

**Case on Alter trade Foundation and Negros Organic Fair Trade Association (NOFTA). ISEA PROSE
Research Team. December 2016. Quezon City, Philippines.**

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INTRODUCTION

“Noong hindi pa natayo ang MIARBA sa bahay lang ako nag-uuma ng lupa. Parang hindi mo naman makikita yung income kasi yung mga product naming from palay kino-consume (din namin). Siguro di makakapag-aral mga anak ko” (When MIARBA wasn’t formed yet, I farm at home. You really wouldn’t see the income since our palay products are for consumption. Probably, my children would have not been able to go to school. – Imelda Cervantes, MIARBA Secretary

When asked where she’ll be if not with MIARBA, Imelda Cervantes, one of the women leaders of the Minoro Isabel Agrarian Reform Beneficiaries Association (MIARA) and NOFTA said she may still be just working in the field, unable to earn enough to provide for her children’s education. Indeed, Imelda has come a long way from the past where she earned 70 pesos or less a day working as a sugar cane farm worker in a hacienda owned by wealthy sugar barons typical of Negros Island, hopeless and with no future in sight.

Imelda is just among the many women and men small agricultural producers and agrarian reform beneficiaries of the Negros Organic and Fair Trade Association (NOFTA) whose lives have radically changed through decades of development intervention of AlterTrade Foundation Inc. Her story is among the many stories of transformation of small producers who worked and organized themselves to collectively get out of the cycle of poverty. Their struggle on issues such as land ownership, food security, self-governance and empowerment as members of people’s organizations represents the struggle of agrarian reform beneficiaries in Negros Island in particular, and in the Philippines in general.

I. PROFILE AND BRIEF HISTORY

NOFTA’s roots: Engagement with AlterTrade

NOFTA was set up as an all-producers organization by partner agrarian reform beneficiaries’ (ARBs) people’s organizations and cooperatives of AlterTrade Group (then composed of AlterTrade Corporation, AlterTrade Manufacturing Corporation, AlterTrade Foundation Inc. and the Diversified Organic Enterprise Inc. (DOEI).The federation was originally composed of 16 ARB POs and coop partners of the AlterTrade Group in 2009.

Prior to the development of the Association, the partnership with AlterTrade was on a per PO basis with POs serving as suppliers. Starting in 1987, AlterTrade has partnered with the POs in the “Trade, not Aid” or people-to-people trade concept. The program aimed to provide livelihood opportunities for small producers in the sugar cane industry that suffered from the sugar crises of the 1980s and are to assume ownership of lands distributed by the government through its land reform program. Working within the framework of Fairtrade as a member of the then International Federation of Alternative Trade (IFAT) now known as World Fair Trade Organization (WFTO) , the POs were provided the much needed assistance in marketing of their product at fair prices. From the initial partnership with Japanese cooperatives, the trade eventually expanded to European Fairtrade market. Balangon bananas were traded with Japan while muscovado sugar found its niche in the European market.

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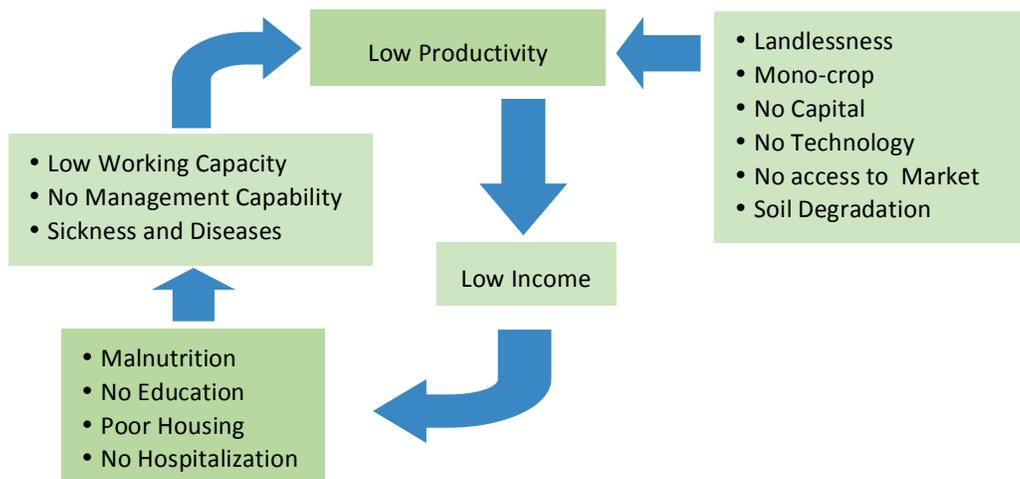
1994 marked the move towards organic agriculture with the partnership with Bread for the World, a German Protestant church-based development agency. The Bio-Organic Conversion Program provided technical assistance as well as financing and credit assistance to the PO farmers to provide capital for organic sugar cane production. Due to these efforts, AlterTrade became a member of the International Federation of Organic Agriculture Movements (IFOAM) in 1994 and later on, became certified by the European Economic Community, Naturland, BioSuisse and later the USDA.

ATFI's Intervention

Realizing the need to further empower the peoples' organizations, AlterTrade Foundation Incorporated (ATFI) was set up in 1997 to develop programs for the producers from the trade proceeds. It served as the social development arm of the AlterTrade Group. Building on the gains of the Bio-Organic Conversion Program, the foundation has evolved a program called Sustainable Agriculture for Sustainable Communities (SASC) as an overall development framework from which the POs are to be empowered as organizations through capacity-building and technical assistance in organizational and enterprise development. The programs were integrated in what was called Community Development Plan of the POs.

During the strategic planning workshop conducted by ATFI with the partner POs in 2001, they've identified what they called "the cycle of misery of Negros ARBs" illustrated below.

Figure 1. Cycle of Misery of Negros ARBs (Lifted from ATFI, 2013)



Land ownership was the major source of the problem. The transition from the hacienda system to the slow and oftentimes problematic agrarian reform has caused many of the farmers to be unproductive. However, it can also be claimed that landlessness and the eventual drive towards land ownership served as the initial glue that brought people together. For so long, Negros has been planted with nothing but sugar cane, thus, people's livelihood revolved around the cash crop so when the sugar crisis hit, everyone was clueless on what to do. Mono-cropping has also resulted to the continued soil degradation, a problem that affects productivity even up

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to today. They also had no source of capital to even start other forms of livelihood, no technology to rely on to increase productivity, and no access to market.

All of these resulted to people’s low income and poverty with men, women, and children suffering from malnutrition, poor housing conditions, no access to healthcare, and worst of all, no access to education that results to them being left on the margins because of the lack of skills and capacities. This became a cycle that affected generations of sugar farmers and workers all over Negros.

Women’s Situation in the Hacienda System

For the women, it can be said that their situation was even worse. They were in a disadvantaged position in the hacienda system. For those who were engaged in farm work, they were paid less than men. It was a policy in the haciendas that women and children earned less than their men counterpart by 50 to 75% for the same hours spent in the sugar cane field. A typical 24 hours of a woman working in the field is comprised of:

Table 1. 24-Hour Clock of Women in ARBs

Time	Activity	Notes
1:00-2:00	Waking up at 2 in the morning going to the hacienda to work	Those who are not in the hacienda at 2 am will have no work for the rest of the week.
3:00-6:00	Assembly time	
6:00-5:00	Working in the hacienda doing weeding, replanting, cutting of canes and others with an hour of break.	The workers get paid for 8 hours amount of work even if they had to be in the hacienda by 2am and leave by 5pm. 1 hour break for lunch
5:00-6:00	Walking back to their homes	They had to walk for about an hour from the hacienda to their homes everyday
6:00-7:00	Cooking dinner (usually just rice and dried fish)	Other times only salt and rice
6:00-9:00	Doing household chores and dinner	Laundry and cleaning
9:00-1:00	Sleep and rest	Rest and sleep for an average of 2-3 hours per night before going back again at 2 or 3 in the morning to the hacienda for work

This had grave impact towards women’s economic capacities where they were treated as dispensable in the productive sphere, thus, men took on greater roles and subsequently, forced them to be left at home earning nothing and taking care of children and the household. According to a member of MIARBA, “sa una ang ginagawa lang namin mag-anak lang ng mag-anak” (*Before, we do nothing except have children.*)

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For those who were not working in the field, they stayed at home involved in reproductive work and taking care of children. They were not educated about family planning and bodily control, thus, they had more children than they were capable of caring for. With no land to till, access to credit and capital to build on, women had no capacity to improve economically. The wages from farm work barely sufficed for food and had resulted to extreme poverty, hunger and malnutrition among children. The mono-cropping practice of haciendas also did not allow women to explore other sources of livelihood to complement the income of their husbands. They were dependent on the wages of their husband from the hacienda. This culture of dependency was proliferated in order for the farmers to have no empowerment whatsoever. Even during times of emergencies, when farmers got sick, they had to depend on the charity of the hacienda owners to access healthcare. The charity did not go free as debts of gratitude were cultivated and extra work was required for repayment.

Social participation was also very limited. Though there were notable woman leaders who have participated in political movements and unions, many women had not been as active in the community work and remained shut inside their houses. Thus, they made no attempt to change their situation. Added to this was their lack of education. In poor families, girls were given less priority in education, thus, most of them only finished some elementary. Men were in a better position having had the chance to finish elementary or to have some high school education. This was enforced by the patriarchal belief that women have no place in the productive sphere, thus, they have less need for education. As a result, women were less likely to access opportunities for development. One of the members of MIARBA expressed this more profoundly.

“Dati pag may pangarap ka baliw ka” (Before, when you have a dream you’re crazy), another MIARBA member said.

Problem-Solution Matching

From identifying the root causes of the problems, ATFI developed programs that specifically target the root causes of the abject poverty among the ARBs.

Table 2. Problem-Solution Matching (Lifted from ATFI, 2013)

Landlessness	→	Support to Agrarian Reform
Farmers’ Lack of Capital	→	Credit and CBU
Lack of Technology	→	Sustainable Agriculture
Low Management Capacity	→	Organizational Empowerment
Low-valued Products	→	Access to Product Processing
Limited Market Access	→	Linkage to Fairtrade and Domestic Market

AlterTrade first engaged with the POs through the Sustainable Agriculture for Sustainable Communities (SASC) program supported by the Bread for the World from 1995. Essentially, the program solidified the engagement of AlterTrade with the POs. The program has touched on various aspects of sustainable development such as community development

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planning, gender mainstreaming, sustainable agriculture, participatory trainings, production planning and feasibility study, credit access and finance management trainings, production implementation and monitoring, annual organic and Fairtrade inspection, harvest-postharvest planning/ implementation and annual evaluation and management trainings. From SASC sprang institutionalized programs that AlterTrade Foundation took on up to the present.

With a foundation that provides support services and with the problem-solution matching eventually led to the development of programs such as the Holistic Organizational Empowerment, Sustainable Production and Area Development Enterprises, and Credit Access and Savings Program.

Holistic Organizational Empowerment (HOE) is a “program on organizational development that empowers agrarian reform beneficiaries to manage their community resources including ecology, their production activities, their finances and investments, and strategic development plan. (Lopez, 2013). Major activities under the program include community development planning, sustainable management systems, project planning, implementation, monitoring, and evaluation, farm management systems, marketing strategies and planning.” (ATFI, 2013)

Sustainable Production and Area Development Enterprises (SPADE)) aims at “empowering agrarian reform beneficiaries on sustainable and organic farming technologies, and farm enterprises through participatory technology development, farmers’ field school, and cross-farm visits. This program involved activities such as agro-ecological farm systems analysis and planning, bio-organic conversion program / inspection and certification, organic soil nutrient management, crop production and harvest planning, diversified crop and livestock production, climate change risk reduction/ adaptation and mitigation, and farm equipment and enterprise development.” (ATFI, 2013)

Credit Access and Savings Program (CRASP) “provides access to affordable credit for farm production and enterprises and empowers the agrarian reform beneficiaries by enabling them to manage their project funds, build-up their own capital, accumulate assets and equipment, investment planning on farm-enterprises” (ATFI, 2013). To achieve this, ATFI provided technical support and capacity building for the installation of Finance Management System per ARB association, business planning / feasibility study, project proposal making, Accounting for non-accountants, savings and capital build-up, and annual finance audit of ARB associations. Aside from these, ATFI and NOFTA are also very heavily engaged in advocacy and networking which aims to propagate sustainable agriculture-organic farming and Fairtrade orientation among agrarian reform beneficiaries associations. Realizing the importance of local government engagement, NOFTA is active in its participation in LGUs’ local development planning, engaging government agencies in relevant programs (anti-poverty, organic agriculture, marketing and Fairtrade, peace and development, et cetera.

The intervention of ATFI is a combination of both transactional and transformational services.¹ While generally, SASC aims to ensure that the POs as supplier communities to

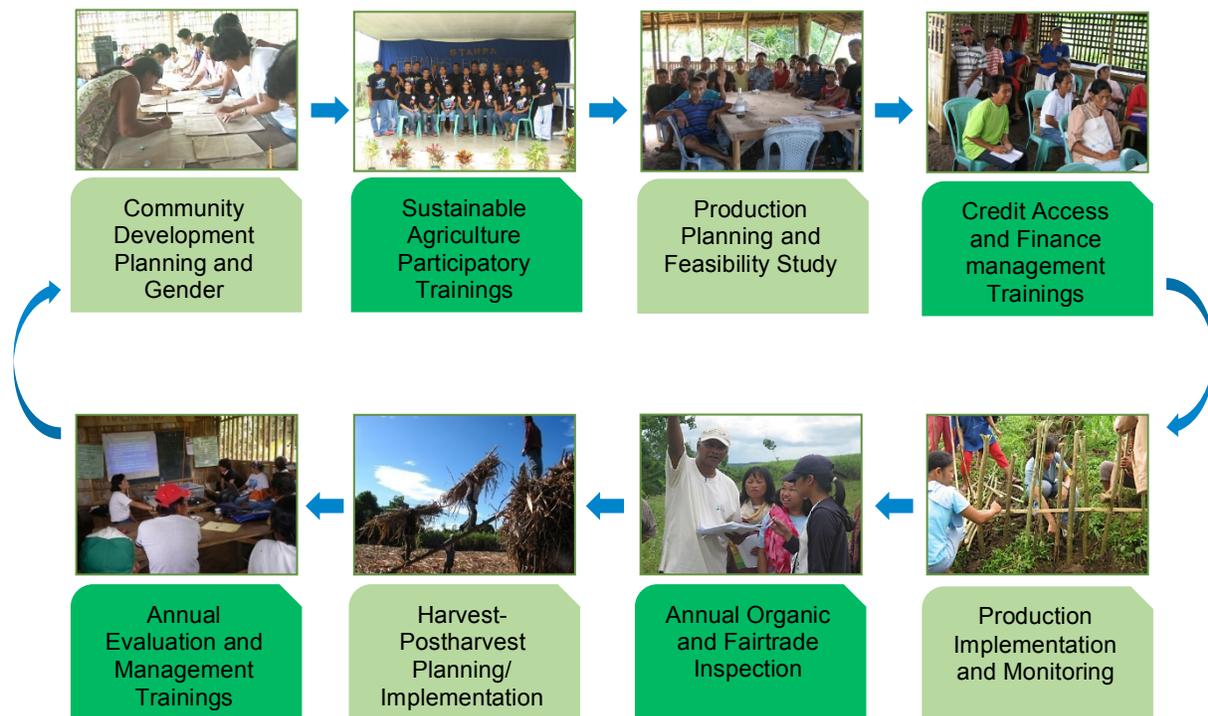
¹ Transactional services pertain to activities such as providing loans, demonstrating new technologies or conducting trainings that are necessary for the poor in the social enterprise system to effectively and efficiently perform their

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AlterTrade Group are well capacitated to do their part of the deal i.e. produce and supply the required volume for the value chain to work, ATFI was also consciously developing the organizations and its people toward empowerment. This is evident in how the programs are directed toward all aspects of development needed to raise the POs out of poverty: financial through the credit program, economic infrastructure and agricultural systems and technology through SPADE and organizational development through HOE.

Figure 2: Sustainable Agriculture for Sustainable Communities Program Components and Flow



(Lifted from ATFI, 2013)

Conscious Gender Program

Alongside the interventions is a conscious gender and development program that recognizes women as equal partners in development. This was done through gender trainings and orientation, participation of women in leadership trainings, capacitating of women (as much as men) in the technical aspects of operations, involving women in decision-making, and developing training and other modes that cater to their needs and interest i.e. livelihood training and product diversification efforts. The results of the training and their learning are then applied

transactional roles as workers, suppliers, clients and owners. Transformational services pertained to sustained capacity development efforts including leadership and organizational development, asset build-up and providing education and experiential learning opportunities, to empower the poor as conscious stakeholders in overcoming their poverty situation and becoming partners in pursuing change in their community/sector and society as a whole. (Dacanay, 2013, p.245-246)

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to the community development plans where they, as organizations, develop plans that benefit both men and women members. Throughout the process, men and women equally participated in the capacity-building program of ATFI.

ATFI data on its capacity-building program from 2008 to 2014 show that 1332 small producers, 570 women and 762 men participated in capacity building programs geared towards developing their skills and knowledge to become effective workers, suppliers, and/or clients. These programs include lakbay-aral, livelihood training, orientation on standards and police, orientation and training on organic and sustainable agriculture technologies, and financing. In terms of capacity building program towards building/improving their capacities for self-governance such as training on participatory community development, leadership and management, basic bookkeeping and accounting, business and development planning, a total of 546 were trained, 252 women and 294 men. Capacity building of the poor towards increasing/improving their asset base training, 685 women 929 men with a total of 1614.

II. IMPACT ON WOMEN ECONOMIC EMPOWERMENT

“Ang role noong una, nung nasa hacienda pa, ang babae nasa bahay naglalaba, yung ibang babae naman nagtatrabaho sa tubuhan, sa hacienda. Pero ngayon ang mga nanay, may right. Tummitindig na din sila sa kanilang mga karapatan. Kung ano ang karapatan ng lalaki, karapatan din ng babae. Kaya din ng babae yung kaya ng lalaki.”(*The role before in the hacienda system, women were in the house washing laundry. Other women worked in the sugar cane fields. Nowadays, mothers have rights. They stand on their rights. Whatever rights men have are also afforded by women. Women can do what men can*). – Erlin Samulde, STARFA

Though ATFI dealt with a mixed-group of men and women PO members, ATFI was conscious that the local economy development approach they used has to consider concerns and interests specific to women. This resulted to the development of women members alongside the men members of the POs and coop members. ATFI was conscious that in order for development to happen, women and men members have to have equal access to resources and economic opportunities. In the capacity development components of SASC, men and women members were given equal access to training, credit, and other such resources to support their livelihood. Even if the sugar can industry is one that is labor-intensive and engage more men in the farm work than women, ATFI involved both men and women in the processes.

There was also an apparent consciousness of equality in participation and in decision-making. As a result of decades of empowerment program of NOFTA POs, women’s issues were brought to the fore. Series of gender training among POs have made them realize how women should be able to fully take part in the undertakings of NOFTA and its POs. The democratic and participatory approach to organizing of the POs and NOFTA has also led for women to take on leadership and committee roles based on their interests and capacities. As a result, women leaders are able to bring the fore, issues and concerns of the women members of the cooperative. Organizing of women a group within the cooperatives and POs, is an expression of the impact of developing leadership among women.

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STARFA WOMEN'S GROUP



In STARFA, a women's group was started in December 2015 to provide economic and livelihood opportunities for its women members. The group claims to be the first Women's Group set up by the PO in NOFTA. The group's Chairperson Erlin Samulde who is also an officer in STARFA wanted to share the skills she has in baking, juice making and others from her training organized by the Mother Consuelo Asian Rural Institute (MCARI).

"Kasi bale ang plinano ko na matayo tong women's group kasi sayang yung alam ko mga nalaman ko sa malayo na lugar kagaya ng Thailand kasi parang opportunity ko na magtulong. Siguro mission ko din kasi ako matanda na, 60 na, senior citizen na. Gusto ko yung mga mas bata pa, sila na yung magpatuloy para yung mga gawain na ganyan marami pa ma-involve, hindi lang dito sa Sta Rita." *(I planned to set up the women's group because I wouldn't want the skills I learned from far places such as Thailand to go to waste because I thought it would also be an opportunity for me to help. I thought maybe it's also my mission because I'm already old, 60 ad already a senior citizen. I want those who are younger than me to continue what I started doing for them to be involved not just those in Sta. Rita.)* - Erlin Samulde, STARFA

In 2006, she had the opportunity to train on baking and juice-making with MCARI and they started a livelihood program around it. However, it did not prosper because it was far from the market and the women felt insecure going to and from the center passing through a sugar can field where they fear someone might harass them along the way.

Through STARFA, she was able to access loan to set up the Group's livelihood that includes baking bread and pastry, and calamansi juice and concentrate making. ATFI and NOFTA assisted with the preparation of the proposal. She was able to purchase the equipment for the livelihood with an initial capital of PHP 70,000.00, through a loan payable within a year.

She was able to bring in other women who are not STARFA members to learn baking and juice making and earn extra income from the sales of their products. At first the women were hesitant because they thought Erlin wasn't really knowledgeable about it.

"Nung una mahirap din, kasi akala nila sakín nagmamarunong, nagpapasikat, nagpapashowtime. Kasi ano siguro ayaw nila maniwala kasi hindi nila nakita. Hindi nila akalain na magawa ko yung ganyan. Kasi yan yung kalamansi tsaka mga jam hindi nagsikat yung paggawa namin niyan." *(At first it was also difficult because they thought I was just bragging and being*

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showy. Maybe because they haven't seen me do it, they did not think I could do those things. Because when we first attempted doing those juices and jam, it was not successful) - Erlin Samulde



Because STARFA is near the elementary school, they were able to supply juice and bread to the canteen. Whenever there are occasions such as birthdays, basketball games or even wake, they are also able to supply juices. There are also no other bakeries in the village so the market is secured.

Currently, the group is composed of 10 women members. Some of them used to be housewives who had nothing to do except to take care of the kids or as some joked, make babies, while some were sugar farm workers who wanted to explore other sources of livelihood.

When members asked about their motivations in joining the group, most of the women said they wanted to learn something new. One of the members said she wanted to learn in order for her to gain the experience which she can use when she decided to set up her own business.

Coaching is a very crucial element the group's dynamics. Erlin Samulde acts as the trainer-supervisor of the group backed by her years of expertise in baking and juice-making as well as her natural business acumen having been involved in small scale ventures such as selling of cooked meals, barbecues, and other goods when she was younger. The members take turn to serve their duty usually about half a day each to give time to their work at home or in the field while Erlin works in the shop fulltime.

As a group, they meet every Sunday to discuss issues and concerns regarding the operation of the business. They also engage business and marketing planning which the members find very useful and exciting to them. They also try to discuss issues at home that affect their work because some of them have husbands who are not fully supportive of their decision to work. Still, there is so much optimism among the members. During the discussion about children, one of the members noted that.

“Noon madami mag-anak. Ngayon hindi na kasi 1 child 1 million ang budget para sa food, shelter, education. Mahal na mag-anak.” (Before there were many children. Nowadays, not anymore because a child requires 1 million budget for food, shelter, education. It's expensive to have children.) - Norma Segovia, STARFA



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This, along with any other awareness on women's worth and their empowerment are reflections of how STARFA, within the development framework of NOFTA and ATFI, has been able to provide women their much needed support to empower themselves economically and socially. Bodily control, family planning, women's rights and economic empowerment were not part of their vocabulary prior to their participation to STARFA's endeavors. The women's group has also become a support group for women to take on new roles, especially in the leadership of the cooperative.

"Sa akin lang kaya nga ini-encourage ko yung mga babae, kung may kakayahan sila mag-go sila. (Kung) manalo siya (sa election), mas maganda. Ini-encourage ko sila kasi siguro kaya naman nila yun na mag-manage, about sa planning, kung anong gagawin." (As for me, the reason why I'm encouraging the women, because if they have the ability, they should go for it. If they win the elections, that's even better. I encourage them because I think that they are capable of management, planning, the things that need to be done) - Erlin Samulde, STARFA

Erlin plans to expand the business and hopefully, recruit more women to become members of the group.

NOFTA as a collective have also come up with gender-responsive policies and subsequently, ventures and investments. The diversification of products of the POs have positively resulted women's economic empowerment. Women members are able to expand their income source through developing individual and collective livelihood programs. This was supported by the capacity-building efforts of ATFI and NOFTA. It is also notable that while women are as engaged as men in the sugar cane production, the diversification of products has become suitable for women members because they are able to engage in gardening and planting of other crops which profits contribute to the household income. The proceeds from the production are also more likely to be appropriated to the family's basic needs such as food, clothing and education of the children, which results to greater impact to the households and families.

Among women members, they have noted that as result of their increased economic capacities, they are able to exercise freedom of choice in terms of the economic activities they would engage in. This is in relation to the diversification of income sources. Before, they are only able to get income through sugar cane farm work. But now that they are engaged in other income sources such as livestock production, rice production and others, they are able to control their time allocation among these income sources. Because of the relative control over the use of their time, they are also able to allocate time for relaxation, entertain and socialization, things that they would have not imagined before.

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Imelda Cervantes: A Woman Leader



Imelda “Naming” Cervantes has been a woman leader for several decades. After becoming MIARBA’s founding secretary in 2002, she also held key positions within its partner organizations: as Treasurer for NOFTA in 2008, Member of the Board for AFTI and Treasurer for SEED. She is currently MIARBA’s Secretary and Bookkeeper.

Naming’s duties in MIARBA keep her days busy. *“Bawat linggo, may meeting, seminar. Kung titingan ko, mostly yung time ko andun sa labas,”* she said. (“Every week, there’s a meeting, seminar. If you look at it, most of my time is spent there, outside.”) But for Naming, the extra effort is worth it, as she was able not just to provide for her family, but to inspire other women in her community as well.

Before she joined MIARBA, Naming was just like every other woman in the hacienda, who did not have any other income and learning opportunities outside of farm work. She and her husband only had a .60-acre plot to call their own, which was given to her husband by the hacienda owner.

Naming recalled: *“Noong hindi pa natayo ang MIARBA, sa bahay lang ako nag-uuma ng lupa. Parang hindi mo naman makikita yung income kasi yung mga product namin from palay, kino-consume namin. So kung may excess, binibenta and binabalik lang ulit na panggastos.”* (Before MIARBA was established, I was only farming at home. You do not really feel the income, because our palay products, we end up consuming. If there’s excess, we sell and [the profit] is used for expenses.)

As a high school graduate, Naming received more education than other women in her community. This is probably why her peers always saw her as a leader. In 1982, she headed the women’s group of the Youth Organization of farmer’s children. She was among the organizers of NFSW. She was also a member of IFAWU, the workers’ union that preceded MIARBA. *“So yung mentality ko nasanay sa organizing work,”* she said. (“My mentality was geared towards organizing work.”)

However, it was in MIARBA where Naming was truly able to hone her leadership skills. There, she was exposed to various capacity-building activities. For trainings, she was even able to travel extensively outside of Bacolod. *“Minsan, merong mga seminar sa Cebu, Iloilo, Davao, and Manila. Naglakbay-aral ako sa [South] Korea,”* she said. (“Sometimes, there are seminars in Cebu, Davao, and Manila. I went on a study tour to [South] Korea.”)

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Initially, Naming received no honorarium as a MIARBA officer. But through the organization's block farming initiative, she received additional sources of income – she was able to harvest corn, and acquire, ducks, goats, pigs, and a carabao. Later on, she and other MIARBA members started receiving regular dividends from their income from sugar cane production.

Through their different income streams, Naming and her husband were able to send 5 children – four boys and 1 girl – to school. Three of them were able to graduate from college, and one is already working in Taiwan. Their youngest son is only two years old.

Education is Naming's top priority for her children. *"Yung dividend at ang lahat ng nakukuha naming dito sa MIARBA pati yung sahod ko napupunta lahat yan sa eskwelahan,"* she said. ("The dividends and everything we get from MIARBA, even my salary – it all goes to school [expenses].") This year, her eldest plans to go back to Senior High to finish his studies. She is still also looking forward to sending her 2-year-old to school.

Naming now hopes to inspire and empower other women farmers by establishing a women's support group within MIARBA. She observed that some women in her community were business-minded, but they're hesitant to participate because of lack of time and confidence. *"Parang ginagapos nila yung mga talent nila na ayaw nila i-explore,"* she said. ("It's like they're holding back those talents that they don't want to explore.") She hopes to start a livelihood program, as well as provide them opportunities to socialize and take a break from grueling farm work.

"Dapat may part naman ng buhay nila na makarela, at the same time magkaincome," she said. ("There should be a part of their life where they can relax, and get income at the same time.") Naming concludes. *"As women, dapat ma-support sila sa community."* ("As women, they should be supported by the community.")

POs also adopted policies of "Equal Pay for Equal Work" improving women opportunities for income and rectifying past unfair plantation terms of 75% to 50% less pay for women. These efforts resulted to the improvement of women's opportunities for income and improving their entitlements in the households and the organization. Child labor was also prohibited in the POs. Instead, children of PO members are engaged during summer in activities where they are able to be exposed more in sustainable agriculture. The children are engaged in making organic fertilizers and gardening. They also get to be exposed to PO activities which members deem necessary in order to ensure that they will be able to develop the next generation of leaders from among their children. Part of the POs income is also allocated as scholarship fund to ensure that the children get the proper education that most of the members did not get to have when they were young.

Ultimately, norms and attitudes about gender in community have changed. Women's position in the community improved. Whereas in the haciendas of the past, women were limited to household chores, under the community development projects women's situation were improved through gender equality orientation, adoption of "equal work and equal pay" policy,

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and including women in trainings and capability-building. Women are elected to responsible positions in the organization, production and community. In the household level, sharing of reproductive chores among men and women is practiced and encouraged.

In a nutshell, women economic empowerment is expressed in the different spheres of women's lives. At the individual level, women have started to recognize the need to take care of themselves. Women have expressed that they are able to engage in activities that increase their self-esteem and bolster their self-confidence. Simple anecdotal evidence of this are women engaging in recreational activities they have not had the chance of doing in the past such as having free time to socialize with other women in their neighborhood, having access to entertainment and leisure such as watching television programs that provides them relaxation and shopping for undergarments. This newly-found freedom for self-actualization is rooted in the women's increased choice of economic activities they undertake. Whereas in the hacienda system, their only choice was to either work in the field or stay at home to take care of their children, women nowadays are engaged in different livelihood activities that they want to do and have the skills and capacity to accomplish. Some are into gardening of vegetables and root crops, others are into livestock and poultry production, others are making baked goods, juices and sweets while others still chose to do part-time work in the field while doing a combination of other activities. These livelihood opportunities were made possible by the capacity-building efforts of the POs with the support of NOFTA and ATFI, the access to credit and capital through the coops/POs lending business and the support of the coop to women-led enterprises. As earning members of the community as much as men, they are treated equally in matters that relate to the organization and the community as well as in running the enterprises of the co-op as in the sugar business.

ERLIN SUMALDE: Livelihood as Legacy

In her 22 years as a member of STARFA (SPELL OUT), Erlin Sumalde has been a constant role model to other women members of the organization. She served as STARFA's Auditor in 2005 and ran for a seat in the Board in 2012. Her most recent undertaking in the group is one which she hopes to become her legacy: organizing and heading the STARFA Women's Group.

Through the Women's Group, Erlin is helping women farmers earn extra income through livelihood training. She hopes to be able to teach them new skills, and to encourage them to become future leaders in the community as well.

Erlin has always been resourceful. When her children were still little, she had to stay at home while her husband was at work, so she found ways to make ends meet. "*Nag[benta] ako ng mga pagkain na luto tulad ng mga nilaga, yung ulam, tapos yung mga suman, mga kakanin, tinitinda yung mga barbecue, ayan yung pinapangtustos ko sa mga anak ko,*" she recalled. ("I sold food like *nilaga* and other dishes, also *suman, kakanin*, I sold barbecue,



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that's what I used to support my children.") She also made and sold handicrafts.

Prior to joining STARFA, Erlin was also a member of other cooperatives. Through her personal experience, as well as her learnings those previous groups, she was able to learn invaluable organizational skills.

She said: "Noon... parang wala pa akong takot kasi di ko pa nga alam kung paano. Ngayon nung nandun na ako [sa STARFA], nung nalaman ko na ganyan pala yung isang organization, kailangan siguro meron kang lakas ng loob at saka takot sa Diyos." ("Before, I wasn't afraid because I didn't know [how things went]. Now when I was already there [in STARFA], when I learned how the organization work, I guess you had to have confidence and fear of God.")

Erlin is now 60 years old, and she remains active as ever. She's not slowing down anytime soon; still, she feels that it's high time for other women to step up and be leaders in the community as well. "Ini-encourage ko yung mga babae, kung may kakayahan sila, mag-go sila. Kasi siguro kaya naman nila yun na mag-manage ng parte about sa planning, kung anong gagawin," she said. ("I encourage the women, if they have the skills, to go for it. Because I think they have the capability to manage the parts about planning, how to go about it.")

Through her continued work in STARFA, Erlin hopes to pass on everything she's learned to other women farmers. "Gusto ko ba na, parang meron pa akong dagdag din; siyempre nanggaling ako doon; may nakuha at naintindihan ako na [dapat] i-share din. Para ma-continue yung gawain na panggrupo," she said. ("My wish is that I have more to contribute; of course I came from there; I was able to gain and understand [things] that I [have] to share. So that we can continue to objectives of the group.")

On the level of the household, the indicators of development shown by the members include ensured food security of the household. This is done through the engagement of women in other forms of economic activities (diversified products) that diversify the family's income source. This supports earlier findings that women who are economically empowered have the ability to contribute to the development of the household more because they are more aware and attuned to the needs of the household and prioritize these needs over other concerns. It is also shown in the education of the children. Women members have reported to allocate their income such as dividends and wages to their children education as investments for their household's future. They also have more awareness of the cost of having children as when asked to compare the difference for the number of children in the household from the past to the present, they reported to be more conscious of having fewer children because having more has real cost. One of the members said that a child has to have a budget of PhP 1,000,000.00 to be properly fed, sheltered and educated. This shows that women are as much of a decision-maker in the household as men are where they are able to engage in the productive sphere, because economically, it makes more sense, and where they are able to engage their husbands and children more to share the reproductive work because they too are working as much as their husband.

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On the level of the organization and community, the drive towards diversified income has been recognized by the POs and has been institutionalized in the PO level through women-led groups. This results not just to the earning of extra income of the enterprising members, but the employment of other women who may not necessarily be members of the cooperative. The move is also strategic in terms of ensuring that the empowerment of women is not just contained within the organization but overflows to the community as well. Also, women hold key positions in the cooperative. They serve as secretaries, treasurers, and board of directors. Some women are hired as bookkeepers of the POs as well. They also lead initiatives on gardening and other livelihood programs of the cooperative and the POs. They participate, as much as men in the capacity development programs that range from leadership development, technical and agricultural, community development, financial, and livelihood and skills development. Overall, the organization recognizes women as equal partners of development and affords the same rights and privileges as men are in terms of wages, benefits such as government-mandated benefits, capacity development, and access to credit, technical assistance, and other such aspects. Going beyond this is the recognition that women have specific concerns and interests that are catered to by organizing women's group as part of the POs organizational structure.

As a result of the intervention, women are able to manage their own time based on their interests. A 24-Hour clock of a typical woman member of PO post-hacienda would look like these:

Table 3. 24-Hour Clock of Women

5:00 – 6:00 am	Waking up and preparing breakfast
6:00 – 8:00 am	Household chores: feeding livestock, watering plants, cleaning the house while tuned in to the radio or TV
8:00 – 11:00	working in the block farms doing weeding, replanting, cutting of canes and others with an hour of break. Other women are engaged in gardening and livestock raising in their own homes While other women officers and staff of the POs go to their offices
11:00 – 12:00	Preparing lunch at their respective homes
12:00 – 01:00	Lunch
01:00 – 02:00	Rest (watching television, napping)
02:00 – 05:00	Doing household chores (laundry, cleaning) or attending to livestock and farm work. Those engaged in baking and juice making would report to their duty station for their shift
5:00 – 7:00	Preparation of dinner while watching to TV or listening to the radio
7:00 – 8:00	Dinner
8:00 – 9:00	Family/ entertainment time

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9:00 – 10:00	Personal time
10:00 – 5:00	Sleep

Development of POs

NOFTA as a group has been able to accomplish so much to empower ARBs. They were able to provide jobs/employment. Diversified Crop Production Projects (on sugarcane, livestock, legumes, fruit and vegetables) have increased job opportunities for ARBs, because the project holders themselves perform farm labor. This time there are also labor needs for the other new crop/ livestock production. This was extended even to neighboring farms.

Notably, the engagement of ATFI with the POs also resulted to leadership development among PO members. Training of leaders in strategic planning and in management/ monitoring of the projects became essential for the success of the development of the POs. Leaders who had low formal education became confident in managing and leading the development activities of their PO and community. This was achieved through participatory workshops and mentoring.

The development of ATFI partner POs resulted to the formation of NOFTA (Negros Organic and Fairtrade Association) that is recognized by FLO International. Thru NOFTA formation the POs have accumulated capital of P2.5M. In the PO level, the implementation of community projects and/or services has caused the holistic development of the partner communities on the financial-economic, ecological and social aspects. Partner POs have also established their own training facilities, postharvest facilities for rice, coffee et cetera, as well as facilities for livestock growing. POs have accumulated farm equipment, tractors and postharvest trucks that improved their productivity. POs have also accessed community services such as potable water, electrification, farm to market roads.

In a report in 2013, NOFTA notes achieving great results on poverty reduction. Using the National Statistical Coordination Board (NSCB) 2009 statistics, a family of five needs P4,869 per month or P 58,428.00/year to fulfil total food needs, and P7,017.00 per month or P84,204.00 per year to keep out of poverty. Among NOFTA’s PO members, 69% or 452 Households are food sufficient or have crossed the poverty line and 31% or 211 Households are still moving towards the poverty line. Based on the discussions in FGDs, members from MIARBA and STARFA MPC have also expressed achieving some milestones in their development.

STARFA MPC, through establishing scholarship funds were able to graduate 10 of their members children into becoming teachers, police, engineers and agriculturists. The scholarship scheme is also being continued with other children of coop members hoping that the next generation will succeed them. In terms of lifestyle, members have expressed having improved. Notable among the participants in the FGDs are the purchase and use of appliances in their households such as electric fan, washing machine, and gas stove. Some of the participants have also started to do some renovations to their house which in the past resembled a “kubo” or a hut, but are now semi-concrete. These home improvement efforts are credited to the income they get from their wages and dividends from the coop and income from their own diversified produce. Others attribute these improvements to their working children whose education were supported through their income from the POs. Some members have also invested in motorbikes

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that they use when going to the market and for general mobility. These notable improvements in the lives of women and men members are results of the conscious efforts of ATFI and NOFTA to help themselves out of the cycle of poverty.

Recognition NOFTA POs as model block farms

SRA is currently developing block farming as a tool to increase productivity in the sugar industry. Its administrator recognizes that even before they launched the block farming² as a program, NOFTA and its POs have been engaged in block farming or communal farming for almost two decades now.

“Actually nasimulan niyo na yang block farm na yan (NOFTA). Communal farms nila sa AlterTrade yun na. Yung ang pinaka-concept actually. At saka successful na. Yung MIARBA, isa sa mga una.” *(Actually NOFTA has already started block farming. The communal farms of AlterTrade, that’s it. That’s the concept actually. And they’re already successful. MIARBA is among the first.)* - Dr. Doreta A. delos Santos, Dept. Manager III, Research Development and Extension Department (Visayas)

SRA even harps on the successful implementation of the communal farms in NOFTA’s POs when some groups doubt its effectiveness. NOFTA PO’s communal farms serve as model farms that other farmer groups can visit to learn about the process of block farming.

“Kaya yung mga ibang block farms nga namin medyo may mga inhibitions pa sila to go into block farms, to go into communal farming, yung sinasabi namin, we have successful block farms already. So actually, mini-mention namin ang naano na ng ATFI. Oh gusto niyo pwede tayo magvisit dun para at least maenlighten namin sila. Kasi may mga apprehensions sila.” *(That’s why those groups that still have inhibitions to go into block farming, into communal farming; we tell them that we have successful block farms already. So actually, we mention what ATFI has already accomplished. We tell them we can visit the block farms to enlighten them because they still have apprehensions)* - Dr. Doreta A. delos Santos, Dept. Manager III, Research Development and Extension Department (Visayas)

Development of NOFTA as secondary association

Starting in 2005, the Annual PO Conference that AlterTrade Foundation Inc. organized served as the venue for the development of NOFTA. The conferences were held to foster learning exchange among the POs and AlterTrade, and to exercise a consultative decision-making process for programs and plans that concern the POs. The themes of the conferences reflected the evolution of the partnership between AlterTrade and the ARB POs.

In 2008, a year before NOFTA was set up, the Fairtrade Subgroup or FTSG was organized under ATFI which members are composed of PO representatives. “The Fairtrade Subgroup (FTSG) within ATFI became the training and testing ground for PO partners to independently plan, and implement a Collective Business Project using their share of the fair

² Block farming consolidation of small farms or less than 5 hectares, into a bigger but contiguous unit of at least 30 hectares for purpose of production cost efficiency.” (SRA Brochure, 2016)

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trade premiums from Mascobado trading. The FTSG organized and delegated this task to a Collective Business Project Committee (CBCP) on July 31, 2009” (Dacanay, 2013, p. 54)

The 2009 conference became the venue where NOFTA was formally organized. ATFI created a committee on September 28, 2009 in order to spearhead the preparation of organizational documents for the establishment of NOFTA. The committee was chaired by Imelda Cervantes from MIARBA and the members were Rommy Noble of AMANO, Lito Estama of NARB-MPC, Ramir Rivera (SIPFAWA) and Torino Tomaro of STARFA. The all-producers association was established after two months of workshops gathering all the PO representatives. The founding General Assembly of NOFTA was held on December 14, 2009 in the Congregation of the Immaculate Conception of Mary (CICM) Retreat House in Talisay City, Negros Occidental, attended by 109 delegates of the 16 POs.

The first General Assembly witnessed how the representatives from the POs decided on important matters relating to the association. Several amendments were introduced to the draft constitution and by-laws including the membership to NOFTA be opened to small producers practicing organic farming that are not ARBS; membership not be limited to small producers' organizations in Negros Occidental but to the whole of Negros Island; for partnerships not be limited to government agencies but be open to NGOs and private institutions as well; and lastly that NOFTA should “develop a successful inter-PO production and trading system.”

“NOFTA was serving not only as a vehicle for representing the voice and vote of small producers in AlterTrade’s multi-organizational social enterprise system. It also served as their vehicle for self-governance and empowerment, as actors in their own development and transformation.” (Dacanay, 2013, p.35)

Move to Self-Governance

In 2011, ATFI, then the mother organization of AlterTrade Group split from the group.³ The split was prompted by various factors, but at its core were ideological issues of ownership, self-governance and diversification. NOFTA took over the task of marketing.

Left without the booming export market they’ve grown to rely on through AlterTrade Corporation, NOFTA had to fend for themselves and explored possibilities of developing local market. The idea of setting up NOFTA Fair Trade Haus was borne out of this necessity but also, out of the belief in self-governance that has been within the frames of discussion in the group since the setting up of the FTSG in 2008. Admittedly, the split resulted to some setbacks in the growth of the PO members and NOFTA itself. Leaving behind an established market and a working system was not an easy thing for NOFTA and ATFI to do.

NOFTA’s move toward self-governance may have been rough at first, but through time, they were able to go back on their feet. It also served as a period for NOFTA to reevaluate its mission. Banking on the principle that empowerment should come from the people themselves,

³ AlterTrade Foundation who then served as the mother unit of the group went back to its role as a support institution to the POs as was originally envisioned in its establishment in 1997. The difference however is that it does not function under the AlterTrade Group but side by side NOFTA. ATFI also returned the group’s assets to ATC to prohibit any legal issues with ATC.

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NOFTA was able to also expand and regain membership to the association as prescribed by the amendments in their bylaws. This time however, consistent with its move towards diversification, it has tapped membership from farmers' groups that are not involved in the sugar industry. Two more clusters were added to the already existing clusters, A and B for sugar cane producers. Cluster C is composed of farmers groups from the protected areas in Kanlaon that are into vegetable farming and rice production and Cluster D is composed of groups from the protected coastal areas and communities in Southern and Northern Negros. NOFTA has taken back, in terms of number, what it has lost during the split.

New members of NOFTA from the Kanlaon Environmentally Protected Areas are Bunga Enterprise Development Association (BEDA), Barangay Igmayaan Farmers Association (BIFA), Yubo Upland Farmers Association (YUPA), Cabagnaan Active Producers Social Enterprise Association (CAPSEA). Their membership was approved in the 2014 General Assembly. As of December 2014, NOFTA is composed of 13 PO Members. In total, there are 729 individual members from the 13 POs, 418 of which are men and 311 are women.

NOFTA Fair Trade Haus

NOFTA Fair Trade Haus was set up to serve as the association's marketing arm. Fair Trade Haus was conceived out of the necessity to accelerate its marketing efforts building on the gains of the CBCP on business development. At the moment, the marketing efforts of NOFTA in terms of sugar are secured with the Sugar Central buying most of its produce. However, NOFTA Fair Trade Haus is envisioned to take greater role in marketing by tapping into the domestic and international market for muscovado and centrifugal sugar. The initial steps undertaken toward this goal include the rebranding of the muscovado as well as networking efforts with Fairtrade Marketing Organization-Fairtrade Philippines, FLO-CERT and One Negros Organic Producers Association (ONOPRA) in the local level.

NOFTA was tapped to be part of the Philippine Rural Development Program (PRDP), a government program funded by the World Bank that aims to develop and boost agricultural value chains in the Philippines. Negros was identified for sugar (muscovado) production. NOFTA was able to comply with the requirements but still waits for the next steps in the project.

III. VALUE CHAIN ENGAGEMENT AS STRATEGY

NOFTA is currently engaged in two main businesses

1. Cane purchase to conventional milling/market
2. Tapping the local market for diversified products through ONOPRA

Cane supply to conventional milling/market

Even during the engagement with ATMC, 90% of the sugar cane of NOFTA POs go to the conventional sugar central. They do not receive Fairtrade premium as they used to in the previous engagement with ATC, however, supplying 100% of their produce to conventional sugar central has brought in additional income to them. Because of the more advanced technology in the La Carlota Sugar Central, the mill is capable of 80-95% juice extraction

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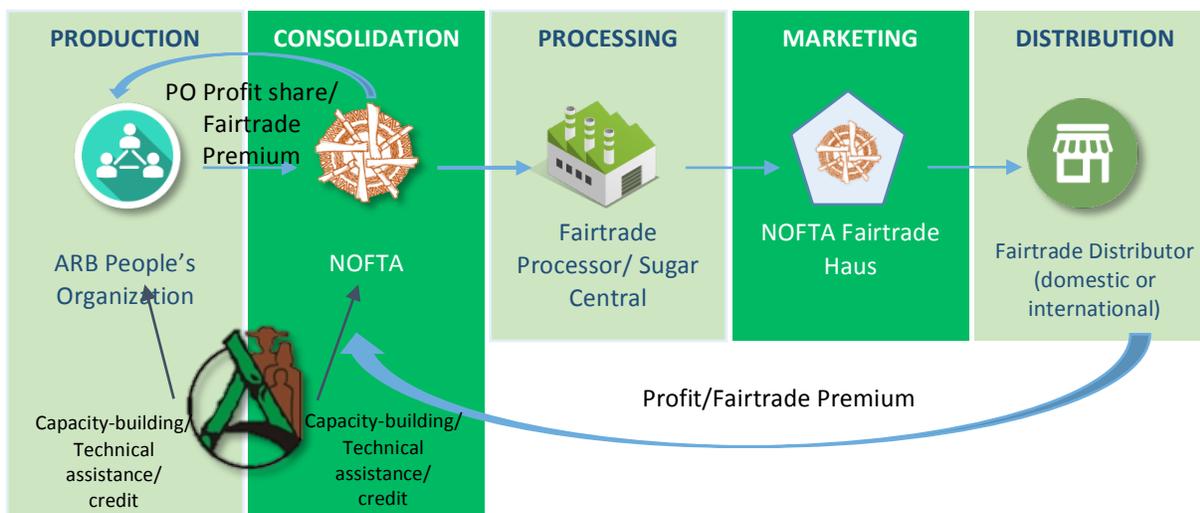
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compared to the ATMC's milling capacity of 75%. The members of the group also benefit from additional income from the production of molasses and the *quedan* business.

In 2009, the Collective Business Project Committee (CBCP) was organized to develop collective business projects using the POs share in the Fairtrade premium. The committee engaged in the *quedan* system practiced in the conventional sugar mills particularly in La Carlota Central. *Quedans* are payment for the volume of sugar produced from the sugar cane delivered in liter per kilogram or lkg. In the past, financiers would buy the issued checks from the farmers who find it inconvenient to go to the bank to cash in the checks. The consequence is that the financiers deduct 10% service charge from the payments made. Realizing how predatory the system became, CBCP took over the task of buying the checks from the farmers with lesser service charge of only 7% which profit is then returned to NOFTA to reinvest in the ARBs farms and enterprises. Having observed that there is very little risk involved in the business and having successfully negotiated with the bank to accept second-endorsed checks, the business is continued up to today with NOFTA Business Development Committee being in-charge.

Sugar Cane Value Chain

Figure 3. NOFTA's sugar value chain



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The illustration above shows the sugar cane value chain of NOFTA. Women are as involved as the men in the industry. The value chain is generally divided into five steps: production, consolidation, processing, marketing and distribution.

Production - The ARB POs and coops are responsible for the production of sugar cane. The production stage involves processes such as land preparation, agricultural input preparation, planting, fertilization, harvesting, and cutting and loading. From these processes, both men and women are very much involved. However, some tasks are actually given more to women. These tasks include trash mulching or trash filing which is covering the field with the sugar cane leaves for composting and to preserve soil moisture, cutting of cane points or the main agriculture input for the sugar cane, weeding and cleaning, and *raton* which is replanting cane points along the gaps in the field. Women and youth are also involved in the organic fertilizer production. NOFTA's total sugarcane fields are 323.92 has, with a total yield of 13,025.44 TC/year that produced 33,090.35 lkg/year or 1.654 MT of sugar. Some areas of the production are organically certified through the Peer Guarantee System (PGS) put in place through ONOPRA and Fairtrade certified via FLO-CERT. Organic third party certification was halted due to the cost. NOFTA POs farms have 25-75, 50-50 and 60-40 ratio in the use of organic inputs and synthetic fertilizers. PO members said that though the goal is to make the production more organic, they have to balance it out with the income as pure organically-grown sugar canes have lesser yields, thus less income for its members. ATFI provides NOFTA and its members support services in the technical assistance and capacity building in the production as well as the marketing of its products.

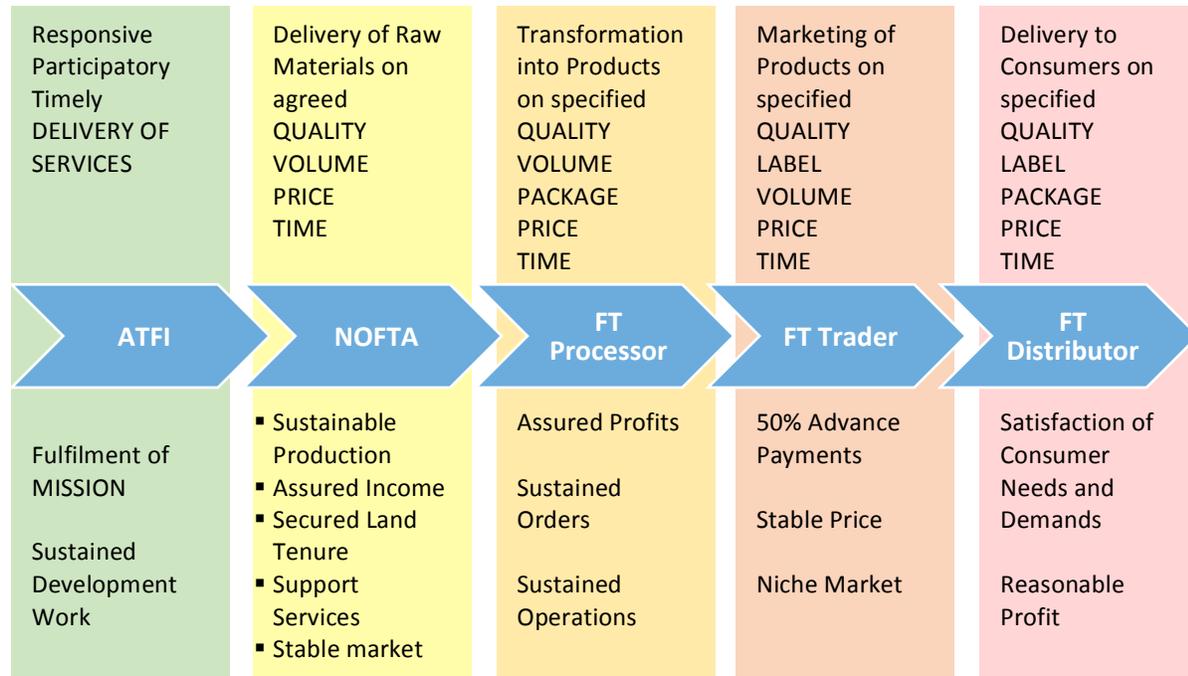
Consolidation and Processing – NOFTA takes on the role of consolidation. NOFTA also represents the 13 POs as a planters' association and negotiates with sugar central management in behalf of the POs for better sharing arrangement. NOFTA is also the one engaged in the quedan business. The processing is done in the sugar central. It is hoped that in the near future, NOFTA will be able to establish its own processing facility.

Marketing and Distribution – NOFTA Fairtrade Haus has been issued business permit to engage in the marketing of muscovado and centrifugal sugars domestically and internationally. Part of its task is to network with Fairtrade distributors to carry their product. NOFTA is a member of the Fairtrade Marketing Organization-Fairtrade Philippines. It has also maintained its membership to FLO-CERT that provides them assistance in tapping muscovado market in Germany.

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Figure 4. Tasks and responsibilities of the players in the value chain



The chart above illustrates the tasks and responsibilities of the people and organizations involved in the value chain. The value chain works on clearly defined terms and conditions, and trust among the stakeholders and value chain players. The inability of one of the players to fulfil its function can cause the whole value chain to fail.

Minoro-Isabel Agrarian Reform Beneficiaries (MIARBA)



As with agrarian reform beneficiaries, members of the Minoro Isabel Agrarian reform Beneficiaries (MIARBA) experienced so much hardship under the hacienda system. Hacienda Isabel was then owned by Fausto Jalandoni, which was later subdivided to his two sons Carlos and Gil Jalandoni. In the 1980s, the now progressive CLOAholders were only able to receive seven pesos and twenty centavos for men and three pesos

for women for a day's worth of work.

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A day's worth of work means that they have to be awake at around one in the morning to report to the hacienda by two or three, otherwise, the workers would not be able to work for the whole week.

"Part yun ng policy ng may-ari ng lupa, so dapat magising ka ng maaga para makapunta ka dun sa center ng hacienda para makakuha ng trabaho" (*It was part of the landowner's policy, so you have to wake up early to report to the hacienda center to work*), Imelda Cervantes.

Because of the unfair treatment in the hacienda, sugar farm workers struggled and formed a group in the 1990s under the guidance of NFSW or the National Federation of Sugar Workers. They were educated about their rights as workers. "During that time, the organization had a 6-hectare cooperative that planted rice. Due to the armed confrontations between the insurgents and the armed forces, the cooperative failed" (MIARBA Profile).

In 1992, the failed cooperative was resurrected as HIFAWU or the Hacienda Isabel Farm Workers Union. However, HIFAWU was plagued with issues linking them to the left. In 1995, the organization decided to become independent and shunned any group from intervening in their affairs, particularly those connected with armed groups. In 1998, the hacienda was covered by CARP via compulsory acquisition and the beneficiaries got their Certificate of Land Ownership Award. However, they did not immediately get claim the CLOA because among their neighbouring haciendas, those who claimed individual ownership, more often than not lose their lands back to the hacienderos.

"Dito sa amin, pinagplanuhan naming kung paano itake-over yung lupa kasi yung total beneficiaries ng Isabel is 133 yung nasa CLOA" (*In Isabel, we planned how to take over the land because in Isabel, there are 133 beneficiaires listed in the CLOA*). - Imelda Cervantes.

In 2002, AlterTrade came to Isabel and introduced their program to MIARBA. At first, they did not enter into partnerships with AlterTrade having learned from the past partnerships they went into. Later on, MIARBA became a full-fledged partner of ATFI. They were able to avail credit for rice production in 2002 and credit for sugar cane production in 2003. ATFI also provided them assistance in strengthening the organization.



"Tinuruan nila kami kung paano maggawa ng vision, mission, mga planning, lahat lahat" (*They taught us how to come up with vision, mission, how to do planning, everything.*) - Imelda Cervantes.

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From the first milling in 2003 where they relied on volunteerism to get things done, MIARBA has come a long way. In that year, they each received 1523 as individual dividend. They also started to build their capital. Fifty percent of their income was allocated for CBU. When their income tripled, the ration of CBU to dividend became 40/60.

As the organization grew, they also started to formalize their operations and organization. In 2004, they registered as an ARB in the Securities and Exchange Commission. In the same year, from the CBU, they were able to buy a truck. In the next years, they were able to afford a six-wheeler truck, tractors, and other additional farm implements through loans from Oikocredit.

Through their partnership with ATFI, ATC and ATMC, they were able to receive Fairtrade premium starting 2007 which they used to finance further development not just of their organization but of the community. They invested in electrification of their community as well as in building farm to market roads.

Members of MIARBA reported that their quality of life has improved. Living standards have changed radically in their neighbourhood. Houses in the old days are made of light materials such as nipa, bamboo and coco lumber. Nowadays, members have been building their homes out of concrete materials with homes partially or semi-furnished.

From the dividends they receive annually, members were able to send their children to school, something they would have not ever think of being able to do.



“Noong di pa kami organisado, hindi kami makapaaral. Ngayon na nasa association na, marami na iba-ibang kurso yung mga anak ng members. May mga professionals na. May pulis, may engineer, may mga teachers. Malaki na improvement sa community” (When we weren’t organized yet, we were not able to send our children to school. But now that we’re part of the association, our children are able to take different courses. There are already a lot of professionals. There are police officers, there’s an engineer, teachers. There’s huge improvement in the community).

Additionally, the organization has developed mechanisms to help their members in need especially in cases of emergency, indebtedness and others. Livelihood programs such as the diversification of products, livestock raising and other programs are also being implemented to lessen the members’ dependence on sugar cane alone. They have also set up their own milling facility, and rent our threshers and tractors to members. During Christmas and New Year, they have also shared their blessings to the less fortunate in their community. They have also organized the youth members into an association

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with their own credit facility. Realizing that women make almost half of the membership, there has already been plans to organize women as well.

Because of their legal identity as an association, they also started to receive offers both from government and non-government entities. They were able to access funds for electrification, farm to market roads and even scholarships from government agencies and international development agencies.

The welfare of the members is also being catered to because MIARBA provides for their members' monthly contribution to social welfare facilities of the government such as SSS and PhilHealth. The elderly among the members are receiving monthly pension of PhP 1200.

“Sa akin ang impact ng MIARBA sa kabuhayan naming ngayon, talagang angat na. Kasi noong una, yung asawa ko trabahador lang sa hacienda. Pagadating ng MIARBA, nagkaroon din kami ng oportunidad, nakaavail kami ng dividendo, kaya yung pamumuhay namin may improvement. (For me, MIARBA’s impact is in raising our living standards. Before, my husband used to work in the hacienda. When MIARBA came, we were given opportunities, we availed of dividends. These are the reasons why there’s improvement in our lives). – Lea, MIARBA member

MIARBA’s story as an organization is something that a lot of ARBs can learn from. As a collective, they were able to change and improve their living standards gradually. They grapple with issues as a group and decide on matters collectively. Their leadership is composed of women and men who share the same passion for people and community development.

“Sa kabuuan, naempower kami kasi noong una, takot na takot na sa tingin lang ng amo. Pero ngayon pwede na kami makipagnegotiate sa mga bangko, kahit sa anong mga ahensya, pwede na. At saka yung mga babae, noong una yung mga babae sa bahay lang, nagaalaga ng anak, mnagluluto, yun lang. Pero ngayon andito tayo. (As a whole, we were empowered because before, we were afraid of our masters. Now, we are able to negotiate with banks and other agencies. And the women, before women were just inside their homes, taking care of their children, cooking, that it. But now we’re here). – Imelda Cervantes

Diversified products

Aside from the sugarcane as their main crop, NOFTA farmers implemented diversification of crops. They are also engaged in the production of rice, root crops, fruits, livestock, et cetera. The move towards diversification was borne out of the necessity to diversify the source of income of the POs which for the longest time, have been reliant on sugar cane.

“Sugarcane lang dati. Ang ATFI nagrecommmend samin na magtanim ng ibang products at ibang source of income, poultry, livestock. Nagpapaloan siya sa mga partners na nagangailang ng project para i-capitalize at suporta sa pagmanage ng business.” (Before, we were just planting sugarcane. ATFI recommended that we also plant other products and explore other income sources such as poultry and livestock. They also offered loans to partners that

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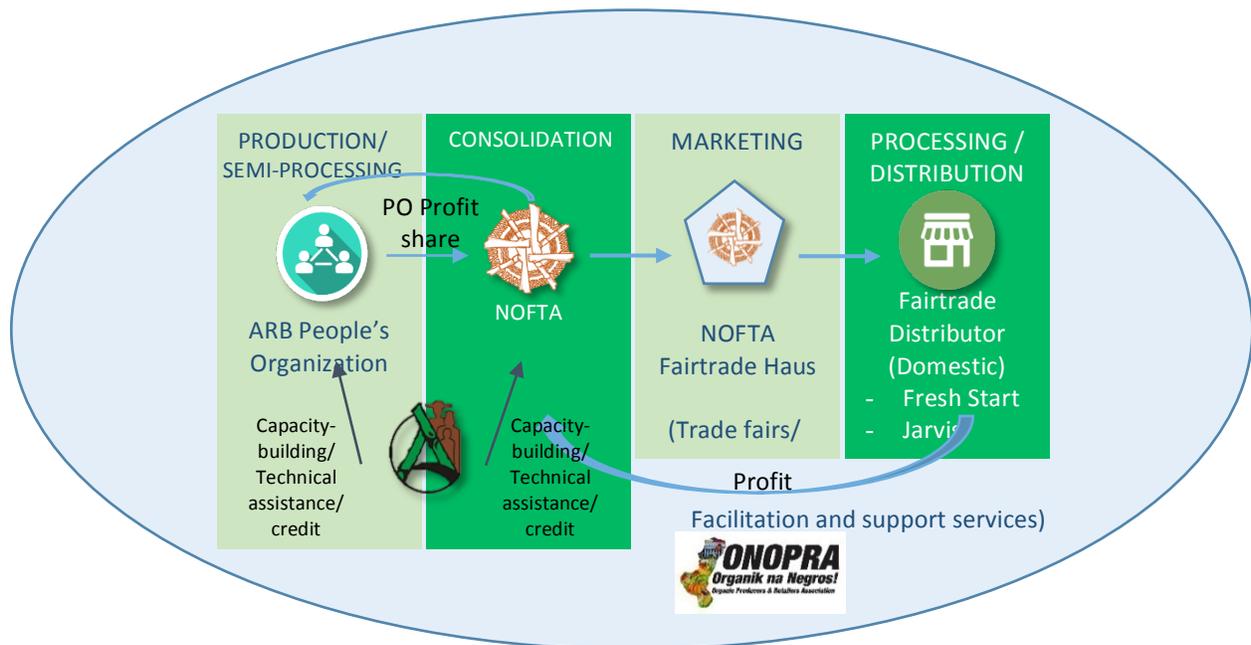
needed capital for projects to support the management of the new business ventures. - Imelda Cervantes, MIARBA

The diversification efforts are expressed in their community development plan.

“From the start meron silang community development planning. So makikita mo dun sa plan na part ng kanilang systems from mono-cropping kung papano sila magallocate ng area nila for rice, legumes. Nasanay din kasi sila nung time na nagpapacertify sila na kailangan nilang magtanim ng legumes sa tubuhan nila. Pero ngayon halos nagdedecide na sila ng pure crop na sa isang area may mani lang tapos may saging tapos may native na manok.” *(From the start, they do community development planning. The plan reflects that part of their systems from mono-cropping, how they will allocate areas for rice, legumes. They also got used to the time that they underwent certification that they needed to plan legumes in their sugarcane field. But now, they just decide to plant peanuts in one area and then there’s native chicken) - Analyn G. Escanes, ATFI*

Diversified Products Value Chain

Figure 5. Diversified Products Value Chain



The development of value chains was seen as the needed next step to accelerate organic agriculture in the island. The development of value chains was targeted towards greater participation of the upland farmers in the domestic market when traditional markets are not seen as good venues to sell organically-produced goods because they are undervalued.

“In 2006, right after nung signing ng MOA, tinayo na yung kalat na producers and retailers yung ONOPRA para makadevelop ng mga value chains para sa mga producers lalo na yung sa

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mga small farmers. Ang aim is for the small upland farmers, pano ma-integrate yung production nila with the urban market. Parati kasi ano eh pag mga weekend market sa bundok, ang problema walang discrimination yung organic and non-organic, pare-pareho lang presyo yan. Ang tawag namin doon tagbo.” *(In 2006, right after the signing of MOA, individual retailers and producers setup ONOPRA to develop value chains for the producers especially the small farmers. The aim is for the small upland farmers to integrate their production with the urban market. What usually happens is that when there’s weekend market in the field, the problem is there’s no discrimination between organic and non-organic, the prices are the same. We call that tagbo.)* – Benedicto Q. Sanchez, ONOPRA

ONOPRA also observed that most of those that are interested in organically-produced goods are urban-based thus, there is a need to connect the producers to the market. Weekend market was seen as the main strategy towards this. ONOPRA organizes the weekend market as well as the Organic Trade Fare during the Panaad Festival. This form of niche marketing is seen as advantageous because in terms of profit, small producers are able to earn more from the weekend market compared to the trading in traditional market or through tagbo. In the case of NOFTA, the consolidation of products from the POs let them achieve economies of scale to trade more products.

Individual POs have also engaged in processing of their products to add more value. However, ONOPRA observes that raw materials sell faster in than the processed ones.

Halimbawa yung sa case ng NOFTA, ang mga buyers nila urban-based retailing outlets so there's a FreshStart may Mace Garden, Puro Organic, yan mga ONOPRA members yan, Jarvis, tapos ang nangyayari dyan, yung primary producers, binibenta sa ONOPRA members, tapos nag-aadd on value ang mga buyers. Halimbawa Jarvis gumagawang pesto kasi hirap naman na ini-expect yung farmers gumagawa ng pesto. *(In the case of NOFTA, their buyers are urban-based retail outlets so there’s FreshStart, Mace Garden, Puro Organic, members of ONOPRA as well, Jarvis. Then what happens is, the primary producers, they sell to ONOPRA members, and then the buyers add value. For example, Jarvis makes pesto because it’s quite difficult to expect farmers to make pesto.)* – Benedicto Q. Sanchez, ONOPRA

Inter-PO Trading

It is also through NOFTA that inter-PO trading was made possible. Because of diversification, the different goods produced by the POs are traded among themselves. Usually, the POs source out raw materials from other POs which they process into other products. Examples of such exchange raised in the FGDs are HECARBA - Hacienda Esperanza Communal Agrarian Reform Beneficiaries Association selling calamansi to Sta. Rita Farmers Multi-Purpose Cooperative STARFA MPC which STARFA MPC Women’s Group processed into calamansi juice concentrate. The exchange is based on the fact that some areas in Negros are better off growing a certain kind of crop than in other areas.

“Na-facilitate siya dahil sa NOFTA. Ang NOFTA naguusap-usap sila saang product sila kukuha at kaninong area. Parang may exchange ng product. Halimbawa sino yung walang rice, sa mga areas na upland na walang irrigation, yung merong rice, siya yung nag-susupply din sa ATFI ng staff at saka sa NOFTA.” *(It was facilitated through NOFTA. NOFTA members discuss*

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among themselves where they can get certain products from whose area. There's essentially a product exchange. For example, those who have no rice, especially those from upland areas without irrigation, those that produces rice, they are the ones who supply to ATFI staff and NOFTA). - Ms. Thelma Guanzon, ATFI

IV. OUTCOMES AND IMPACT

Results of sugar cane production

Sugar cane production remains to be the top income source of NOFTA. Based on the financial data of NOFTA, in 2010-2011, the collective net income of POs is at PhP 43.6M with a gross sales income of 68.78M. From the total sugarcane production alone, the partner POs in 2011 to 2012 earned a total net income of P 39,323,417.56. From this income, they were able to distribute PhP 25,856,627.49 worth of dividends to CLOAholders. During the same period, they have also provided labor incentives worth P 1,950,339.32 to non-CLOAholders. In terms of Capital Build-up (CBU), POs collectively saved PhP 6,404,067.27 aside from acquired farm equipment, tractors and postharvest trucks. They were also able to pay land taxes worth PhP 691,175.97 and land amortization PhP 1,755,194.77 for year 2010 to 2011.

In 2012, the annual gross sales of the POs was PhP 28.533M with an annual net income of PhP 8.765M. The annual income from sugarcane was PhP 34, 891,44 per hectare and the annual production capital was PhP 19.552M. In 2014, 90% of ARBs' sugarcanes are milled as centrifugal raw sugar and are marketed domestically as table sugar and as ingredients for food processing. NOFTA is also exploring the potential to tap into Fairtrade centrifugal sugar market.

Fair trade premium

NOFTA started receiving Fairtrade premium starting 2007. Starting in 2008, NOFTA through ATFG effectively negotiated with NOFTA to increase the PO's share of the premium from 20% to 30%. As a group, they've also decided that out of the 30% share, 50% was allocated for POs, 40% for a business project and 10% for administration.

Table 5. Fairtrade Premium Received by NOFTA

Milling Year	Fairtrade Premium Received
2007	PhP 2.2 M
2008	PhP 1.8 M
2009	PhP 1.2 M
2010	PhP 1.51M
2011	PhP 2.2 M
2012	PhP 2.59M

(US\$ 80 / MT Muscovado)

Each General Assembly, the POs report on how they used the Fairtrade premium for as expressed in their Community Development Plan. In 2013, the POs reported that the Fairtrade premium they received were used for the following:

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- lending to members for their needs
- electrification of the houses of the members
- funds for rice production
- training center renovation
- purchase of computer
- construct a pension house for women project and it was used for the visitors
- acquired a welding machine
- built an office separate from the training center
- bridge and road repair
- construction of housing for cows/livestock project
- sugarcane production
- construction of solar dryer and warehouse
- repair and maintenance of truck
- Repair of post-harvest facilities
- spent for the Annual general assembly meeting
- established a tank with deep well for safe drinking water and for diversification (vegetable production)

The POs benefited substantively from the Fairtrade premium as they were able to develop programs and services that directly benefit their members. Observable in the list above are the provision of basic infrastructure such as roads and electricity. These are social inclusion services that should have been provided by the state but was taken up by the POs. Some of the funds also are reinvested into income generating projects such as sugar cane, livestock and rice production and on technologies that support its operation. Particularly important is the investment into training facilities that reflect how important training and education are to them as learning organizations.

Results of diversification

During the Negros Organic Festival, our members grossed a total of P65, 000.00 sales, while in the PANAAD Festival the NOFTA Booth garnered P 40,000.00 in sales. There were orders for NOFTA products due to our participation in the organic festivals. In 2015, the combined profits of NOFTA from the Weekend Market and its supply Fresh Start, Puro Organics, Maya's Organic Garden, and Jarvis Gourmet Food was 275,725.25.

Food security and self-sufficiency

The diversification of products has also resulted into the farmers' self-sufficiency. Individual members of NOFTA are able to achieve food security and sustainability not just through the increase in income but also because of diversification. Sugar cane production is done in communal farms with prescribed hectares in order to achieve the required volume. However, the setup has also provided for a certain area, usually less than a hectare, where individual members are able to plant and produce other crops such as organic rice, vegetables and fruits. While NOFTA also engages in the marketing of vegetables, rice, root crops and fruits, there is no specifically required volume for the farmers to produce so they are able to decide

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how much of the total yield are they going to sell and how much of it is for household consumption.

A case study on STARFA MPC by Makita (2016) illustrate how the move towards diversification while maintaining sugar cane production in organically and Fairtrade certified communal farms can provide opportunities to maximize income-generation in the household and the cooperative level.

Makita (2016) notes that “In the case study of a co-operative consisting of land reform beneficiaries in the Philippines, the members have over time reached different phases of livelihood diversification – for survival, for the transition from survival to accumulation and for accumulation – whereas the nature of diversification depends primarily on factors other than organic and fair trade certification. She furthers that “this case study suggests two general conditions under which agricultural certification can be used successfully in parallel with other diversified activities. First, beneficiary producers need to have an obvious reason for continuing both certification-supported farming and other diversified activities. Second, there should be some mechanism for enabling certification-supported farming to be compatible with other economic activities. When these two conditions are offered, certification-supported farming can contribute to beneficiaries’ overall livelihood strategies. The operation of communal land with organic and fair trade certification seems to be an effective form of assistance to land reform beneficiaries who share a strong desire to be landowners.”

Sta. Rita Farmers’ Cooperative

As with most ARBS, Sta. Rita Farmers Multipurpose Cooperative was organized because of agrarian reform and their common goal of land ownership. Under the hacienda system, the now members of the cooperative used to earn 60 to 70 pesos a day.



“Nabuo ang STARFA dahil sa hacienda system noong una, dehado ang mga workers. Kailangan listo palagi. Ang kita 60-70 pesos lang per day. Nagplano ang mga workers na makakuha ng lupa. Nag-organize para maging association, nag-negotiate sa may-ari na maka-posisyon sa lupa.” (STARFA was formed because in the hacienda system before, the workers were in a miserable situation. We have to be quick

all the time. We earn 60-70 pesos a day. The workers planned to claim the land. We organized to become an association and negotiated to position ourselves in the ownership of the land).

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From the initial efforts to organize in 1994, 24 women and 36 members formed the association. The negotiations with the land owners resulted to a rental agreement with the workers. They then asked for the assistance of DAR and DAR helped them to subcontract. At first they registered as an association with the Securities and Exchange Commission but they later registered as a cooperative with the Cooperative Development Authority with a belief that the new organizational form affords them better access to project funding and government support.

At the initial years of establishment, the association developed a five-year strategic plan. As with most associations, they lacked the capital to put into action the plans that they developed. They looked for funding opportunities from non-government organizations that support people's organization and that's when they got acquainted with AlterTrade. Negros Ecumenical Development Center (NEDC) helped them write the proposal to AlterTrade. They were granted 350,000 for sugar cane production.

In 1995, they became part of the Bread for the World program under AlterTrade Corporation. From their initial venture in sugar cane production, they established a sharing scheme comprised of 45% capital build-up (CBU), 30% members dividends and 25% organizational fund (for education, training, emergencies). From the associations

CBU, they were able to buy their first asset, truck. Later on, the CBU from the sugar cane production would be responsible for other assets that they have such as the thresher, tractor, and the building of the center/office that houses their operation and activities.

With 20 hectares of sugar cane, they were able to produce 500-700 tons of sugar cane which they then supply to AlterTrade Manufacturing Corporation (ATMC), the processing unit of the AlterTrade group. The can purchase rate of ATC then was 500 per ton which later on increased to 700 tons. With little assistance on the production side, STARFA's income was just small. Their income from the initial venture was around. PhP 300, 000.

ATFI Intervention

In 1997, AlterTrade Foundation was set up. According the group, it was then they started to receive technical assistance which resulted to greater productivity and higher income.

“Malaki naitulong ng ATFI kasi tinuruan nila kami ng cultural management, organic farming, fertilizer production. Yung mga staff, mga agriculturist nila nag-training sa amin.” (ATFI was a big help because they taught us cultural management, organic farming, fertilizer production. Their staff, their agriculturists are the ones who trained us).



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Aside from the agricultural practices and techniques, AlterTrade also trained them on the organization aspects. STARFA members and officers were trained on financial management and recording, cooperative organizing, community development planning and leadership. From a project partnership that started in 1994, they eventually became full organizational partners of the AlterTrade Group. They started engaging in planning, they were able to develop recording systems and became more transparent in their operations. Notably, the members' income also increased. From the increase in the income of the cooperative, the CBU and the members' dividend also increased. They were also able to set up a lending scheme for members who need money for their concerns. From an initial capital of PhP 60,000.00 pesos, the lending business has grown to PhP1, 009,000. STARFA charges 2% interest per month on loans. The officers reported that repayment is good because they set the members' CBU of 25,000 as collateral.

They also started to explore other income sources other than sugar cane production. Because of the efforts for diversification, they looked into rice production and vegetable production as their sources of income. The technological assets that they acquired through time also became



source of income through rental. Because their members are engaged in rice or vegetable production, they would charge their members for the renting their equipment. For the hand tractor, the rate is 2200 per hectare; tractor is 11,000 per hectare, thresher- percentage from the earnings, and irrigator, PhP 60.00 per hour. They've also set up a trucking service where they charge 300 pesos per ton

Results

From the initial 30% share of member's dividend in STARFA's income, the dividend is now 70% of the coop's income while 30% is allocated to the CBU. The coop also pays for the members SSS, PhilHealth and other government mandated contributions ensuring that they are able to get pensions when they retire and have medical insurance when they get sick. Those that avail of loans from the lending business also receive patronage refund. Additionally, the coop donates 3000 pesos to the family of the members who pass away.

Aside from the increase in the individual income and diversified sources of income and other benefits, the coop has also set up a scholarship fund for the members' children. The group said that it was considered a priority because they wanted to prepare the next generation to become educated as most of their generation had not been. It was also seen as a step toward preparing their children to take on the baton once they have all gone. There is a total of 19 scholars supported by STARFA. In return, during summer, the scholars help out in the cooperative particularly in gardening and organic fertilizer production where they immerse in the work of the coop members and experience for themselves the work that is put in to send them to school.

From hacienda to coop

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The coop members noted of the many changes that occurred from the time that they were under the hacienda system up to now that they are close to owning their lands.

In terms of income, there has been a dramatic increase. They used to earn 50-70 pesos a day. AT the moment, they receive an annual dividend of PHP 10,400. They have also changed the system where women received less than men in terms of labor.

At the household level, members reported that under the hacienda system, they could not afford buying fresh fish; instead, they would be satisfied with tuyo or dried fish. Members have also reported having the capability to buy their own vehicles such as motorcycle or jeepney. In terms of housing, they used to live in huts under the hacienda system, but now, they are able to build concrete houses with the essential appliances such as refrigerator and washing machine. Some of the members even own karaoke/videoke system they used for entertainment. Most notable change is their capacity to send their children to school.

“Sa una di ka makaeskwela. Elementary lang natapos noon. Ngayon hanggang college na. May professionals na. May mga trabaho na. May mga maestra na, may agriculturist, may fine arts (graduate) na, may architect.” (At first we were not able to go to school. We only finished primary school. Now, we are able to send our children up until college. There are a lot of professionals who are already working. There are teachers, there’s an agriculturist, there’s a fine arts (graduate), there’s an architect).

The coop has also been able to ensure that its members have a hundred percent food security as a result of the efforts to diversify production. Because the members are not just dependent on their wages from their work in the sugar cane farms, they are able to develop other forms of livelihood such as rice and vegetable production, livestock, poultry and others. The main purpose is to produce for the need of the household and the surplus in production is sold through STARFA and NOFTA in organic weekend markets.

Women’s role in the community has also dramatically changed. From the time where women are either left at home tending to kids or working in the farm receiving lower wages, women have played integral role in the development of the community and the cooperative.

This empowerment is reflected in the organization’s recognition of women as equal partners in development. Two women are part of STARFA Board of Directors and four are in the coop’s staff. The women’s group was also established late last year with their own officers. The group is engaged in several livelihood activities such as baking, calamansi juice making, and jam making that are sources of income of STARFA women members and other women in the community.

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V. ENABLING AND DISABLING

Enabling

Recognition as Planters Association

NOFTA was able to assert their position in the Sugar Central by being recognized as a planters' association. They effectively negotiated with the management to increase the planters' share in the sugar production.

“Ang ginagawa nila sa ngayon ay pumasok sila sa cane purchase, sila yung nag-nenegotiate sa management sa Central na dati ang share dyan ay 64% planters, 36% yung Central. Dahil pinasok nila ang usapin ng cane purchase, nagkaroon na ngayon ng scheme na 69% sa planters and 31% sa Central. Yung 1% ng 31 n yan ay binabalik sa NOFTA so nagiging part siya ng source of income NOFTA.” (They are currently engaged in cane purchase, they are the ones who negotiate with the Sugar Central to increase the planters' share. Before, the sharing scheme was 64% go to the planters and 36% to Central. Because of the negotiations, the scheme now is 69% for the planters and 31% for Central. The 1% of the 31% goes back to NOFTA as part of its income sources) - Analyn G. Escanes, ATFI

The recognition of NOFTA as a planters' association resulted to the negotiated sharing scheme, an internal arrangement between NOFTA and the Sugar Central management. The negotiation was effective because NOFTA is able to consistently produce large volumes being supplied to the Sugar Central.

Negros organic ecosystem

The diversification efforts of NOFTA are supported within a framework of an organic Negros. Negros Island has prided itself as Asia's Organic Food Bowl and Philippine's Sustainable Energy Capital. In 2005, the Governors of Negros Oriental and Negros Occidental created a pact to develop the whole Negros Island as an organic island. In practice, they wanted to increase the percentage share of organic production from 10% to 12%.

This pact led to the creation of Organic na Negros! Organic Producers and Retailers Association (ONOPRA) where NOFTA is a member.

“ONOPRA...was formed in 2006, 2005 ang dalawang governor nagsign ng MOA making Negros Island organic food bowl of Asia. Oriental Occidental and then the following year yung mga kalat-kalat na producers and retailers nagsama-sama to form ONOPRA kasi may kanyakanyang individual initiative.” (ONOPRA was formed in 2006. In 2005, the two governors signed a MOA making Negros Island Organic Food Bowl of Asia. Then the following year, different producers, and retailers came together to form ONOPRA to consolidate their individual initiatives). – Benedicto Q. Sanchez, ONOPRA

Since 2000, civil society organizations have been engaged in organic agriculture promotion through the annual organic trade fairs called Negros Choose Organic. However because the efforts were CSO-led, funding is not always sufficient. The interest from the local

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government was a welcome development in the organic agriculture promotion in the whole of Negros Island. Civil society groups from the Negros Choose Organic Program agreed to take part in the government-led efforts and dubbed themselves as Sustainable Agriculture 12. NOFTA/ATFI is among them.

“Ang point dito nararamdaman ang mixed economy. Yung state and private business and civil society nagtutulungan. Dati-rati kasi magkakaaway yan, state versus CSO, ngayon, we're learning how to dance together.” *(The point here is that mixed economy is being felt. The state, private business, and civil society are helping each other. Before they were enemies, state versus CSO, now we're learning to dance together).* – Benedicto Q. Sanchez, ONOPRA

The organic ecosystem, put in place through the cooperation of civil society organizations, private sector and businesses, with the support of the local government unit, enables an arrangement where small producers such as NOFTA is able to participate in a thriving market where organic produce are valued higher through niche marketing. The supply chain within ONOPRA members illustrates NOFTA's desire to not just rely on sugar cane as a cash crop but to actually provide other income streams to its PO members ensuring ecological balance within the members' farms, economic viability and income and food security for the individual members. An additional result of diversification is NOFTA's considerable contribution to local economy building and the promotion of sustainable communities through organically produced diversified products.

Peer Guarantee System (PGS)

Third party certification for organically-produced goods was seen as a very resource-consuming process. Since the goal of ONOPRA was to promote organic farming through education on the standards of organic farming, they also took on the role of certifiers or guarantors for the produce of its members. This is done through the peer guarantee system or organic certification.

ONOPRA has developed a pool of inspectors from among its members that implements PGS. The system is simple.

Kung baga, ONOPRA has to take the bullet na siya mag-guarantee. Pero para magawa yun kailangan i-institute yung second party guarantee system. (In essence, ONOPRA has to take the bullet as a guarantor. To do that, there's a need to institute second party guarantee system. – Benedicto Q. Sanchez, ONOPRA

PGS is currently being used to certify vegetables and rice. Inspectors check on different factors for a farm to be certified such as soil fertility and metal contents, see sources (non-GMO), farm design (no monoculture), recycling, pesticides and fertilization (no synthetic), existence of insect life, water systems et cetera. The certification is valid for every cropping year and monitoring and surveillance is conducted to ensure that the members abide by the prescribed Philippine National Standards throughout the cropping.

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Disabling

Land Ownership Issues

The security of tenure of the CLOAholders remains a major challenge for the POs growth. Women's recognition as co-owners of distributed land puts them in the sideline of agrarian reform movement which they have continued to fight for as much as men.

Government

In 2011, AFTI and NOFTA received a grant from the Department of Agriculture for the setting up of a community-based milling facility to be owned and managed by NOFTA. The first half of the fund was released and the initial phase was setup. However, when NOFTA submitted the report for the first phase and requested for the second tranche of the funding, they were not able to receive any feedback and the funding was discontinued due to unknown reasons. The mill is left unfinished up to this day. The setting up of community-based milling facility would have given NOFTA the much desired PO-led operations and processing. NOFTA has also been tapped to be part of the Philippine Rural Development Program (PRDP), a government program funded by the World Bank that aims to develop and boost agricultural value chains in the Philippines. Negros was identified for sugar (muscovado) production. NOFTA was able to comply with the requirements but still waits for the next steps in the project.

NOFTA's Road Ahead

NOFTA's immediate plans include the following:

- Mainstream Fairtrade in Negros to include more ARBs in the development and poverty reduction program
- Develop processing capability of producers through community enterprises, such as, farm-based muscovado mills, unpolished rice mills.
- Diversify production towards coffee, cacao, rice and livestock production and food processing at the farm level and establishment of value chain for each product.
- From sustainable communities, proceed to develop local economies at the municipal and provincial level to achieve broader results in poverty reduction and sustainable people's development
- ATFI is p strengthening of the basic pillars for local economy development through a dynamic partnerships with key stakeholders

With the establishment of NOFTA Fair Trade Haus and their involvement in Negros organic and local economy development, PO and individual members are optimistic about their future. They may have had some falling out in the past and they may have experienced losing some of their markets, but NOFTA knows that these challenges are but temporary. With the immediate plans in place and a direction they were able to set for themselves, NOFTA and its POs are hoping to engage more ARBs into the model of development they were able to develop. NOFTA's story is proof that engaging the poor in agriculture value chains, with the provision of transformational services and constant and focused monitoring and support services, poverty can be transcendent.

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Lessons Learned

Several lessons can be drawn from the experience of NOFTA.

1. For a value chain to work there should be a strategic complementation of players in a supply chain, sharing common vision and goals. This is especially important when dealing with business enterprises. Social enterprises should deal with business enterprises that understand the dynamics of people's organizations and cooperatives. Inclusive businesses are the kind of business enterprises that are supportive of social enterprises.
2. For a value chain to contribute to social development it should empower marginal producers by building their capabilities in processing and trading, 'beyond the farmgate.' There should be a gradual and conscious effort to move the producers up the value chain. They should not remain as mere suppliers but are to be trained in processing, consolidation and marketing as well. Self-governance and leadership development among small producers help them in becoming more involved in the value chain and in negotiating with other players of the value chain.
3. Value Chain is demand-driven and consumer-oriented in terms of volume. Suppliers and consolidators have to ensure quality (organic, traceability, social-impact, ecologically friendly) and competitive price of its product. However, the Fairtrade value chain is characterized by producer-consumer solidarity.
4. Transparency, dialogue and mutual-cooperation are important in responding to changing requirements of consumers and dealing with emerging problems of players in the value chain.
5. Women economic empowerment has a place in agriculture value chain by ensuring that women's role in the value chain is not hidden, that they are participatory in the decision-making processes, and that the benefit of the value chain results not just to increase in income but their empowerment in the household and community. Leadership roles in organizations involved in the value chains is also a vehicle towards gender equality. Diversification of products has the potential to provide women and men with other sources of income and the choice of economic activities to engage in based on their interests and skills.

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