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POSITION PAPER ON HB 114 AND 3051 “AN ACT MANDATING THE COMPLETION OF THE LAND ACQUISITION AND DISTRIBUTION (LAD) COMPONENT OF THE COMPREHENSIVE AGRARIAN REFORM PROGRAM (CARP) PURSUANT TO REPUBLIC ACT NO. 6657, OTHERWISE KNOWN AS THE “COMPREHENSIVE AGRARIAN REFORM LAW”, AS AMENDED

I. Rationale

Under Republic Act (RA) 9700, the Government was tasked to complete all land acquisition and distribution targets for agrarian reform by 30 June 2014. However, there remains more than 600,000 hectares of agricultural land undistributed and a number of agrarian related cases are still pending in various judicial and quasi-judicial courts. There is also a need to ensure that agrarian reform beneficiaries (ARBs) will continue to till their land productively, by providing them with access to appropriate and timely support services such as credit, infrastructure and extension activities.

Land is the main driver of economic development in the rural areas. As an economic resource – access, ownership and control over land is a fundamental right of all men and women. With proper State interventions to secure property rights, smallholder farmers – including women, indigenous peoples and children-headed households -- will have the opportunity to achieve food security and overcome poverty. Thus, rural development rests on the State’s capacity to redistribute its resources to the marginalized, and provide viable opportunities by which these resources can be sustained.

As stated, 30 June 2014 marked the Government’s deadline to issue Notices of Coverage (NOCs) in all agrarian reform areas in the country. The deadline, however, did not indicate the end of agrarian reform implementation. This is expounded by Section 30, Resolution of Cases of RA 9700, which states that “Any case and/or proceeding involving the implementation of the provisions of RA 6657, as amended, which may remain pending on June 30,2014 shall be allowed to proceed to its finality and be executed even beyond such date. This was supported by the Department of Justice Opinion 59 and 60 of 2013 which state “The 30 June 2014 deadline indicated in RA 9700 is merely directory and not mandatory, as it simply emphasized the importance and urgency of the implementation of the Comprehensive Agrarian Reform Program (CARP), ideally within the time frame provided.” Furthermore, Article XIII of the 1987 Constitution guarantees just distribution of agricultural land¹, support to agriculture,² and resettlement

¹ Section 4

² Section 5

of farmers and farm workers in the State's agricultural estates.³ This only means that the deadline of the centerpiece legislation only signifies an opportunity for the State to address the challenges in the past years, identify good practices and formulate measures, under which the gains of the agrarian reform program can be protected and multiplied.

CARPER law, though imperfect, resulted to the improvement of lives and security of land tenure of many agrarian reform beneficiaries that must be further improved and continued. In the 2015 accomplishment report, DAR has distributed a total of 4.724 million hectares to 2.790 million ARBs nationwide. Unfortunately, more than 600,000 hectares remain to be undistributed excluding those landholdings that have yet to be issued NOCs.

If there is a bill on agrarian reform that must be passed into law this 17th Congress, foremost must be a reform of RA 9700. The reforms must be focus on the completion of land acquisition and distribution and strengthened support services.

The proposed legislations House Bill 114 and 3051 are essential policy proposals that address the current gaps in the agrarian reform program that must be passed this 17th Congress.

II. SECTION 2 OF HB 114 and 3051

Kaisahan supports the proposed Section 2 of both HB 114 and 3051 amending Section 30 of RA 9700. It provides that:

Section 30. [Resolution of Cases] ISSUANCE OF NOTICE OF COVERAGE, ACCEPTANCE OF VOLUNTARY OFFER TO SELL AND RESOLUTION OF CASES AND/OR PROCEEDINGS. – THE DAR SHALL CONTINUE TO ISSUE NOTICE OF COVERAGE AND ACCEPT VOLUNTARY OFFERS TO SELL BY LANDOWNERS OF AGRICULTURAL LANDS COVERED BY REPUBLIC ACT NO. 6657, AS AMENDED WITHIN TWO YEARS FROM THE EFFECT OF THIS ACT. SUCH ISSUANCE OF NOTICE OF COVERAGE OR ACCEPTANCE OF VOLUNTARY OFFER TO SELL STARTS THE PROCEEDINGS IN THE IMPLEMENTATION OF THE PROVISIONS OF REPUBLIC ACT NO. 6657, AS AMENDED.

Any case and/or proceedings, AS INITIATED BY THE ISSUANCE OF A NOTICE OF COVERAGE OR ACCEPTANCE OF A VOLUNTARY OFFER TO SELL, involving the implementation of the provisions of Republic Act No. 6657, as amended, which may remain pending [on June 30, 2014] TWO YEARS AFTER THE EFFECTIVITY OF THIS ACT shall be allowed to proceed to its finality and be executed even beyond such date.

³ Section 6

The government stopped the issuance of NOCs on 30 June 2014. According to DAR data, as of April 2015, there are 15,588 landholdings, covering more than 166,000 hectares that have not been issued with NOC (see Table 1). This did not include lands without NOCs but with pending petitions for coverage and other CARP implementation related cases. However, in the presentation of DAR during the Senate Committee on Agrarian Reform on 24 August 2016, they mentioned two different figures on the NOC balances after the expiration of the issuance of NOC on 30 June 2014.

One figure cites more than 206,000 hectares yet to be issued with NOCs⁴ while the other presented landholdings for the issuance of NOCs, which showed a total of 6,681 landholdings covering 69,103 hectares (as of 1 January 2016) of NOCs for issuance and re-issuance.

Another data was presented by DAR during the budget deliberations at the House of Representatives, which showed that there are still 6,626 number of land holdings covering 67,826 hectares that have yet to be issued with NOCs, 2,000 hectares less than those declared during the Senate hearing.

Clearly, there are inconsistencies in the data of DAR on landholdings that have not been issued NOCs. These inconsistencies in the data, whether over or underestimates, translate to the deprivation of rightful ARBs to own, possess, cultivate the land. Moreover, discontinuing the issuance of NOCs is considered undermining the distribution of wealth, power, and resources that is deemed unconstitutional.

Table 1. Number of CARPable landholdings and area (in hectares) that have not been issued with NOC⁵

Region	Number of landholdings	Area covered (in hectares)
CAR	29	317.842
Region I	78	177.794
Region II	329	2 615.652
Region III	436	6 029.909
Region IV-A	432	4 613.235
Region IV-B	41	379.136
Region V	1 634	14 698.008
Region VI	8 478	101 196.915
Region VII	413	4 083.732
Region VIII	268	1 830.771
Region IX	167	2 358.486
Region X	1 620	14 309.257
Region XI	148	2 539.944
Region XII	661	6 217.555
Caraga	854	4 925.401
Total	15 588	166 293.637

⁴ DAR (2016) *Presentation for Organizational Briefing on Senate Committee on Agrarian Reform* dated 24 Aug 2016.

⁵ DAR (2015), *LHS without NOC as of April*, Consolidated from <http://www.dar.gov.ph/landholdings-without-noc-as-of-april-2015?start=15060>

HBs 114 and 3051 both uphold the mandate, legal basis and purpose why the CARP Law was created, namely, *“The welfare of the landless farmers and farmworkers will receive the **highest consideration to promote social justice** and to move the nation toward sound rural development and industrialization, and the establishment of owner cultivatorship of economic-size farms as the basis of Philippine agriculture.”*

III. Funding

Section 3 of HB 114 and Section 4 of HB 3051 provide for the funding of source of both proposed policies. It provides the following:

Sec. 3. The funding source provided under Section 21 of Republic Act No. 9700 shall further be utilized from the effectivity of this Act until the complete acquisition and distribution of all agricultural lands covered by the Comprehensive Agrarian Reform Program (CARP).

Provided, that after the completion of the land acquisition and distribution component of the CARP, the yearly appropriation shall be allocated fully to support services, agrarian justice delivery and operational requirement of the DAR and the other CARP implementing agencies.

In order for agrarian reform laws and programs to succeed, a strong political will by the State is needed to fulfill this mandate. Appropriate funding of the State is a must because it is the driving mechanism of implementation. Without adequate funding, the program may not be implemented at all. Constant and available funds ensure acceleration of LAD processes, delivery of support services, and agrarian reform justice delivery.