

Introduction

Extreme poverty is a daily scene in the lives of millions of Filipinos. This remains prevalent in rural areas because of few economic opportunities on agricultural-based income sources. Lack of access to productive resources further aggravates the problem. This unfavourable socio-economic environment leaves the poor marginalized. It affects not only the ability of rural communities to meet their daily needs but their capacity to respond to harsh environment.

The call to reduce poverty necessitates development interventions that address the root causes of the problem of extreme poverty in communities. Enhancing the capacity of the poor and providing economic opportunities are critical interventions along this line. However, they have to be sustainable, responsive, demand-driven and participatory as envisioned by the CONVENIO AECID 07-C01-034 FILIPINAS PROGRAM on “Strengthening the Productive Sectors in the Rural Areas and Improving Sexual and Reproductive Health in the Regions of Bicol (V) & Caraga (XIII)”. This program has been actively promoting participatory community development towards reducing poverty nationwide.

Barangay Profiles that provide a brief analysis of the socio economic and political situation of the barangays posing a picture of a farming upland communities that are living below the poverty threshold as characterized by the interlinked process/cycle of poor income and productivity due to poor health, low education, poor technology, unemployment, and giving rise to higher poverty incidence. Faced with these pressing problems, the greatest challenge recommended based from the activities conducted is in building human capacities and in providing opportunities for productive and viable livelihood activities while ensuring the sustainable use and management of the area’s elemental resources.

Given this perspective, the focus of this study is directed and concentrated on strengthening one of the major productive sectors of the three identified barangays (Balaba, Kinuartelan, Malapay) that is, the Sugarcane. Basically, this entails the development and improvement of the present cultural, social and economic activities of the area that could provide them with the maximum value-added opportunities vis-a-vis their current potentials and resources.

The sugarcane production of Barangay **(Insert the Barangay)** is characterized by sugarcane plantations dominating **(Research for the percentage production of the barangay mentioned)** of the total agricultural land use and sugarcane produce obtaining **(Research for the percentage production of the barangay mentioned)** of the total production of major crops. Whilst **(Research for the percentage production of the barangay mentioned)** of the total agricultural land use (2nd to corn) and **(Research for the percentage production of the barangay mentioned)** of the total production of major crops (2nd to coconuts) depicts the sugarcane production of Barangay **(Insert the Barangay)**. The sugarcane farming system adapted by Polangui communities that could be worked on as their competitive advantage over other sugarcane producers in the Philippines includes 100% organic farming system and year-round production. Sugarcane in the barangays mentioned is primarily processed into “panocha” or “sangkaka” products (molded raw sugar). This product is being promoted by the local government unit as the One-town One-product (OTOP) of Polangui, Albay based on the

considerable number of the household earning a living through “sangkaka” production producing more than 1600 tons of “sangkaka” per year with their current capacity¹. The process involves the extraction of sugarcane juice at small-scale sugarcane mills paying 15 - 25% of their total “panocha” output to privately owned millers. Such common practice of this specific productive sector in these communities aggravate poverty, being primarily associated with lack of income opportunities and poor agricultural productivity experienced by farmers due to such factors as low price for agricultural products, limited markets or low demand for “sangkaka” products due to lack of access to market information and awareness of market requirements, financial indebtedness to available credit institutions, farm land not owned, lack of capital to implement proper farm maintenance and good quality inputs, lack of education, lack of technology and facilities on proper land preparation technique and method for good agronomic practices and high transaction costs as a result of very low productivity and diseconomies of scale. Thus, development possibilities that could be intervened towards this end will be providing value-added to current produce particularly sugarcane through technology support for product development, post harvest facilities for sugarcane milling and processing, product promotion and marketing and financing support.