hand, its financial and loan portfolio went up by 3.96 points from 21.94 points in the previous year. This can be attributed to the acquisition of assets. Although the total points earned increased, the maturity level remained at level D.

Based on the 2019 CCSW, SICAPCO scored a total of 42.56 points, a little bit higher in comparison with scores from the last two years. Table 3 shows that by 2019, the category on Organization and Management and Business Operations have the same earned points from the previous year. In terms of Financial and Loan Portfolio, the earned points improved a little bit by .41 points. The maturity level points of SICAPCO MPC also went up. The increase in scored points on financial and loan portfolio was due to additional assets

acquired by the cooperative. SICAPCO increased its score points in maturity level but did not reach the standard points to level up to the next maturity level or to reach the points required to access credit from the LBP.

Based on the effectiveness score, the rating value of SICAPCO is 1, with a rating description of “less effective”. This can be attributed to the lack of established marketing tie up and agreement with institutional buyers as well as a lack of profitable business to increase their income.

Table 3.

SICAPCO's CCSW Scores and Maturity Level, from 2017 to 2019

Program Pillars	Minimum Points Required	Points Earned		
		2017	2018	2019
Organization and Management	7.5	7.25	9.75	9.75
Business Operations	7.5	6.5	6.5	6.5
Financial and Loan Portfolio	9.8	21.94	25.9	26.31
Total	24.8	35.69	42.15	42.56
Maturity Level	D	D	D	D

Table 4.

SICAPCO's Effectiveness Rating

Year (before Credit Access)	CCSW Score	Maturity Level Score	Loan Access and Hold-Out Deposit Score	Total Score
2017	1	6	0	7
2018	4	6	0	10
2019	4	6	0	10
Total Score				27
Average Total Score				13.5
Rating Value				1
Rating Description				Ineffective

Despite the numerous ICB interventions, the MPC failed to achieve the minimum eligibility and risk acceptance criteria (RAAC) of Land Bank. The organization did not reach the required number of members, which is 50, to be able to qualify to the LBP's criteria. According to interviewed officers of the cooperative, each member of the coop should have a CBU

share of four thousand pesos (P4,000) to become a regular member of the cooperative, an amount which they find difficult to raise since they are still recovering from the effect of a long dry spell in their area. They remain as associate members until the prescribed amount for the capital build up share is fully subscribed. The required period to be

mainstreamed into the regular lending window of LBP is three (3) years. However, SICAPCO has only been operating as a

cooperative for less than 3 years, and therefore is still not qualified.

Constraining Factors

i. Organization and Management

- Insufficient capital to buy the products of the members;
- Lack of permanent employees to handle the transactions of the cooperative and the continuity of the training programs and follow through;
- Difficulty in adopting the formulated organizational policies
- Low recruitment of members due to geographic limitations
- Low capital build-up due to members' incapacity to fully subscribe to the contribution

ii. Business Operation

- Absence of an institutional buyer for their products that would give them a stable income and business;
- Cacao production in the province is still minimal especially in the municipality.
- The crops are still recovering from the effects of the long dry spell;

iii. Financial and Loan Portfolio

- Lack of financial assistance for working capital

Overall Assessment

Among the four criteria—Responsiveness, Effectiveness, Sustainability, and Timeliness, SICAPCO was evaluated based only on two criteria— responsiveness and effectiveness, because it still had no access to credit from LBP, although they have a pending application with the PLEA Program of ACPC. The overall rating of the cooperative is 1 with a rating description of “partly successful”. This indicates that the cooperative was satisfied that the ICB interventions resulted in improvements in the organization. However, SICAPCO failed to reach the maturity level required to be able to access financing from LBP.

Table 5.

SICAPCO's Overall Assessment Rating

Criteria	Score	Rating Value	Rating Description
Responsiveness	13	1	Partly responsive
Effectiveness	13.5	1	Less effective
Sustainability			
Timeliness			
Overall Assessment	26.5	1	Partly successful

Recommendations

The ICB assistance program helped the SICAPCO MPC to convert from an association to a cooperative. It plays a big role in strengthening and improving SICAPCO's performance in terms of organization and management, business operations, and financial management. Notwithstanding the budget consideration, the learnings, knowledge and skills from the ICB trainings would have been more effective if the training was done as a team instead of as individuals. SICAPCO still needs more ICB interventions in three aspects.

i. Organization and Management

- The coop needs improvement in capital build-up and savings mobilization policies, systems, and procedures to improve its awareness and participation of the members.
- Continue the USM-ICB program interventions on the identified weaknesses

- Implement a scheme/strategies on increasing the number of members.

ii. Business Operation

- Undertake intensive assistance on market tie-up and agreements with potential buyers of the products;
- Continue to help the cooperative in identifying potential business ventures;
- Give more exposure/visits to cooperatives with successful business enterprises for possible business replication or to gain techniques in handling business.

iii. Financial and Loan Portfolio

- Facilitate provision of financial assistance for cacao beans trading and processing.

Case Study No. 7:

Mikit Upland Farmers Marketing Cooperative (MUFARMCO)

Profile of the Cooperative

Mikit Upland Farmers Marketing Cooperative (MUFARMCO) is a cooperative located in Brgy. Mikit, Baganga, Davao Oriental. The cooperative started in 2003 as a farmers' association registered with the Securities and Exchange Commission (SEC) under the name of Mikit Farmers Association of Baganga (MIFABI). The association has established partnership with the Department of Environmental and Natural Resources (DENR) for the implementation of a community-based forest management. In 2014, the USM-CIBP has been extended to 3 more years and its objective was to search for farmers' organizations or associations that will join the program as beneficiaries. MIFABI has been validated as having members who used to be beneficiaries of the UDP. After a

year, in 2015, the association was enrolled into the program as one of the beneficiaries.

The cooperative had only 56 members prior to its registration in 2017 and remained constant until 2019. The low level of membership was due to lack of efforts at membership expansion and lack of new potential members. The cooperative had no capital build-up (CBU) in 2017 because it was still in the process of generating CBU from the contributions of its members. In the following year, MUFARMCO was able to mobilize CBU amounting to P50,400, which increased to P81,700 in 2018. The cooperative had no savings because the members were low income earners and were adversely affected by the Typhoon Pablo.

Table 1.

MUFARMCO's No. of Members, Amount of CBU and Savings

Year	No. of Members	Amount of Capital Build-Up (PhP)	Amount of Savings (PhP)
2017	56	50,400	-
2018	56	81,700	-
2019	56	81,700	-

MUFARMCO began to be evaluated by the USM-CMT in 2017 using the Land Bank's Cooperative Categorization Scoring Worksheet (CCSW). The cooperative was rated with the maturity level class "D" corresponding to 27.50 points. This result demonstrates that MUFARMCO is eligible as a beneficiary of the program for

strengthening its management and system to qualify for financing from Land Bank and other financial institutions. The cooperative's low level of maturity was caused by the two weak pillars of "Organization and Management" and "Business Operations," which earned points that are below the minimum standard of

7.5. Only the “Financial and Loan Portfolio” earned 18.75 points that is above the minimum standard points of 9.75. This

maturity level remained until 2019, and no development was registered in any of the three pillars.

Table 2.

MUFARMCO's ECAC Score

Weak Pillars	Minimum Standard Points	Points Earned		
		2017	2018	2019
Organization and Management	7.5	6.00	6.00	6.00
Business Operations	7.5	2.75	2.75	2.75
Financial and Loan Portfolio	9.75	18.75	18.75	18.75
Total	24.75	27.50	27.50	27.50
Maturity Level		D	D	D

Responsiveness of the ICB Interventions

The USM-CIBP started to conduct interventions for MUFARMCO in 2015, which aimed to provide technical assistance to the cooperative in the preparation of documents and registration with CDA. In the long run, these interventions were intended to help the cooperative to improve its capacity in terms of the three major pillars, that would translate to progress in its maturity level over the years and eventually leading to accessing credit from Land Bank and other government/ non-government financial institutions.

At the start of 2015, MUFARMCO received orientation on basic cooperative courses required by CDA. The USM-CMT provided fundamental training/mentoring on Strategic Action Planning, Organizational and Enterprise Policies, Systems and Procedures, Policy Development and Formulation, Leadership Management and Governance, Project Identification and Business Planning, and Bookkeeping and Records Keeping. With the interventions

provided, the cooperative was able to derive the following outputs:

- 1) Prepared and drafted a 3-year strategic plan and 2015 action plan;
- 2) Formulated policies on membership expansion;
- 3) Identified and adapted duties and responsibilities of the cooperative's management (officers) and members
- 4) Identified rice trading as a start-up business; and
- 5) Installed a simplified system of bookkeeping.

In 2016, the USM-CIBP has implemented follow-through training/coaching through a Strategic Action Planning Workshop, and Pre-Membership Seminar, as well as on Leadership and Governance, Organizational and Enterprise Policies, Systems, and Procedures, Project Identification and

Business Planning, and Bookkeeping and Record Keeping. Here are the results based on the conducted follow-through training/coaching:

- 1) Drafted 2016 Action Plan and Annual Budget for 2016
- 2) Acquired knowledge and skills in conducting pre-membership seminars
- 3) Learned basic knowledge, skills and ideas in conducting meetings
- 4) Formulated initial policies on rice and feeds trading
- 5) Added new inputs to their proposed 2017 business ventures
- 6) Acquired additional knowledge on bookkeeping

From 2015 to 2016, it was very clear that the program has already provided capacity building interventions and helped MUFARMCO develop its institutional capacity from being a small farmers' organization into a cooperative. In terms of the cooperative's management, MUFARMCO's officers said the cooperative was able to review and update its By-Laws and organizational policies and learned to prepare and draft organizational plans. The training and mentoring activities upgraded the knowledge and skills of the cooperative's officers and staff in conducting day-to-day operations. The cooperative was able to adapt new policies and systems such as membership expansion and bookkeeping, which resulted in proper recording, records keeping, and management of business operations. In addition, MUFARMCO was able to identify trading of rice and other agricultural products as a potential business venture. In

the last quarter of 2016, the CMT introduced the Land Bank's CCSW to the officers and staff of the cooperative to guide their participation in the program.

Based on the CCSW results in 2017, MUFARMCO has seven (7) identified weaknesses that needed to be addressed by the program, which are: (1) Membership; (2) Capital Build-Up Generation/Savings Mobilization; (3) Leadership and Management; (4) Continuing Education and Skills Development; (5) Plans and Programs; (6) Livelihood/ Enterprise; and (7) Market Linkaging. These weaknesses are caused by limitations such the lack in membership, CBU, and savings. The number of coop members has remained at 56 individuals since 2015, despite their policy on membership expansion. The coop manager reiterated in the interview that MUFARMCO was only able to add a small amount of P31,300 in addition to the current capital build-up because of the limited number of members who are able to contribute large amounts. This problem also explained the absence of savings in the cooperative. MUFARMCO's officers have not been conducting regular special board meetings and internal performance reviews. In addition, only a few among the MUFARMCO's officers and staff have reached college level or graduated from college. In terms of business operations, MUFARMCO did not yet have big volumes of business as it was only just starting with the new business enterprise of bigasan/rice trading. Market linkages between institutional buyers and MUFARMCO has yet to be established because there has been no market visit or tie-up with other businesses or cooperatives.

In this case, these difficulties prove that the cooperative needs more capacity building interventions to address the identified weak points. Among those interventions that address weak points are the strategic action planning, cooperative performance review, coaching on MUFARMCO's preparation and submission of CDA documentary requirements for registration, technical assistance on the submission of PLEA documents to the municipal agriculturist, and the conduct of orientation to potential borrowers under PLEA. MUFARMCO officers with the CMT have also visited Cheng Bee Corp. to discuss and negotiate with the plant manager on abaca trading. In addition to these training are the follow-up sessions on bookkeeping, internal control systems, and organizational PSP. Despite these interventions, MUFARMCO has remaining weaknesses such as on capital build-up mobilization, savings generation, and continuing education and skills development, which needed to be prioritized the year after.

Other than the interventions addressing the weak pillars, the program has provided follow-up coaching/mentoring on reviewing the cooperative's policies, specifically on areas to be audited, and training on financial systems focusing on bookkeeping and record keeping. This is to maintain and develop the existing policies and systems which were already introduced and implemented since the beginning of their participation in the program.

In the following year, the cooperative received less training, which focused on only two (2) interventions that correspond to the weak points, as compared to the 6 interventions last year. Among these

interventions were strategic action planning for 2018, annual budgeting, and business planning for the cooperative's proposed enterprise. Based on these interventions, the cooperative was able to come up with an action plan, annual budget, and business plans for the proposed agri-trading business. As a result of less training, the unaddressed weaknesses of MUFARMCO increased. The remaining weaknesses which needed to be prioritized by the program are on capital build-up generation and savings mobilization, leadership and management, continuing education and skills development, plans and programs, and market linkaging.

Despite these low outputs, the USM CMT has managed to provide follow-up training such as coaching on internal control systems and training on financial systems. These resulted in the identification of areas for internal auditing and instilling sound financial management on bookkeeping.

Similarly, in 2019, MUFARMCO received only two (2) interventions, namely, coaching on the preparation of reports required by CDA, and help with the documentation needed for the loan application to PLEA. The cooperative conducted an orientation seminar on the PLEA program in order to avail of funding for the cooperative's proposed enterprise.

Table 4 summarizes the 3 years of interventions and their relevance to the cooperative's weaknesses. The assessment on MUFARMCO's responsiveness yielded a rating value of 1 or "*Partly Responsive*." This implies that most of the cooperative's weaknesses are addressed by the

interventions provided by the program. It is very clear in the table, however, that as the years progressed, the responsiveness of the training/coaching provided had declined instead of addressing most of the weak points. It is observed that more

interventions focused on pillars which already have high scores in CCSW. This also can be explained by the fact that the USM program includes other indicators that need continuous improvement and development by adapting existing policies.

Table 4.

MUFARMCO's Responsiveness Rating, from 2017 to 2019

Year (before Credit Access)	Total Score
2017	19
2018	9
2019	9
Total Score	37
Average Total Score	12
Rating Value	1
Rating Description	Partly Responsive

Effectiveness of the ICB Interventions

Effectiveness refers to the extent to which the program's ICB interventions resulted in improvements in the assisted cooperatives' organization and management, business operations, financial indicators, maturity level classifications, and, consequently, in access to credit from Landbank and other financial institutions. The effectiveness of USM interventions is measured through the three areas: (1) movement of CCSW scores; (2) improvement in maturity level; and (3) access to loan and hold-out deposit.

In terms of the CCSW rating, MUFARMCO has started with a total score of 27.5 in 2017 broken down as follows: 6 points for Organization and Management, 2.75 points for Business Operations, and 18.75 points for Financial and Loan

Portfolio. These scores remained constant for the next two (2) years. Specifically, the score under Organization and Management is below the minimum points required and has not changed despite the interventions. This is due to the fact that the membership has not expanded, the CBU has not reached the minimum required amount of P150,000, the cooperative has no savings, and there was no improvement in other indicators.

Business Operations or the second pillar also scored below the minimum points required of 7.5, and has not registered any improvement in the CCSW score. One reason is the fact that the cooperative's business has stopped since 2018 as they collect outstanding receivables. Another reason is that the cooperative has yet to start with their other

business venture which lacks working capital, and is still in the process of availing funding from ACPC.

Among the three pillars, only the Financial and Loan Portfolio is above the minimum points required, which is 9.75 points. Similar to the first two pillars, the score of the third pillar has not changed since 2017 because the cooperative's financial assets and liabilities has remained stagnant as it has no other businesses and no credit services for its members. Like the other participating cooperative, MUFARMCO was already planning to avail of working capital loans from Land Bank and preparing the documentary requirements.

The lack of progress in MUFARMCO's three pillars is reflected in Table 5 which shows in CCSW scores that the cooperative garnered 2 points based on the matrix. The cooperative's maturity level started at class "D" and remained so until 2019. This was consistent with the stagnant growth of the three pillars which resulted in only 6 points. The cooperative has no score on loan access and hold-out deposit because MUFARMCO has no existing credit line with any financial institution such as Land Bank and ACPC. In totality, the average score of MUFARMCO for the effectiveness criteria is 8 points which has the rating description of "Ineffective." It can be explained that the interventions have not translated or resulted in the improvement of MUFARMCO in any pillar or area for the last three years.

Table 5.

MUFARMCO's Effectiveness Rating, from 2017 to 2019

Year (before Credit Access)	CCSW Score	Maturity Level Score	Loan Access and Hold-Out Deposit Score	Total Score
2017	2	6	0	8
2018	2	6	0	8
2019	2	6	0	8
Total Score				24
Average Total Score				8
Rating Value				0
Rating Description				Ineffective

Constraining Factors

The USM CIBP is yet too far from attaining its second objective for MUFARMCO which is to avail of a credit line with the program or Land Bank. The major constraining factor was that the cooperative has not yet improved in any area since joining the program in 2017. This was

caused by the inappropriateness of the training provided which did not address the identified weak points. The program implementors seem to be focused only on the improvement of pillars through existing policies and gearing the cooperative towards fully adapting those policies

through follow-up training/coaching. In addition, some of the interventions did not have follow-up training/coaching or continuity based on the training manual. This would have ensured the effectiveness of each intervention and encouraged the cooperative to adapt the learnings from the program. Here are the other factors that restricted the development of the cooperative, and hindered its access to a credit line with Land Bank and graduating from the program:

i. Organization and Management

- Limited number of members. The size of the membership has not expanded since the cooperative's enrollment in the program.
- The coop officers have an educational background below college level and need further training on skills development.
- Capital build-up remains stagnant because of the low membership and the members' low income and limited capacity to contribute.
- The cooperative has no savings.

ii. Business Operation

- The cooperative's business has stopped since 2018
- The cooperative is still in the process of business planning.
- Only one *Lakbay-Aral* has been provided to the cooperative with no follow-up/ additional market visits or tie-up.
- The geographical location of MUFARMCO affects their access to markets, technology, and communication
- No existing marketing agreement with buyers

iii. Financial and Loan Portfolio

- The cooperative has no credit services to its members.
- The cooperative needs working capital or funding to pursue the business enterprise.
- MUFARMCO has no credit line with Land Bank and is still in the process of applying for a loan

Overall Assessment

In terms of the REST Evaluation Criteria, only the responsiveness and effectiveness criteria were applicable to the cooperative. MUFARMCO still has no credit line with Land Bank. In the final assessment, the cooperative has an overall rating of 0.5 of which the rating description is "*Unsuccessful*." This means that

MUFARMCO was unsuccessful in attaining the program objectives, which is to develop the cooperative's management and systems to be able to qualify for accreditation with Land Bank for a credit line. Despite this poor rating, it is very evident and must be considered that the USM-CIBP through the CMT was instrumental to MUFARMCO's

registration as a cooperative. This should still be considered as an achievement of the program. With the result of the evaluation,

it clearly implies that the cooperative still needs interventions and other technical assistance from the program.

Table 6.

MUFARMCO's Overall Assessment Rating

Criteria	Scores	Rating Value	Rating Description
Responsiveness	12	1	Responsive
Effectiveness	8	0	Ineffective
Sustainability	-	-	-
Timeliness	-	-	-
Overall Assessment	22	0.5	Unsuccessful

Recommendation

Based on the assessment of the Mikit Upland Farmers Marketing Cooperative, the program must be extended for the cooperative to continue receiving interventions and other technical assistance, which can help it develop its management and system to be able to qualify for credit assistance or funding from Land Bank and other financial assistance. Below are other recommendations that the program implementors may consider:

i. Organization and Management

- To avoid a training mismatch, re-evaluate the weak pillars/areas of MUFARMCO that need to be prioritized;
- Provide more training/coaching/mentoring that will focus on improving the weak points (organization and management, and business operations), not only those with existing policies;
- Revisit and reiterate the policy on membership expansion;

- Conduct training programs on knowledge and skills upgrading and development for the cooperative's officers and staff;
- Employ ways to improve the CBU generation and savings mobilization of the cooperative.

ii. Business Operations

- Continue to assist the cooperative in pursuing identified business enterprises (agri-trading);
- Build more market tie-ups/linkaging through *Lakbay-Aral* and market visits;

iii. Financial and Loan Portfolio

- Assist the cooperative to avail of credit assistance or funding (working capital) from either DA-ACPC or Land Bank, or any government financial institutions.

Annexes

A.1. UMF MPC - CCSW and Maturity Level

MAJOR INDICATORS	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned
A. ORGANIZATION AND MANAGEMENT	6.27	6.86	19.55	21.07	20.85	24.43	20.40	19.90	22.11	19.49	20.39
A.1 Membership											
a. Membership Size	1.14	1.48	3.05	3.05	3.06	1.52	1.98	2.27	2.39	3.03	3.03
b. Patronage of Business	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.25	0.00	0.00	0.00
c. Participation of members in:											
o CBU generation	0.00	0.00	0.51	0.55	0.00	0.00	0.00	0.13	0.00	0.00	0.00
o Savings mobilization	0.00	0.00	0.00	0.57	0.55	0.53	0.50	0.13	0.00	0.22	0.00
A.2 Capital Build-up & Savings											
a. Capital Build-up	0.00	1.88	0.62	0.62	0.00	0.00	0.00	0.00	0.56	0.00	0.00
b. Savings Mobilization	0.00	0.00	0.00	0.41	1.12	0.57	0.67	0.00	0.54	0.00	0.92
A.3 Leadership and Management											
a. Board of Directors											
1. Education/Training/Experience	0.50	0.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
2. Regular Meetings											
o No. of monthly meetings	0.38	0.00	0.75	0.50	0.63	0.25	0.00	0.75	0.75	0.38	0.38
o No. of Special Board meetings	0.13	0.00	0.13	0.13	0.25	0.19	0.13	0.25	0.25	0.25	0.19
3. Patronage of Business	0.25	0.00	1.25	1.25	1.25	1.25	1.25	0.25	0.25	1.25	0.00
b. Core Management Team (COMAT)											
1. Presence of complete COMAT	0.38	0.38	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
2. Education/Training/Experience	0.00	0.00	0.63	0.63	0.63	2.50	2.50	2.50	2.50	0.63	2.50
c. Committees											
1. Education/Training/Experience	0.75	0.75	0.00	0.75	0.75	3.00	0.75	0.75	0.75	0.75	0.75
A.4 Continuing Education & Skills Dev.	2.00	0.50	0.50	0.50	0.50	2.50	0.50	0.50	2.00	0.50	0.50
A.5 Plans and Programs											
a. Presence of Plans and Programs	0.00	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88
b. Internal Performance Review	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.38	0.00
A.6 Policies, Systems & Procedures (PSPs)	0.75	0.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
A.7 Books of Accounts (BOAs)	0.00	0.00	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
B. BUSINESS OPERATION	9.63	8.00	13.22	20.87	21.26	18.50	19.33	24.00	27.65	26.22	24.31
B.1 Livelihood/Enterprise											
a. Volume of Business	0.00	1.25	2.10	5.12	5.51	3.75	4.58	3.25	5.40	3.97	3.83
b. Number of Business Enterprises	5.63	5.00	5.63	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25
B.2 Business Plans	0.00	0.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
B.3 Providential Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50	1.50	1.50
B.4 Market Linkaging											
a. Mktng Agreements/Links w/ Inst'l buyers	4.00	1.00	1.00	5.00	5.00	4.00	4.00	5.00	5.00	5.00	4.00
b. Business Alliance Membership	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.00	5.00	5.00	4.22
B.5 Affiliation to Fed./Other Org.	0.00	0.00	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
C. FINANCIAL AND LOAN PORTFOLIO	27.55	30.00	30.71	40.78	37.38	37.18	41.26	33.18	36.10	33.11	32.37
C.1 Financial Ratios											
a. Debt-Equity Ratio (DER)	6.25	6.25	6.25	3.61	6.25	6.25	5.04	2.59	4.73	6.14	6.24
b. Liquidity Ratio	6.25	5.93	6.25	1.54	1.75	1.43	1.40	1.78	6.25	1.35	1.43
c. Profitability Ratio											
c.1 Return on Equity (ROE)	0.83	2.08	3.13	3.13	3.13	3.13	2.50	2.50	1.88	3.13	0.83
c.2 Return on Assets (ROA)	1.21	2.73	2.59	2.50	2.50	2.63	2.56	2.56	2.50	2.50	3.13
d. Past Due Ratio	6.76	6.76	6.25	6.25	6.25	0.00	6.76	6.25	6.25	0.00	0.00
e. Risk Assets Ratio	6.25	6.25	6.25	6.25	0.00	6.25	6.25	6.25	6.25	6.25	6.25
C.2 Relationship with LBP											
a. Loan Repayment Rate	0.00	0.00	0.00	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
b. Credit Line Availment Rate	0.00	0.00	0.00	6.25	6.25	6.25	6.25	0.00	0.00	5.50	6.25
c. Deposits	0.00	0.00	0.00	3.75	3.75	3.75	3.00	3.75	0.75	0.75	0.75
d. Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	43.45	44.85	63.48	82.72	79.48	80.10	80.99	77.08	85.87	78.82	77.07
ML CLASSIFICATION	D	D	C	B	B	B	B	B	A	B	B

Annex A.2. UFMFPC - ICB Interventions

Year	ICB Interventions
2010	Approaches on Capital Formation Policy Review and Formulation Enterprise Policies, Systems and Procedures
2011	Business Management Internal Control System and Monitoring 1 Internal Control System and Monitoring 2 Organizational Management
2012	Planning Activities Lakbay-Aral and Enterprise Visits Enterprise Policies, Systems and Procedures 1 Enterprise Policies, Systems and Procedures 2 Organizational Management Internal Control System and Monitoring Business Management 1 Business Management 2 Credit and Relending Management
2013	Planning Activities Enterprise Policies, Systems and Procedures 1 Enterprise Policies, Systems and Procedures 2 Enterprise Policies, Systems and Procedures 3 Financial Systems, Recording and Management Internal Control System and Monitoring 1 Internal Control System and Monitoring 2 Project Identification, Planning and Packaging Lakbay-Aral and Enterprise Visits Performance Review and Evaluation Financial Systems, Recording and Management Basic Cooperative Course and Orientation
2014	Planning Activities Lakbay-Aral and Enterprise Visits Enterprise Policies, Systems and Procedures 1 Enterprise Policies, Systems and Procedures 2 Internal Control System and Monitoring Business Management Performance Review and Evaluation 1 Performance Review and Evaluation 2
2015	Planning Activities Financial Systems, Recording and Management Internal Control System and Monitoring Enterprise Policies, Systems and Procedures
2016	Planning Activities Internal Control System and Monitoring Project Identification, Planning and Packaging Enterprise Policies, Systems and Procedures Organizational Management 1 Organizational Management 2 Financial Systems, Recording and Management Lakbay-Aral and Enterprise Visits Pre-Membership Seminar
2017	Planning Activities Project Identification, Planning and Packaging

Year	ICB Interventions
	Organizational Policies, Systems and Procedures Organizational Management 1 Organizational Management 2 Performance Review and Evaluation 1 Performance Review and Evaluation 2 Pre-Membership Seminar
2018	Planning Activities Organizational Management Business Management Enterprise Policies, Systems and Procedures 1 Enterprise Policies, Systems and Procedures 2 Organizational Policies, Systems and Procedures Internal Control System and Monitoring 1 Internal Control System and Monitoring 2 Financial Systems, Recording and Management Performance Review and Evaluation Lakbay-Aral and Enterprise Visits
2019	Planning Activities Internal Control System and Monitoring Project Identification, Planning and Packaging Enterprise Policies, Systems and Procedures Business Management Financial Systems, Recording and Management 1 Financial Systems, Recording and Management 2 Planning Activities Organizational Management

MAJOR INDICATORS	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned
A. ORGANIZATION AND MANAGEMENT	8.20	15.26	17.01	17.44	15.83	17.63	17.26	13.63	13.88	15.32	12.14
A.1 Membership											
a. Membership Size	3.01	3.01	3.30	3.30	3.30	3.26	3.26	3.26	3.26	3.26	3.26
b. Patronage of Business	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Participation of members in:											
o CBU generation	0.13	0.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
o Savings mobilization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A.2 Capital Build-up & Savings											
a. Capital Build-up	1.31	0.00	0.00	0.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Savings Mobilization	0.00	0.00	0.52	0.00	0.53	0.00	0.00	0.00	0.00	0.00	0.00
A.3 Leadership and Management											
a. Board of Directors											
1. Education/Training/Experience	0.50	2.00	2.00	2.00	0.50	0.50	0.50	0.50	0.50	2.00	0.50
2. Regular Meetings											
o No. of monthly meetings	0.25	0.25	0.50	0.88	0.75	0.75	0.50	0.38	0.38	0.50	0.25
o No. of Special Board meetings	0.13	0.13	0.06	0.19	0.13	0.25	0.13	0.13	0.13	0.19	0.25
3. Patronage of Business	0.25	0.25	1.25	1.25	1.25	1.25	1.25	0.00	0.00	0.00	0.00
b. Core Management Team (COMAT)											
1. Presence of complete COMAT	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38
2. Education/Training/Experience	0.00	2.50	2.50	0.63	0.63	0.63	0.63	0.63	0.63	2.50	0.63
c. Committees											
1. Education/Training/Experience	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
A.4 Continuing Education & Skills Dev.	0.00	2.50	2.00	2.00	2.00	2.00	2.00	2.00	2.25	2.00	0.50
A.5 Plans and Programs											
a. Presence of Plans and Programs	0.00	1.88	0.00	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88
b. Internal Performance Review	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.38	0.00
A.6 Policies, Systems & Procedures (PSPs)	0.75	0.75	3.00	3.00	0.75	3.00	3.00	3.00	3.00	0.75	3.00
A.7 Books of Accounts (BOAs)	0.75	0.75	0.75	0.75	3.00	3.00	3.00	0.75	0.75	0.75	0.75
B. BUSINESS OPERATION	1.25	5.75	8.75	6.15	8.06	16.77	12.99	10.75	10.75	12.44	10.00
B.1 Livelihood/Enterprise											
a. Volume of Business	0.00	0.00	1.25	3.15	5.06	3.02	2.24	0.00	0.00	1.69	0.00
b. Number of Business Enterprises	1.25	5.00	5.00	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
B.2 Business Plans	0.00	0.75	0.75	0.75	0.75	3.75	3.75	3.75	3.75	3.75	3.75
B.3 Providential Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B.4 Market Linkaging											
a. Mktng Agreements/Links w/ Inst'l buyers	0.00	0.00	1.00	1.00	1.00	5.00	5.00	5.00	5.00	5.00	5.00
b. Business Alliance Membership	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B.5 Affiliation to Fed./Other Org.	0.00	0.00	0.75	0.00	0.00	3.75	0.75	0.75	0.75	0.75	0.00
C. FINANCIAL AND LOAN PORTFOLIO	21.51	13.95	27.93	37.09	40.94	42.56	22.72	32.41	32.41	20.17	19.19
C.1 Financial Ratios											
a. Debt-Equity Ratio (DER)	6.25	6.25	6.25	6.25	6.25	5.91	5.39	5.06	5.06	4.45	4.80
b. Liquidity Ratio	2.88	1.45	6.25	1.41	1.08	1.08	1.08	1.08	1.08	1.08	8.06
c. Profitability Ratio											
c.1 Return on Equity (ROE)	3.13	0.00	0.00	-0.56	1.04	3.13	3.13	0.00	0.00	0.83	0.02
c.2 Return on Assets (ROA)	3.01	0.00	2.93	0.00	2.56	3.13	3.13	2.51	2.51	2.56	2.56
d. Past Due Ratio	0.00	0.00	6.25	6.25	6.25	6.25	0.00	6.25	6.25	0.00	0.00
e. Risk Assets Ratio	6.25	6.25	6.25	6.25	6.25	5.57	0.00	0.00	0.00	0.00	0.00
C.2 Relationship with LBP											
a. Loan Repayment Rate	0.00	0.00	0.00	7.50	7.50	7.50	0.00	7.50	7.50	7.50	0.00
b. Credit Line Availment Rate	0.00	0.00	0.00	6.25	6.25	6.25	6.25	6.25	6.25	0.00	0.00
c. Deposits	0.00	0.00	0.00	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
d. Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	30.95	34.96	53.69	60.69	64.82	76.96	52.97	56.79	57.04	47.93	41.33
ML CLASSIFICATION	D	D	C	C	C	B	C	C	C	C	F

Annex B.2. KALIACMPC -ICB Interventions

Year	ICB Interventions
2010	Approaches on Capital Formation Organizational Policies, Systems and Procedures Credit and Relending Management
2011	Organizational Management
2012	Planning Activities Lakbay-Aral and Enterprise Visits 1 Lakbay-Aral and Enterprise Visits 2 Enterprise Policies, Systems and Procedures Organizational Management Financial Systems, Recording and Management 1 Financial Systems, Recording and Management 2 Project Identification, Planning and Packaging Credit and Relending Management
2013	Planning Activities Planning Activities Enterprise Policies, Systems and Procedures 1 Enterprise Policies, Systems and Procedures 2 Enterprise Policies, Systems and Procedures 3 Internal Control System and Monitoring 1 Internal Control System and Monitoring 2 Performance Review and Evaluation Financial Systems, Recording and Management Basic Cooperative Course and Orientation
2014	Planning Activities Project Identification, Planning and Packaging Enterprise Policies, Systems and Procedures 1 Enterprise Policies, Systems and Procedures 2 Internal Control System and Monitoring Business Management Performance Review and Evaluation 1 Performance Review and Evaluation 2
2015	Planning Activities Internal Control System and Monitoring 1 Internal Control System and Monitoring 2 Enterprise Policies, Systems and Procedures 1 Enterprise Policies, Systems and Procedures 2 Business Management
2016	Planning Activities Internal Control System and Monitoring Organizational Management 1 Organizational Management 2 Pre-Membership Seminar
2017	Planning Activities Project Identification, Planning and Packaging Organizational Policies, Systems and Procedures Organizational Management Financial Systems, Recording and Management Performance Review and Evaluation
2018	Planning Activities Business Management Project Identification, Planning and Packaging 1

Year	ICB Interventions
	Project Identification, Planning and Packaging 2 Enterprise Policies, Systems and Procedures Internal Control System and Monitoring Financial Systems, Recording and Management 1 Financial Systems, Recording and Management 2 Performance Review and Evaluation 1 Performance Review and Evaluation 2
2019	Planning Activities Business Management Financial Systems, Recording and Management Organizational Management

Annex C.1. ULSFPC - CCSW and Maturity Level

MAJOR INDICATORS	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned
A. ORGANIZATION AND MANAGEMENT	13.91	10.16	13.25	10.08	9.72	14.45	15.19	16.04	17.89	19.48	20.86
A.1 Membership											
a. Membership Size	3.09	3.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.98	1.71
b. Patronage of Business	0.00	0.00	1.25	1.25	1.00	1.00	0.25	0.00	0.00	1.00	0.25
c. Participation of members in:											
o CBU generation	0.00	0.00	0.63	0.55	0.63	0.63	0.54	0.58	0.18	0.00	0.00
o Savings mobilization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A.2 Capital Build-up & Savings											
a. Capital Build-up	1.88	0.00	1.88	1.03	1.03	1.82	0.58	0.58	1.09	0.00	0.41
b. Savings Mobilization	1.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A.3 Leadership and Management											
a. Board of Directors											
1. Education/Training/Experience	0.50	0.50	0.50	0.50	0.50	0.50	2.00	2.00	2.00	2.50	2.50
2. Regular Meetings											
o No. of monthly meetings	0.75	0.75	0.50	0.63	0.38	0.00	0.38	0.63	0.50	0.75	0.38
o No. of Special Board meetings	0.06	0.06	0.13	0.00	0.06	0.13	0.06	0.13	0.25	0.25	0.13
3. Patronage of Business	1.25	1.25	1.25	1.25	1.25	0.25	1.25	1.25	1.25	1.25	1.25
b. Core Management Team (COMAT)											
1. Presence of complete COMAT	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38
2. Education/Training/Experience	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63	2.50
c. Committees											
1. Education/Training/Experience	0.00	0.00	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
A.4 Continuing Education & Skills Dev.	2.00	2.00	0.50	0.50	0.50	0.50	0.50	0.50	2.25	2.00	2.00
A.5 Plans and Programs											
a. Presence of Plans and Programs	0.00	0.00	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88	1.88
b. Internal Performance Review	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.38	0.00
A.6 Policies, Systems & Procedures (PSPs)	0.75	0.75	0.00	0.00	0.00	3.00	3.00	3.00	3.00	3.00	3.00
A.7 Books of Accounts (BOAs)	0.75	0.75	3.00	0.75	0.75	3.00	3.00	3.75	3.75	3.75	3.75
B. BUSINESS OPERATION	5.00	5.00	7.50	4.03	3.47	8.04	13.07	20.81	22.93	22.88	25.83
B.1 Livelihood/Enterprise											
a. Volume of Business	0.00	0.00	0.00	1.28	1.47	2.29	3.57	1.31	3.43	1.25	5.08
b. Number of Business Enterprises	5.00	5.00	5.00	1.25	1.25	1.25	5.00	5.00	5.00	5.63	6.25
B.2 Business Plans	0.00	0.00	0.75	0.75	0.75	3.75	3.75	3.75	3.75	3.75	3.75
B.3 Providential Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50	0.00
B.4 Market Linkaging											
a. Mktng Agreements/Links w/ Inst'l buyers	0.00	0.00	1.00	0.00	0.00	0.00	0.00	5.00	5.00	5.00	5.00
b. Business Alliance Membership	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.00	5.00	5.00	5.00
B.5 Affiliation to Fed./Other Org.	0.00	0.00	0.75	0.75	0.00	0.75	0.75	0.75	0.75	0.75	0.75
C. FINANCIAL AND LOAN PORTFOLIO	22.16	0.00	15.04	24.38	23.75	22.08	22.26	36.85	32.96	42.04	39.27
C.1 Financial Ratios											
a. Debt-Equity Ratio (DER)	6.25	0.00	6.25	6.25	6.25	6.25	6.25	6.25	4.65	6.25	4.12
b. Liquidity Ratio	6.25	0.00	0.00	0.00	0.00	6.25	6.25	6.25	1.35	2.60	2.15
c. Profitability Ratio											
c.1 Return on Equity (ROE)	0.87	0.00	0.00	3.13	2.50	0.83	1.01	1.10	0.71	0.63	1.25
c.2 Return on Assets (ROA)	2.55	0.00	2.54	2.50	2.50	2.50	2.50	2.50	2.50	2.56	2.50
d. Past Due Ratio	0.00	0.00	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25
e. Risk Assets Ratio	6.25	0.00	0.00	6.25	6.25	0.00	0.00	6.25	6.25	6.25	6.25
C.2 Relationship with LBP											
a. Loan Repayment Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.50	7.50	7.50	7.50
b. Credit Line Availment Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.25	5.50
c. Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.75	3.75	3.75	3.75
d. Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	41.07	15.16	35.79	38.49	36.94	44.57	50.52	73.70	73.79	84.39	85.96
ML CLASSIFICATION	D	F	D	D	D	D	C	B	B	B	A

Annex C.2. ULSFPC - ICB Interventions

Year	ICB Interventions
2010	Approaches on Capital Formation Organizational Policies, Systems and Procedures Credit and Relending Management
2011	Lakbay-Aral and Enterprise Visits Organizational Management Planning Activities
2012	Planning Activities Project Identification, Planning and Packaging
2013	Planning Activities Financial Systems, Recording and Management Internal Control System and Monitoring Basic Cooperative Course and Orientation
2014	Planning Activities Financial Systems, Recording and Management Lakbay-Aral and Enterprise Visits Internal Control System and Monitoring Performance Review and Evaluation
2015	Planning Activities Internal Control System and Monitoring Lakbay-Aral and Enterprise Visits Organizational Policies, Systems and Procedures
2016	Planning Activities Internal Control System and Monitoring Enterprise Policies, Systems and Procedures Organizational Management 1 Organizational Management 2 Lakbay-Aral and Enterprise Visits Pre-Membership Seminar
2017	Planning Activities Organizational Policies, Systems and Procedures Enterprise Policies, Systems and Procedures Organizational Management Financial Systems, Recording and Management Lakbay-Aral and Enterprise Visits Credit and Relending Management Performance Review and Evaluation 1 Performance Review and Evaluation 2
2018	Planning Activities Project Identification, Planning and Packaging Enterprise Policies, Systems and Procedures 1 Enterprise Policies, Systems and Procedures 2 Financial Systems, Recording and Management Performance Review and Evaluation Lakbay-Aral and Enterprise Visits
2019	Organizational Policies, Systems and Procedures Business Management

MAJOR INDICATORS	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned	Points Earned
A. ORGANIZATION AND MANAGEMENT	10.31	12.68	14.69	14.69	14.74	18.44	18.51	19.01	18.76	7.86	16.63
A.1 Membership											
a. Membership Size	3.13	3.11	3.09	3.09	3.07	3.09	3.09	3.09	3.09	3.07	3.09
b. Patronage of Business	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	0.00	1.25
c. Participation of members in:											
o CBU generation	0.50	0.50	0.54	0.54	0.55	0.54	0.54	0.54	0.54	0.54	0.54
o Savings mobilization	0.13	0.13	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.63	0.31
A.2 Capital Build-up & Savings											
a. Capital Build-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Savings Mobilization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A.3 Leadership and Management											
a. Board of Directors											
1. Education/Training/Experience	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
2. Regular Meetings											
o No. of monthly meetings	0.38	0.38	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.25	1.00
o No. of Special Board meetings	0.06	0.06	0.00	0.00	0.06	0.00	0.06	0.06	0.06	0.00	0.19
3. Patronage of Business	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	0.00	1.25
b. Core Management Team (COMAT)											
1. Presence of complete COMAT	0.38	0.38	0.38	0.38	0.38	1.50	1.50	1.50	1.50	0.38	1.50
2. Education/Training/Experience	0.00	0.00	0.00	0.00	0.00	0.63	0.63	0.63	0.63	0.63	0.63
c. Committees											
1. Education/Training/Experience	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.00	0.75
A.4 Continuing Education & Skills Dev.	0.50	2.50	0.00	0.00	0.00	2.00	2.00	2.50	2.25	0.00	0.00
A.5 Plans and Programs											
a. Presence of Plans and Programs	0.00	0.38	1.50	1.50	1.50	1.50	1.50	1.50	1.50	0.38	1.50
b. Internal Performance Review	0.00	0.00	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.00	0.38
A.6 Policies, Systems & Procedures (PSPs)	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
A.7 Books of Accounts (BOAs)	0.75	0.75	3.00	3.00	3.00	3.00	3.00	3.00	3.00	0.75	3.00
B. BUSINESS OPERATION	2.75	2.00	4.25	4.25	4.25	6.50	8.00	16.00	13.00	2.75	8.00
B.1 Livelihood/Enterprise											
a. Volume of Business	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Number of Business Enterprises	1.25	1.25	1.25	1.25	1.25	5.00	5.00	5.00	5.00	1.25	5.00
B.2 Business Plans	0.75	0.00	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
B.3 Providential Services	0.00	0.00	1.50	1.50	1.50	0.00	1.50	1.50	1.50	0.00	1.50
B.4 Market Linkaging											
a. Mktng Agreements/Links w/ Inst'l buyers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00	1.00	0.00	0.00
b. Business Alliance Membership	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00	4.00	0.00	0.00
B.5 Affiliation to Fed./Other Org.	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
C. FINANCIAL AND LOAN PORTFOLIO	22.10	25.42	23.59	23.67	24.08	22.50	22.50	16.25	22.50	15.43	32.63
C.1 Financial Ratios											
a. Debt-Equity Ratio (DER)	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25
b. Liquidity Ratio	3.95	6.25	5.74	6.25	6.25	6.25	6.25	0.00	6.25	2.18	6.25
c. Profitability Ratio											
c.1 Return on Equity (ROE)	2.29	3.13	1.70	1.67	2.08	0.00	0.00	0.00	0.00	0.00	3.13
c.2 Return on Assets (ROA)	2.61	2.80	2.89	2.50	2.50	0.00	0.00	0.00	0.00	0.00	2.50
d. Past Due Ratio	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e. Risk Assets Ratio	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25
C.2 Relationship with LBP											
a. Loan Repayment Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.50
b. Credit Line Availment Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Deposits	0.75	0.75	0.75	0.75	0.75	3.75	3.75	3.75	3.75	0.75	0.75
d. Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	35.16	40.10	42.53	42.61	43.08	47.44	49.01	51.26	54.26	26.04	57.26
ML CLASSIFICATION	D	D	D	D	D	C	C	C	C	D	C

Annex D.1. MADOUCCO-CCSW and Maturity Level

Annex D.2. MADOUCO - ICB Interventions

Year	ICB Interventions
2010	Planning Activities Approaches on Capital Formation Credit and Relending Management
2011	Business Management Credit and Relending Management 1 Credit and Relending Management 2 Financial Systems, Recording and Management Lakbay-Aral and Enterprise Visits 1 Lakbay-Aral and Enterprise Visits 2 Organizational Management
2012	Planning Activities Lakbay-Aral and Enterprise Visits 1 Lakbay-Aral and Enterprise Visits 2 Internal Control System and Monitoring Business Management Project Identification, Planning and Packaging 1 Project Identification, Planning and Packaging 2 Credit and Relending Management
2013	Planning Activities 1 Planning Activities 2 Internal Control System and Monitoring
2014	Planning Activities Project Identification, Planning and Packaging Lakbay-Aral and Enterprise Visits
2015	Planning Activities Financial Systems, Recording and Management Performance Review and Evaluation Organizational Management
2016	Planning Activities Enterprise Policies, Systems and Procedures Lakbay-Aral and Enterprise Visits Pre-Membership Seminar Performance Review and Evaluation
2017	Planning Activities Internal Control System and Monitoring Organizational Policies, Systems and Procedures Business Management Financial Systems, Recording and Management Approaches on Capital Formation Performance Review and Evaluation
2018	Planning Activities Business Management Enterprise Policies, Systems and Procedures 1 Enterprise Policies, Systems and Procedures 2 Financial Systems, Recording and Management Performance Review and Evaluation
2019	Planning Activities Internal Control System and Monitoring Enterprise Policies, Systems and Procedures

Year	ICB Interventions
	Organizational Management Business Management Financial Systems, Recording and Management

Annex E.1. BARPLAMCO- CCSW and Maturity Level

MAJOR INDICATORS	2015	2016	2019
	Points Earned	Points Earned	Points Earned
A. ORGANIZATION AND MANAGEMENT	8.63	8.75	7.85
A.1 Membership			
a. Membership Size	0.00	0.00	0.98
b. Patronage of Business	1.25	1.25	1.25
c. Participation of members in:			
o CBU generation	0.63	0.63	0.63
o Savings mobilization	0.00	0.00	0.00
A.2 Capital Build-up & Savings			
a. Capital Build-up	1.88	1.88	0.00
b. Savings Mobilization	0.00	0.00	0.00
A.3 Leadership and Management			
a. Board of Directors			
1. Education/Training/Experience	0.50	0.50	0.50
2. Regular Meetings			
o No. of monthly meetings	0.25	0.38	0.38
o No. of Special Board meetings	0.00	0.00	0.00
3. Patronage of Business	1.25	1.25	1.25
b. Core Management Team (COMAT)			
1. Presence of complete COMAT	0.38	0.38	0.38
2. Education/Training/Experience	0.63	0.63	0.63
c. Committees			
1. Education/Training/Experience	0.00	0.00	0.00
A.4 Continuing Education & Skills Dev.	0.00	0.00	0.00
A.5 Plans and Programs			
a. Presence of Plans and Programs	0.38	0.38	0.38
b. Internal Performance Review	0.00	0.00	0.00
A.6 Policies, Systems & Procedures (PSPs)	0.75	0.75	0.75
A.7 Books of Accounts (BOAs)	0.75	0.75	0.75
B. BUSINESS OPERATION	2.75	2.75	2.75
B.1 Livelihood/Enterprise			
a. Volume of Business	0.00	0.00	0.00
b. Number of Business Enterprises	1.25	1.25	1.25
B.2 Business Plans	0.75	0.75	0.75
B.3 Providential Services			0.00
B.4 Market Linkaging			
a. Mktng Agreements/Links w/ Inst'l buyers	0.00	0.00	0.00
b. Business Alliance Membership	0.00	0.00	0.00
B.5 Affiliation to Fed./Other Org.	0.75	0.75	0.75
C. FINANCIAL AND LOAN PORTFOLIO	12.50	20.25	20.25
C.1 Financial Ratios			
a. Debt-Equity Ratio (DER)	6.25	6.25	6.25
b. Liquidity Ratio	6.25	6.25	6.25
c. Profitability Ratio			
c.1 Return on Equity (ROE)	0.00	3.13	3.13
c.2 Return on Assets (ROA)	0.00	2.50	2.50
d. Past Due Ratio	0.00	0.00	0.00
e. Risk Assets Ratio	0.00	2.12	2.12
C.2 Relationship with LBP			
a. Loan Repayment Rate	0.00	0.00	0.00
b. Credit Line Availment Rate	0.00	0.00	0.00
c. Deposits	0.00	0.00	0.00
d. Investments	0.00	0.00	0.00
TOTAL	23.88	31.75	30.85
ML CLASSIFICATION	F	D	D

Annex E.2. BARPLAMCO - ICB Interventions

Year	ICB Interventions
2015	Planning Activities Project Identification, Planning and Packaging Financial Systems, Recording and Management Enterprise Policies, Systems and Procedures Organizational Management Basic Cooperative Course and Orientation
2016	Planning Activities Project Identification, Planning and Packaging Organizational Policies, Systems and Procedures Business Management Financial Systems, Recording and Management Basic Cooperative Course and Orientation Pre-Membership Seminar Performance Review and Evaluation
2017	Planning Activities Financial Systems, Recording and Management Credit and Relending Management Performance Review and Evaluation
2018	Internal Control System and Monitoring Financial Systems, Recording and Management
2019	Enterprise Policies, Systems and Procedures Financial Systems, Recording and Management

Annex F.1. SICAPCO- CCSW and Maturity Level

MAJOR INDICATORS	2017	2019
	Points Earned	Points Earned
A. ORGANIZATION AND MANAGEMENT	9.50	7.25
A.1 Membership		
a. Membership Size	0.00	0.00
b. Patronage of Business	1.25	1.25
c. Participation of members in:		
o CBU generation	0.13	0.13
o Savings mobilization	0.00	0.00
A.2 Capital Build-up & Savings		
a. Capital Build-up	0.00	0.00
b. Savings Mobilization	0.00	0.00
A.3 Leadership and Management		
a. Board of Directors		
1. Education/Training/Experience	0.50	0.50
2. Regular Meetings		
o No. of monthly meetings	0.50	0.50
o No. of Special Board meetings	0.00	0.00
3. Patronage of Business	1.25	1.25
b. Core Management Team (COMAT)		
1. Presence of complete COMAT	0.38	0.38
2. Education/Training/Experience	0.63	0.63
c. Committees		
1. Education/Training/Experience	0.75	0.75
A.4 Continuing Education & Skills Dev.	2.25	0.00
A.5 Plans and Programs		
a. Presence of Plans and Programs	0.38	0.38
b. Internal Performance Review	0.00	0.00
A.6 Policies, Systems & Procedures (PSPs)	0.75	0.75
A.7 Books of Accounts (BOAs)	0.75	0.75
B. BUSINESS OPERATION	6.50	6.50
B.1 Livelihood/Enterprise		
a. Volume of Business	0.00	0.00
b. Number of Business Enterprises	5.00	5.00
B.2 Business Plans	0.75	0.75
B.3 Providential Services	0.00	0.00
B.4 Market Linkaging		
a. Mktng Agreements/Links w/ Inst'l buyers	0.00	0.00
b. Business Alliance Membership	0.00	0.00
B.5 Affiliation to Fed./Other Org.	0.75	0.75
C. FINANCIAL AND LOAN PORTFOLIO	21.94	20.06
C.1 Financial Ratios		
a. Debt-Equity Ratio (DER)	6.25	6.25
b. Liquidity Ratio	6.25	6.25
c. Profitability Ratio		
c.1 Return on Equity (ROE)	3.13	1.25
c.2 Return on Assets (ROA)	2.56	2.56
d. Past Due Ratio	0.00	0.00
e. Risk Assets Ratio	0.00	0.00
C.2 Relationship with LBP		
a. Loan Repayment Rate	0.00	0.00
b. Credit Line Availment Rate	0.00	0.00
c. Deposits	3.75	3.75
d. Investments	0.00	0.00
TOTAL	37.94	33.81
ML CLASSIFICATION	D	D

Annex F.2. SICAPCO - ICB Interventions

Year	ICB Interventions
2015	Planning Activities Project Identification, Planning and Packaging Financial Systems, Recording and Management Organizational Management Lakbay-Aral and Enterprise Visits
2016	Project Identification, Planning and Packaging Organizational Management Organizational Management Financial Systems, Recording and Management Lakbay-Aral and Enterprise Visits Pre-Membership Seminar Pre-Membership Seminar
2017	Planning Activities Internal Control System and Monitoring Enterprise Policies, Systems and Procedures Organizational Policies, Systems and Procedures Financial Systems, Recording and Management Performance Review and Evaluation
2018	Planning Activities Organizational Management Project Identification, Planning and Packaging Project Identification, Planning and Packaging Project Identification, Planning and Packaging Project Identification, Planning and Packaging Organizational Policies, Systems and Procedures Financial Systems, Recording and Management Lakbay-Aral and Enterprise Visits
2019	Planning Activities Internal Control System and Monitoring Internal Control System and Monitoring Enterprise Policies, Systems and Procedures Organizational Policies, Systems and Procedures Organizational Management Business Management

Annex G.1. MUFARMCO - CCSW and Maturity Level

MAJOR INDICATORS	2018	2019
	Points Earned	Points Earned
A. ORGANIZATION AND MANAGEMENT		
A.1 Membership	6.00	6.00
a. Membership Size		
b. Patronage of Business	0.00	0.00
c. Participation of members in:	0.00	0.00
o CBU generation		
o Savings mobilization	0.13	0.13
A.2 Capital Build-up & Savings	0.00	0.00
a. Capital Build-up		
b. Savings Mobilization	0.00	0.00
A.3 Leadership and Management	0.00	0.00
a. Board of Directors		
1. Education/Training/Experience		
2. Regular Meetings	0.50	0.50
o No. of monthly meetings		
o No. of Special Board meetings	0.50	0.50
3. Patronage of Business	0.00	0.00
b. Core Management Team (COMAT)	1.25	1.25
1. Presence of complete COMAT		
2. Education/Training/Experience	0.38	0.38
c. Committees	0.63	0.63
1. Education/Training/Experience		
A.4 Continuing Education & Skills Dev.	0.75	0.75
A.5 Plans and Programs	0.00	0.00
a. Presence of Plans and Programs		
b. Internal Performance Review	0.38	0.38
A.6 Policies, Systems & Procedures (PSPs)	0.00	0.00
A.7 Books of Accounts (BOAs)	0.75	0.75
B. BUSINESS OPERATION	0.75	0.75
B.1 Livelihood/Enterprise	2.75	2.75
a. Volume of Business		
b. Number of Business Enterprises	0.00	0.00
B.2 Business Plans	1.25	1.25
B.3 Providential Services	0.75	0.75
B.4 Market Linkaging	0.00	0.00
a. Mktng Agreements/Links w/ Inst'l buyers		
b. Business Alliance Membership		
B.5 Affiliation to Fed./Other Org.	0.00	0.00
C. FINANCIAL AND LOAN PORTFOLIO	0.00	0.00
C.1 Financial Ratios	0.75	0.75
a. Debt-Equity Ratio (DER)	18.75	18.75
b. Liquidity Ratio		
c. Profitability Ratio	6.25	6.25
c.1 Return on Equity (ROE)	6.25	6.25
c.2 Return on Assets (ROA)		
d. Past Due Ratio	3.13	3.13
e. Risk Assets Ratio	3.13	3.13
C.2 Relationship with LBP	0.00	0.00
a. Loan Repayment Rate	0.00	0.00
b. Credit Line Availment Rate		
c. Deposits	0.00	0.00
d. Investments	0.00	0.00
TOTAL	0.00	0.00
ML CLASSIFICATION		

Annex G.2. - MUFARMCO ICB Interventions

Year	ICB Interventions
2015	Planning Activities Project Identification, Planning and Packaging Financial Systems, Recording and Management Enterprise Policies, Systems and Procedures Organizational Policies, Systems and Procedures Organizational Management Basic Cooperative Course and Orientation
2016	Planning Activities Enterprise Policies, Systems and Procedures Organizational Management 1 Business Management Organizational Management 2 Financial Systems, Recording and Management Pre-Membership Seminar 1 Pre-Membership Seminar 2
2017	Planning Activities Internal Control System and Monitoring Financial Systems, Recording and Management Lakbay-Aral and Enterprise Visits Performance Review and Evaluation
2018	Planning Activities Project Identification, Planning and Packaging Internal Control System and Monitoring Financial Systems, Recording and Management
2019	Project Identification, Planning and Packaging Enterprise Policies, Systems and Procedures Financial Systems, Recording and Management