



25 Years of CARP

I. INTRODUCTION

Land reform policies have been in the political agenda in the country since the Commonwealth period. In fact, the Philippine Agrarian Reform Program is one of the longest-running programs of its kind anywhere in the world.¹ It is also the widest in terms of coverage, affecting more than a quarter of the entire 30 million-hectare land area of the Philippines. Land reform is indispensable in a country with a skewed landownership distribution in favor of the elite members of the society, resulting to a grossly inequitable distribution of wealth in the countryside and hampering rural development and industrialization.

The Comprehensive Agrarian Reform Program (CARP) institutionalized in RA 6657, was envisioned by the 1987 Constitution as a tool towards social justice through the redistribution of the country's wealth thereby redefining land relations and empowering landless farmers and farmworkers.² The CARP became the centerpiece program of the government during the administration of President Corazon Aquino. Unlike PD 27, under President Ferdinand Marcos, which was limited to rice and corn lands, the CARP aims to redistribute the land, regardless of crops or fruit produced, to farmers and regular farmworkers who are landless, irrespective of tenurial arrangements, to include all factors and support services designed to lift the economic status of the beneficiaries.

Time-lined for ten years (1988 – 1998), CARP projection fell short of its objectives. On February 1998, within the enshrined constitutional objective of agrarian reform and rural development, Congress enacted Republic Act No. 8532, An Act Strengthening Further the Comprehensive Agrarian Reform Program Providing An Additional P50 Billion for the Program and Extending the Land Distribution Until 2008.

Cognizant of the residual "CARPable" lands and as a response to the continuing peasant unrest, on August 2009, Congress extended the program's implementation until June 2014 by virtue of Republic Act 9700 – An Act Strengthening the Comprehensive Agrarian Reform Program, (CARP), Extending the Acquisition and Distribution of All Agricultural Lands, Instituting Necessary Reforms, Amending for the Purpose Certain Provisions of Republic Act No. 6657, Otherwise Known as the Comprehensive Agrarian Reform Law of 1988, As Amended, and Appropriating Funds Therefor. This is known as the CARP Extension with Reform (CARPER).

II. CARP SCOPE

The CARP scope went through several revisions. At the onset of the CARP implementation, it is expected to cover about 10.300 million hectares, of which approximately two-thirds are public alienable and disposable (A&D) lands as well as forested lands. The CARP scope was scaled down to 8.062 million hectares after the 1993 "cleansing of data". Again in 2006, the CARP coverage was revised to 8.572 million hectares as a result of the Inventory of CARP Scope (ICS) conducted by the Department of Agrarian Reform (DAR) starting in 2004 to determine the actual CARP Scope balance for LAD. The determined balance from this ICS was added to the cumulative accomplishment from 1987 to December 2006 to get the revised CARP scope. Consequently, the DAR's scope was increased to 5.094 million hectares of private agricultural and government-owned lands covering some 3.017 million farmers. On the other hand, the

**Table 1. CARP Scope by land type
(000)**

	Original Scope - 1988	Revised Scope -1995	Revised Scope - 2006
Department of Agrarian Reform (DAR)			
Private Agricultural Lands	3,267.6	2,996.1	3,338.7
Non-Private Agricultural Lands	553.0	1,294.3	1,754.9
Sub-total, DAR (Ha.)	3,820.6	4,290.5	5,093.6
Department of Environment & Natural Resources (DENR)			
Public Alienable & Disposable Lands	4,595.0	2,502.0	2,502.0
ISF/CBFM Areas	1,880.0	1,269.4	976.0
Sub-total, DENR	6,475.0	3,771.4	3,478.0
TOTAL CARP (Ha.)	10,295.6	8,061.9	8,571.6

Department of Environment and Natural Resources (DENR) scope was reduced to 3.478 million hectares of public agricultural and Integrated Social Forestry/Community Based Forest Management (ISF/CBFM) lands covering some 2.885 million farmers. These figures became the official program targets of DAR and DENR before the passage of R.A. 9700.

Source: Presidential Agrarian Reform Council

**Table 2. LAND SCOPE BALANCE BY LAND TYPE
(000)**

	BEG BAL (Jul 1, 2009/RA 9700 or CARP- ER)	BALANCE (GROSS) Beg. Jan 2011)
Dept. of Agrarian Report (DAR)		
Privately-owned Agricultural Lands	965.8	1,033.4
<i>Non-Privately-owned Agricultural Lands</i>	68.9	59.8
Sub-Total (ha.) DAR	1,034.7 ^{1/}	1,093.2 ^{2/}
(ARBs)	621.2	519.0
Dept. of Environment & Natural Resources (DENR)		
Public Alienable and Disposable (A&D) Lands	572.9	402.6
Sub-Total (ha.) DENR	572.9	402.6
(ARBs)	645.4	457.7
TOTAL CARP (Ha.)	1,607.6	1,495.8
(ARBs)	1,266.6	976.7

1/ Based on the validated and firmed up LAD balance per DAR Executive Committee Resolution No. 1 Series of 2010 issued on February 2010 and subsequently approved by the PARC Executive Committee per its Resolution No. SP-2010-04. This LAD balance is net of LOs retention areas involving 246,342 hectares

2/ After the enactment of CARPER, the DAR conducted field validation of landholdings, hence, the adjustment on the total area of landholdings still to be covered; DAR adopted the Gross LAD Balance beginning January 2011.

SOURCE: PARC

III. LAND DISTRIBUTION STATUS

Table 3. Land Distribution Status
As of December 31, 2013
(000)

	1987 – 2013 Scope	1987 - 2013	% Ac- complish ment
DAR			
TOTAL DAR (Ha.)	5,369.8	4,525.1	84.27
TOTAL ARBs		2,677.9	
DENR			
TOTAL DENR (Ha.)	3,838.0	3,755.4	97.85
TOTAL ARBS		2,478.0	
TOTAL CARP (Ha.)	9,207.8	8,250.5	89.93
TOTAL ARBs		5,425.9	

Source: Presidential Agrarian Reform Council

As of December 2013 or barely six months prior to the end of the extension, total accomplishment in land acquisition and distribution component of the CARP as of December 2013 was only 89.93% of the revised scope. Table 3 shows the land distribution accomplishment of DAR and DENR from 1987 to December 2013.

Table 4. Status of Agrarian Reform Fund *
July 1987 to December 2013
(In billion pesos)

IV. FINANCING CARP

Financing the program is a major challenge in the CARP implementation. A Special fund, the Agrarian Reform Fund (ARF), was created under EO 229 in July 1987 to cover the estimated cost of the implementation of the CARP. An initial amount of P50 Billion was provided for the fund which was sourced from the sale of (a) assets of the Asset Privatization Trust; (b) ill-gotten wealth through the Presidential Commission on Good Government; and (c) such other sources as the government may deem appropriate. Republic Act 8532 provided an additional P50 billion for CARP and extending its implementation for another ten years.

A. Total Remittances to BTr		116.341
APT/PMO	32.328 ^{1/}	
PCGG	76.111 ^{2/}	
OTHERS	7.902 ^{3/}	
B. Add; GAA Augmentation		110.138
C. Total Funds Available		226.479
D. Released by DBM to Agencies Per Advice of Allotment/SARO		249.439
DAR	143.535 ^{4/}	
LBP	75.576	
DENR	9.190	
LRA	2.342	
DA	2.602	
DPWH	5.849	
NIA	8.476	
DTI, DOLE, TLRC	1.869	
E. Reversion of Unobligated Allotment		7.830 ^{5/}
F. Net Releases (F=D-E)		241.609
G. FUNDS BALANCE (G=C-F)		(15.130)

* Still for reconciliation with BTr and DBM

^{1/} Net of releases to APT for custodianship expenses, pursuant to special provision for APT; and releases for custom duties & taxes on the sale of assets

^{2/} Out of the P35.043 billion recovered Marcos Swiss Account, only P24.511 billion was actually transferred to the ARF in the amounts of P8.854 billion, P7.300 billion and P8.357 billion in CYs 2004, 2005, 2006, respectively. In addition, the PCGG turned over to DAR a total of 623.8716 hectares of agricultural lands valued at P41.981 million

^{3/} Includes interest on fixed term deposits and interest of LBP bonds remitted during 1987 to 1993 only, and LBP remittances of ARR/ARL collections for CYs 1998-2006

^{4/} Includes releases for Foreign-Assisted Projects (FAPs), but excludes the releases for Fund 101

^{5/} Excludes reversions of unobligated allotments (by the CIAs) for Cys 2000 to 2008

Source: PARC

Table 5. Cumulative Fund Utilization by Activity
July 1987—December 2013
(In million pesos)

Activities	Amount	% Share
Land Tenure Improvement (LTI)	85,506.09	34.97
Land Survey (DAR, DENR)	7,615.69	3.11
DAR	5,188.58	
DENR	2,427.10	
Inspection, Verification & Approval of Land Surveys (DENR)	326.22	0.13
EP/CLOA Generation & Distribution DAR	8,550.75	3.50
Patents Processing & Issuance (DENR)	1,707.07	0.70
Inventory of Public A&D Lands (DENR)	79.30	0.03
EP/CLOA Registration/Titling (LRA)	339.88	0.14
Reconstitution of Lost/Burnt Titles (DAR)	8.53	0.00
Transformation of Problematic Landholdings to Workable (DAR)	39.50	0.02
Other LTI Related Activities (DAR, DENR, LRA)	3,641.95	1.49
Operational Support	68,739.90	28.11
Sub-total, LTI	91,048.77	37.24
Landowner's Compensation (LBP)	63,197.22	25.85
Total LTI	154,245.99	63.09
Agrarian Justice Delivery (AJD)	2,737.29	1.12
Program Beneficiaries Development (PBD)	30,257.94	12.38
Extension Services (DAR, NIA, DTI, DOLE)	5,671.93	2.32
Credit (LBP)	2,767.99	1.13
Dispersal activities	452.08	0.18
Infrastructure	12,317.63	5.04
Special Projects	8,202.06	3.35
Upland Development Program (DENR)	846.25	0.35
Operational Support	3,287.51	1.34
Add: Foreign-Assisted Projects (DAR)	30,438.84	12.45
Fund 101	23,532.78	9.62
Sub-Total PBD	87,517.06	35.79
Grand Total	244,500.34	100.00

Table 5 shows the utilization of the total government investments of P244.5 billion in CARP. About 63.09% or P154.246 billion were spent on Land Tenure Improvement, which includes the P63.2 billion for Landowners' Compensation.

Source: PARC

Breakdown of totals may not sum up due to rounding

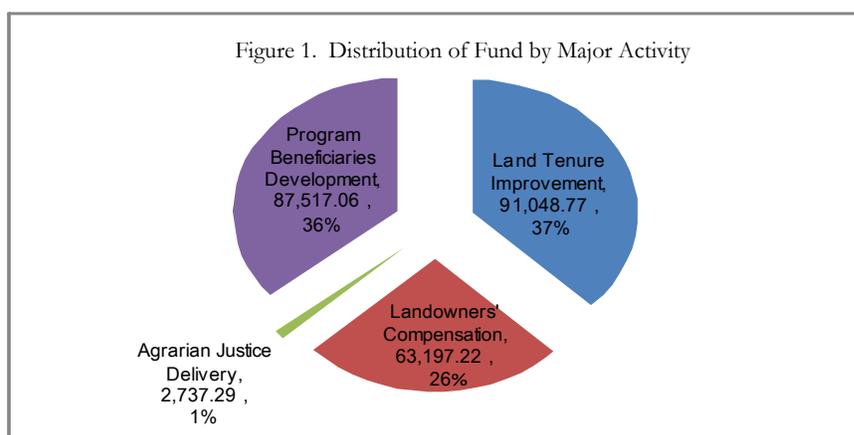
Other charges on Continuing Appropriations are still preliminary /for validation

Fund 101 – General Fund

Fund 102 – Foreign-Assisted Projects

Fund 158 – Agrarian Reform Fund

Note: Figure 1 shows that the bulk of the funds for CARP were utilized for land tenure improvement, 41% of which were used for landowners' compensation.



V. IMPACT OF AGRARIAN REFORM ON THE COMMUNITY

The well-defined objective of the CARP Extension with Reform (CARPER) is not only to redistribute land to the landless but also to uplift the lives and economic status of the farmer beneficiaries. The DAR adopted the Agrarian Reform Communities (ARC) strategy as an integrated development approach to address the well-being of the agrarian reform beneficiaries (ARBs). An ARC is a barangay or cluster of contiguous barangays within a municipality where majority of the CARP covered lands have been awarded to a critical mass of ARBs.

To determine the outcome of government interventions in the ARCs, the department institutionalized the ARC Level of Development Assessment (ALDA) as an evaluation and management tool.

Table 6 shows household income for CY 2012 covering 66,173 ARB households in ARCs. Average ARB annual household income at the national level is about P190,714.

Table 6
AVERAGE ANNUAL ARB HH INCOME, 2012

REGION	Average Annual ARB HH Income (PhP)			
	Farm Income	Off-Farm Income	Non-Farm Income	TOTAL INCOME
NATIONAL	77,337.73	20,815.94	92,560.00	190,713.67
CAR	72,953.26	20,188.54	126,754.79	219,896.59
I	75,239.22	18,695.36	99,958.80	193,893.38
II	111,409.89	22,728.14	121,414.96	255,552.99
III	87,945.02	25,579.77	113,335.21	226,860.00
IV-A	69,714.67	32,050.29	137,821.64	239,586.60
IV-B	71,728.70	17,529.67	98,294.00	187,552.37
V	79,499.77	17,374.89	69,781.28	166,655.94
VI	47,338.08	16,771.92	81,649.40	145,759.40
VII	51,003.85	16,481.62	71,137.67	138,623.14
VIII	54,204.34	16,099.53	57,731.11	128,034.98
IX	87,050.55	15,961.78	65,770.21	168,782.54
X	76,210.88	18,461.57	71,334.71	166,007.16
XI	127,310.91	33,458.56	82,913.25	243,682.72
XII	84,172.78	15,245.21	91,674.37	191,092.36
CARAGA	57,447.97	25,297.04	90,310.11	173,055.12

Source: 2012 ARC Level of Development Assessment (ALDA)

Farm Income – Incomes from crop production, livestock raising and crop processing/enterprises

Off-Farm Income – Wages derived from performing farming activities for other farmer (land preparation, planting, fertilizer application and weeding, etc.), contract labor, and post-harvest activities.

Non-farm income – Salaries and wages of ARBs doing non-farm related activities; foreign and local remittances from the members of the household; wholesale and retail activities, etc.

Based on the 2012 Full Year Official Poverty Statistics of the Philippine Statistics Authority, National Statistical Coordination Board (NSCB), poverty threshold is P18,935.00 per capita.

Table 7 shows that the ARB national average annual household income in the ARCs of P190,713.00 is 67.87% higher than the national poverty threshold of P113,610.00. All regions showed an average annual ARB HH income level higher than the regional poverty threshold.

Table 7
Comparison of Average Annual ARB HH Income vs Poverty Threshold

REGION	Ave. Annual ARB HH Income for 2012 1/	Annual Poverty Threshold in Rural Areas 2/		Variance vs. Poverty Threshold	% Variance
		PER CAPITA	FOR A FAMILY OF SIX 3/		
NATIONAL	190,713.66	18,935	113,610	77,103.66	67.87
CAR	219,896.59	19,483	116,898	102,998.59	88.11
I	193,893.38	18,373	110,238	83,655.38	75.89
II	255,552.98	19,125	114,750	140,802.98	122.70
III	226,860.00	20,071	120,426	106,434.00	88.38
IV-A	239,586.60	19,137	114,822	124,764.60	108.66
IV-B	187,552.36	17,292	103,752	83,800.36	80.77
V	166,655.95	18,257	109,542	57,113.95	52.14
VI	145,759.40	18,029	108,174	37,585.40	34.75
VII	138,623.15	18,767	112,602	26,021.15	23.11
VIII	128,034.98	18,076	108,456	19,578.98	18.05
IX	168,782.53	18,054	108,324	60,458.53	55.81
X	166,007.16	19,335	116,010	49,997.16	43.10
XI	243,682.72	19,967	119,802	123,880.72	103.40
XII	191,092.36	18,737	112,422	78,670.36	69.98
CARAGA	173,055.11	19,629	117,774	55,281.11	46.94

Sources:

- 1/ 2012 ARC Level of Development Assessment (ALDA)
- 2/ NSCB - Highlights of the 2012 Full Year Official Poverty Statistics
- 3/ ALDA report used family of six, which is the standard family size used by NSCB for rural families

In 2007, the Department of Agrarian Reform commissioned the University of the Philippines Los Baños (UPLB) to conduct an assessment of the CARP and its Impact on Rural Communities. Among its more significant findings were listed in the study, as follows:

- ⇒ Overall, the real per capita income was consistently higher for ARBs than non-ARBs in 2000 and 2006, except in Quezon. In cases where the real per capita income declined from 2000 to 2006, the ARBs' level of real per capita income was still higher than their non-ARB counterparts. Further, the optimism of ARBs about their socio-economic condition was reflected in the higher proportion of ARBs than non-ARBs who considered themselves non-poor.
- ⇒ The results of the study highlighted the importance of externally-funded projects for the physical and social improvements of the ARCs. They enabled the farmer-beneficiaries to have better access to better transportation services, market social facilities and utilities, e.g., safe drinking water and sanitation facilities.
- ⇒ In nearly all the study sites, lack of capital has been the number one problem, particularly in 2006. This implies that the problem has not been fully addressed despite the availability of credit sources.
- ⇒ Irregular and low repayments as well as non-payment of Land Amortization among the ARBs were rampant.
- ⇒ There was a perceived lack of support from the local government units (LGUs).

While the result of the comparison is impressive, it may be misleading to conclude that agrarian reform beneficiaries are living above the poverty threshold. The average annual ARB household income of P190,713 covers only 66,173 ARB households residing in ARCs, which represents a mere 1.22% of the 5,425,946 total ARBs as of December 2013.

Earlier impact assessment studies on CARP, nevertheless, point to the improvements in the living conditions of rural households in ARCs as a result of the CARP. ³ Among its key findings was the fact that ARBs, when compared with non-ARBs, have higher average farm income, educational attainment, greater access to potable water and sanitary toilets, and ownership of household assets. In fact, between 1990 and 2000, poverty incidence among ARBs declined from 47.6 to 45.2 percent, while it increased among non-ARBs from 55.1 to 56.4 percent. Again, however, only selected ARCs were used and no conclusion may be made as to whether such is the general condition among all ARCs.

VI. ISSUES AND CONCERNS

With the end of the CARP in June 30, 2014 and the failure of Congress to extend its life, what lies in store for the revolutionary CARP that was envisioned to bring about social justice with the radical redistribution of wealth in the countryside?

Statistics cited from DAR pronouncements in the media indicate that from a Land Acquisition and Development (LAD) balance of 771,795 hectares as of December 2013, it reduced and “cleansed” its LAD balance to 539,666 hectares in 2014, after taking out the portions for retention and problematic landholdings that were deducted from the LAD target. Net of the DAR’s LAD accomplishment of 26,421 hectares during the 1st quarter of 2014, the department still needs to acquire and distribute a total of 513,245 hectares nationwide, reportedly consisting mostly of big private agricultural landholdings that are most difficult to distribute because of strong resistance from landowners.

And now even the Church has jumped into the fray, stating that it will endeavor to monitor the distribution of lands to the deserving farmer-beneficiaries who must be provided with the necessary support services to make the farms productive. President Benigno Aquino III himself certified as urgent the passage of the bill to extend the land reform program for two more years until the completion of its LAD component in 2016.

The question now hangs in the air: Will the DAR be up to the challenge?

END NOTES:

- ¹ Navarro, Conrado, Institutional Aspects of Policy Implementation and Management of the Philippine Comprehensive Agrarian Reform Program, a paper presented at the Policy Dialogue on Agrarian Reform in Rural Development and Poverty Alleviation on May 30, 2007 in Manila.
- ² Section 4, Article XIII of the 1987 Philippine Constitution declares that the State shall, by law, undertake an agrarian reform program founded on the right of farmers and regular farmworkers, who are landless, to own directly or collectively the lands they till or, in case of other farmworkers, to receive a just share in the fruits thereof.
- ³ The website of FAO cited seven research studies undertaken in the first round of the CARP assessment studies which had funding support from the United Nations Development Program (UNDP), FAO, and the European Union (EU), with



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