

FOURTEENTH CONGRESS OF THE REPUBLIC)
 OF THE PHILIPPINES)
 First Regular Session)

7 1988 25 1988

SENATE
 S. No. 1911

1988 11 1988

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

Still acclaimed as a centerpiece program of the government owing solely to the fact that our economy is primarily based on agriculture, the Comprehensive Agrarian Reform Program engaged in an ambitious but viable dream. It focused not totally on equitable ownership of land but on an improved quality of life so as to bring right at the doorstep of the agrarian reform beneficiaries the amenities and conveniences of modern living and integrate them in the mainstream of a progressive society not as social and economic burden.

Much has been gained in agrarian reform as the march of progress in the countryside has gone far, wide and sophisticated. But its avowed objective is still yet to be completed. Still lingering in the equitable redistribution aspect in the ownership of agricultural lands is the resistance of influential entrepreneuring owners who are able to elude, or, at least delay, the effects of agrarian reform despite the comprehensiveness of its character and thrusts.

Reinvigorated by the bright beginnings and prospect upon the restoration of popular authority in 1985, we, in 1988, embarked on a massive agrarian reform program, infusing therein an amount, an initial of P50 Billion to ensure its workability, foreseeing the constraints to confront with in a democratic setting. Time-lined for ten years, the projection fell short and, within the enshrined constitutional objective of agrarian reform and rural development, Congress enacted Republic Act No. 8532, entitled "An Act Strengthening Further the Comprehensive Agrarian Reform Program (CARP), by providing Augmentation Fund Therefor, Amending for the purpose Section 63 of Republic Act No. 6657, otherwise known as "the CARP Law of 1988."

The actual implementation of the Program, however, did not turn out to be that simple. And the shortfalls that it encountered were primarily owing to the failed perception on the degree of resistance that emanated from a natural human reaction adverse to change. Nonetheless, there is no reason to falter. The program survived because it is a constitutional mandate.

Parenthetically, noted was the difficulty of the farmer beneficiaries in the availment of credit loans facilities needed in their farming activities as to be assured of greater production, for want of collateral or standby guaranties.

The acquisition and distribution component of the program is yet to be completed and the development and or transformation of the farmer beneficiaries toward making them competitive in the prevailing socio-economic milieu still requires guidance, especially financial assistance, that there is the urgent need for an additional period to complete and firm the dichotomy of objectives of the program towards realizing the envisioned dignified existence of farmers as reliable and capable partners in the shaping of a stronger republic.


MIRIAM DEFENSOR SANTIAGO

FOURTEENTH CONGRESS OF THE REPUBLIC)
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MAY 25 2011

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1 AN ACT
2 STRENGTHENING THE COMPREHENSIVE AGRARIAN REFORM PROGRAM
3 (CARP), AMENDING REPUBLIC ACT NO. 6657, ALSO KNOWN AS THE
4 COMPREHENSIVE AGRARIAN REFORM LAW OF 1988, SECTIONS 37 AND 63.

5 *Be it enacted by the Senate and House of Representative of the Philippines in*
6 *Congress assembled:*

7 SECTION 1. Section 37 of Republic Act No. 6657, also known as the
8 Comprehensive Agrarian Reform Law of 1988, on Support Services to the Beneficiaries,
9 is hereby amended to read as follows”

10 “SECTION 37. *Support Services to the Beneficiaries.* – The PARC shall ensure
11 that support services to farmer beneficiaries are provided such as:

12 (a) Land surveys and titling;

13 (b) Liberalized terms on credit facilities and production loans. FOR THE

14 PURPOSE, ALL FINANCING INSTITUTIONS SHALL ACCEPT AS
15 COLLATERAL FOR LOANS, ANY DULY REGISTERED
16 EMANCIPATION PATENTS (EP) OR ECRTIFICATE OF LAND
17 OWNERSHIP AWARD (CLOA), WHETHER INDIVIDUAL OR
18 COLLECTIVE, ISSUED BY THE GOVERNMENT THROUGH THE
19 DEPARTMENT OF AGRARIAN REFORM, TO FARMER
20 BENEFICIARIES OF AGRARIAN REFORM IN AN AMOUNT
21 CONSISTENT WITH EXISTING FINANCING PRACTICES, OR IN LIEU
22 THEREOF, ESPECIALLY WITH RESPECT TO AGRICULTURAL
23 LEASEHOLD HOLDERS, ANY MARKET OR PURCHASE ORDER
24 AND/OR EXPECTED HARVEST, SUPPORTED BY A DULY

1 REGISTERED AGRICULTURAL LEASEHOLD CONTRACT;
2 PROVIDED, THAT WHERE THERE IS FAILURE OF REPAYMENT AND
3 FORECLOSURE SUPERVENES, THE PROPERTY MORTGAGED
4 SHALL FORTWITH BE TRANSFERRED TO THE DAR FOR
5 REDISTRIBUTION TO OTHER SIMILARLY QUALIFIED FARMER
6 BENEFICIARIES, PROVIDED FURTHER THAT THE LOANS
7 OBTAINED SHALL BE USED IN THE IMPROVEMENT OR
8 DEVELOPMENT OF THE FARMHOLDING OF THE FARMER-
9 BENEFICIARY OR THE ESTABLISHMENT OF FACILITIES THAT
10 WILL ENHANCE PRODUCTION OR MARKETING OF
11 AGRICULTURAL PRODUCTS OR INCREASE FARM INCOME
12 THEREFROM; AND, PROVIDED FINALLY, THAT THE BENEFICIARY
13 WHOSE LANDS, AS PROVIDED HEREIN, HAS BEEN FORECLOSED
14 SHALL PERMANENTLY BE DISQUALIFIED FROM BECOMING A
15 BENEFICIARY UNDER THIS ACT;

16 (c) Extension services by way of planting, cropping, production and post-harvest
17 technology transfer, as well as marketing and management assistance and
18 support to cooperatives and farmers organization.

19 (d) Infrastructure such as access trails, mini-dams, public utilities, marketing and
20 storage facilities; and

21 (e) Research, production and use of organic fertilizers and other local substances
22 necessary in farming and cultivation.

23 The PARC shall formulate policies to ensure that support services to farmer-
24 beneficiaries shall be provided at all stages of land reform.”

25 SECTION 2. Section 63 of Republic Act No. 6657, otherwise known as the
26 Comprehensive Agrarian Reform Law of 1988, as amended by republic Act No. 8532, is
27 hereby further amended to read as follows:

1 “SECTION 63. *Funding Source.* – The initial amount needed to implement this
2 Act until the year 2018, or an additional period of ten (10) years from the expiration of its
3 period under the amendatory Republic Act No. 8532, shall be funded from the Agrarian
4 Reform Fund.

5 Additional amounts necessary for this purpose are hereby authorized to be
6 appropriated in excess of the previous initial and augmentation funds, amounting to One
7 Hundred Billion Pesos (P 100,000,000,000.00).

8 The additional initial amount hereby authorized to be appropriated hereunder shall
9 in no case exceed One Hundred Sixty Two Billion pesos (P 162,000,000,000.00)

10 Sources of funding or appropriation shall include the following:

- 11 (a) Proceeds of the sales of the Assets Privatization Trust (APT);
- 12 (b) All receipts from assets recovered and from sales of ill-gotten wealth
13 recovered through the Presidential Commission on Good Government
14 (PCGG);
- 15 (c) Proceeds of the disposition of the properties of the government in foreign
16 countries, for the specific purpose of financing production credits,
17 infrastructure and other support services required by this Act;
- 18 (d) All income and collections of whatever kind and nature arising from the
19 agrarian reform operations, projects and programs of the DRA and other
20 implementing agencies of the Comprehensive Agrarian Reform Program;
- 21 (e) Portion of amounts accruing to the Philippines from all sources of official
22 foreign aid grants, debt, swaps and concessional financing from all countries,
23 to be used for the specific purposes of financing, production, credit,
24 infrastructures, and other support services required by this Act;
- 25 (f) Yearly appropriations of not less than Three Billion Pesos
26 (P3,000,000,000.00) from the General Appropriations Act;
- 27 (g) Other government funds not otherwise appropriated.”

1 SECTION 3. *Repealing Clause.* – Any law, presidential decree or issuance,
2 executive order, letter of instruction, administrative order, rule or regulation contrary to
3 or inconsistent with the provisions of this Act is hereby repealed, modified or amended
4 accordingly.

5 SECTION 4. *Effectivity Clause.* – This Act shall take effect fifteen (15) days
6 after its publication in at least two (2) newspapers of general circulation.

Approved,