**TECHNICAL NOTES**

**Agricultural Indicators System
Government Support in the Agriculture Sector**

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| 1. **The Introduction**
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This is the first of the eight (8) modular reports of the Agricultural Indicators System (AIS) which presents information on the various extension services provided by the government to the agriculture sector. Specifically, this module contains information on irrigation development in the country, accomplishment of Comprehensive Agrarian Reform Program (CARP) relative to the hectarage of land distributed and registered including the number of agrarian reform beneficiaries, government expenditure in the agriculture and agrarian reform sector, and government procurement of palay and distribution of rice.

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| 1. **Data Sources**
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| **Data and Indicators** | **Source Agency** |
| 1. Total service area by region
2. Irrigation development by region
3. Average percent share of service area by type of irrigation system and by region
4. Scope and percent accomplishment of land distribution and registration by region
5. Area of distributed and registered lands by region
6. Number of agrarian reform beneficiaries by region
7. Percent distribution of agrarian reform beneficiaries by region
 | National Irrigation Administration (NIA)Department ofAgrarian Reform(DAR) |

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| **Data and Indicators** | **Source Agency** |
| 1. Share of Agriculture and Agrarian Reform Expenditures in the National Government Expenditures
2. Palay procurement: level and percent distribution by region
3. Rice distribution: level and percent distribution by region
 |  Department of Budget and  Management (DBM)National Food Authority (NFA) |

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| 1. **Methodology**
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**Growth rate of total service area**

$$\genfrac{}{}{0pt}{}{Growth rates }{ of total service area} = \frac{\begin{array}{c}total service area\\in the current year\end{array}}{\begin{array}{c}total service area\\in the previous year\end{array}} -1 ×100\%$$

**Average percent share of service area by type of irrigation system and by region**

$$\genfrac{}{}{0pt}{}{Average percent share }{\begin{array}{c}of service area by type of \\irrigation system and by region\end{array}} = \frac{\begin{array}{c}service area\\by type of irrigation system \\and by region\end{array}}{\begin{array}{c}total service area\\by region\end{array}} x 100\%$$

*Note: to compute for average, get the average of the five-year percentage shares by type of irrigation system and by region*

**Percent accomplishment of land distributed and registered**

$$Percent Accomplishment = \frac{\begin{array}{c}total net area distributed and registered \\in a given year\end{array}}{\begin{array}{c}targeted land distribution\\and registration scope\end{array}} × 100\%$$

**Percent distribution of agrarian reform beneficiaries by region**

$$\genfrac{}{}{0pt}{}{Percent distribution of }{\begin{array}{c} agrarian reform \\beneficiary by region\end{array}} = \frac{\begin{array}{c}total agrarian reform beneficiary\\in a region\end{array}}{\begin{array}{c}total agrarian reform beneficiary\end{array}} ×100\%$$

**Share of agriculture and agrarian reform expenditures in the national government expenditures**

$$\genfrac{}{}{0pt}{}{Share of agriculture and }{\begin{array}{c} agrarian reform \\expenditures in the national\\government expenditures\end{array}} = \frac{\begin{array}{c}expenditure in agriculture\\and agrarian reform\end{array}}{\begin{array}{c}total national government\\expenditures\end{array}} ×100\%$$

**Percent distribution of palay procurement by region**

$$\genfrac{}{}{0pt}{}{Percent distribution of palay }{ procurement by region} = \frac{palay procurement by region}{total palay procurement} ×100\%$$

**Percent distribution of rice distribution by region**

$$\genfrac{}{}{0pt}{}{Percent distribution of rice }{ distribution by region} = \frac{rice distribution by region}{total rice distribution} ×100\%$$

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| 1. **Concepts and Definition of Terms**
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**Irrigated area**–refers to the area within the operational area of an irrigation system served during the respective cropping seasons: wet season, dry season, and 3rd crop.

**Irrigation**– the controlled application of water to arable lands to supply water requirement not satisfied by rainfall or it is the artificial method of conveying water to the plant which the plant needs for its growth in the proper quantity and at the right time.

**Types of Systems:**

**National Irrigation Systems** – are large and medium schemes constructed by the National Irrigation Administration (NIA) usually with service area of more than 1,000 hectares. These systems are basically operated and maintained by the NIA, where beneficiaries are charged irrigation service fee for the services rendered in the delivery of water. In the 1980’s, joint management of portions of national systems with irrigator’s associations (IAs) was affected.

**Communal Irrigation Systems** –are small-scale schemes generally with service area of less than 1,000 hectares. These systems are constructed by NIA with participation of farmer-beneficiaries through their irrigator’s associations (IAs). The operation and maintenance (O & M) of CIS is turned over to IAs upon project completion subject to a cost recovery arrangement. Farmers amortize the chargeable cost for a period not exceeding 50 years at 0 percent interest. The repayment scheme is pre-arranged and accepted to both NIA and the IA.

**Private Irrigation Systems** –are those constructed, operated and maintained by private individuals or groups with or without technical assistance by NIA or other government agencies.

**Other Government Agency Assisted Irrigation Systems** –are those constructed, operated and maintained by other government agencies such as Bureau of Soils and Water Management (BSWM), Department of Agrarian Reform (DAR), Department of Agriculture (DA) and others, wherein its service area is excluded from NIA’s service area and is included in the computation of irrigation development of the country.

**Irrigation Development** - refers to the ratio of the area that was developed altogether by NIA, other government agencies and private sectors as against the potential irrigable area expressed in percentage.

**Service Area** – the area of an irrigation system after the project completion and turnover for operation that is already provided with irrigation and drainage facilities where irrigation and drainage service could already be rendered.

**Potential Irrigable Area –** refers to an arable land of the country that can be developed for irrigation, relatively flat from 0-3% slope rate, has an available source of water to sustain irrigation delivery for crop production and other agricultural purposes and has farmers willing to till the land and raise crops thereat.

**Growth rate of total service area –** measures the pace of growth or expansion of the total service area provided with irrigation system at the national and regional levels.

**Average percent share of service area by type of irrigation system and by region –** shows the relative contribution of each type of irrigation system in the region’s/country’s total service area developed.

**Agrarian Reform -** means the redistribution of lands, regardless of crops or fruits produced to farmers and regular farmworkers who are landless, irrespective of tenurial arrangement, to include the totality of factors and support services designed to lift the economic status of the beneficiaries and all other arrangements alternative to the physical redistribution of lands, such as production or profit-sharing, labor administration, and the distribution of shares of stocks, which will allow beneficiaries to receive a just share of the fruits of the lands they work*.*

**Land distribution and registration –** involves the redistribution and registration of government and private agricultural lands to landless farmers and farm workers transforming them into landowners. It is the systematic transfer to ARBs of agricultural lands covered by CARP.

**Accomplished area** – is the land area redistributed and registered by the government to qualified CARP farmer-beneficiaries.

**Target area** – is the total area of agricultural land covered by CARP to be distributed to farmer beneficiaries for a given period of time.

**Agrarian Reform Beneficiary –** refers to famers who were granted lands under Presidential Decree No. 27, the Comprehensive Agrarian Reform Law and Republic Act No. 9700 or the “Comprehensive Agrarian Reform Extension with Reforms” and regular farm workers who are landless, irrespective of tenurial arrangement, who benefited from the redistribution of lands, regardless of crops or fruits produced, to include the totality of factors and support services designed to lift the economic status of the beneficiaries and all other alternative arrangements to the physical distribution of lands, such as production or profit sharing, labor administration, and the distribution of shares of stock which will allow beneficiaries to receive a just share of the fruits of the land they work.

**Percent accomplishment of land distributed and registered**– indicates the accomplishment rate of CARP in a given year relative to the total target area. It is the rate of transfer of arable land to the ownership of qualified farmer-beneficiaries.

 **Percent distribution of agrarian reform beneficiaries by region**– indicates the number of agrarian reform beneficiary in a region relative to the total number of beneficiary nationwide expressed in percentage.

**Government expenditure** - refers to the purchase of goods and services, which include public consumption and public investment, and transfer payments consisting of income transfers (pensions, social benefits) and capital transfer.

**Share of agriculture and agrarian reform expenditures in the national government expenditures** - provides information on how much is being allocated and spent to support the development needs of the sector and those relying on it such as the farmers and fisherfolks.

**Government Spending/Expenditure** - refers to public expenditure on goods and services and is a major component of the GDP. Government spending policies like setting up budget targets, adjusting taxation, increasing public expenditure and public works are very effective tools in influencing economic growth.

**Procurement** - refers to the volume of government purchases directly from the farmers and farmers’ organizations at the government support price. The NFA procurement program aims to ensure rice buffer stock or the optimal level of rice inventory that shall be maintained at any given time to be used for emergency situations and to sustain the disaster relief programs of the government during natural or man-made calamities.

**Distribution** - The NFA is also mandated to distribute rice to the Department of Social Welfare and Development, Local Government Units and other relief agencies in times of emergencies and calamities, and is likewise allowed to dispose its inventory, before the quality of its stocks starts to deteriorate through any authorized mode of disposition.

 **Percent distribution of palay procurement by region** – the distribution shows the extent of palay procurement at the national and regional levels.

**Percent distribution of rice distribution by region -** the distribution shows the extent of rice distribution at the national and regional levels.

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| 1. **Dissemination of Results**
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| **Title** | **Schedule of Release** |
| Government Support in the Agriculture Sector | May of the Current Year |

Statistical tables, infographics, and modular report are included in the web release.

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| 1. **Citation**
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Philippine Statistics Authority. (2022). *Technical Notes on Government Support in the Agriculture Sector*. https://psa.gov.ph/technical-notes/\_\_\_\_\_

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