

**How to Make Entrepreneurs Out of Agrarian Reform  
Beneficiaries: The Case of the Abaca Production Cum  
Processing Project in Boac, Marinduque, Philippines**

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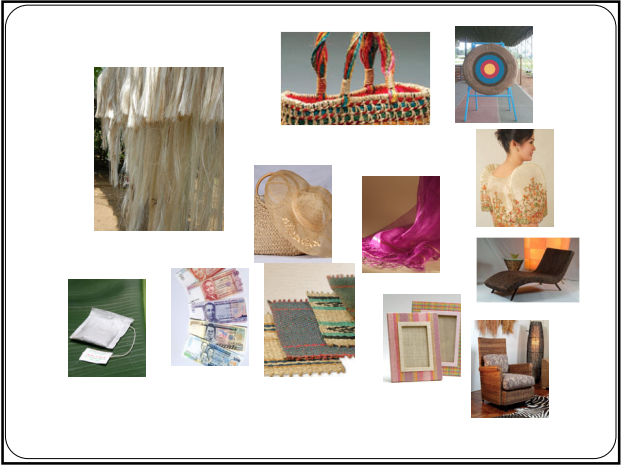
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- “Abaca Capital of the World”, 87% of total world abaca fiber production
- US\$ 77 million annually in export earnings
- Employs about 1.5 million Filipinos
- Used for cordage, filter paper, cigarette papers, and currency papers
- Novelty items such as handbags, footwear, baskets, wall coverings, and draperies
- Exports to the USA, UK, Japan, West Germany, et al



**ABACA LEAVES**

**ARACA HEART**



- Department of Agrarian Reform (DAR)
- CARP has 3 components which includes delivery of essential support services
- Mandate – to improve the over-all socio-economic well-being of agrarian reform beneficiaries (ARB) by exploiting agricultural opportunities and maximizing the use of their land
- Agrarian Reform Community Connectivity and Economic Support Services (ARCESS)

- Objectives of the paper– describe the entrepreneurial project of the Tanikala sa Pagkakaisa MPC and evaluate the proposed slipper project using a needs assessment framework
- Needs Assessment Framework – identifies nature and scope of social problem, the reasons causing the outcomes, defines the target population, and to determine the services needed
- The Cooperative was organized in 2006 and operates in Boac, Marinduque
- Initial activity was copra trading and lending
- Started with 35 members, now has 111 members

- Share capital of over PhP275 thousand, savings of PhP46 thousand
- Activities – expanded to include abaca production, production of abaca fiber crafts like slippers, scrunch, macrame bags, abaca twine, upland rice production (organic rice)
- The Cooperative has been a recipient of many trainings – silk screening, simple bookkeeping, cooperative management, etc.

- Environmental scan – hilly and mountainous terrain, lengthy, snake-like, earth-gravel roads
- Coconut farming is the main livelihood, monocropping is the usual farming system, households also engage in backyard livestock raising and butterfly culture
- As of 2011, the average annual household income was PhP 143 thousand (US\$3,337), average household size is 5
- Schoolchildren walk 4 km (one way) to go to the nearest elementary and high school

- The proposed project - PhP1.73million (US\$41,161)
- 10 years, production and processing of abaca, expand production from 10 hectares this year to 50 hectares in 2017, to construct a fiber production center, to acquire several equipment, to generate some 50 rural employment opportunities



### Constraints

1. Raw materials
2. Power
3. Equipment
4. Market and Product Development
5. Costing
6. Organizational Management