

**COMMENTS ON  
HOUSE BILL NO. 328, THE “LAGMAN BILL ON CARP EXTENSION”  
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WITH A MATRIX OF THE LAGMAN AND MITRA PROPOSALS**

Affirming the Comprehensive Agrarian Reform Program (CARP) as a “social justice and poverty-alleviation measure so pivotal to rural development,” which should, therefore, not be abandoned, Honorable Edcel C. Lagman filed House Bill No. 328. The bill seeks to sustain CARP implementation and specifically proposes the following:

- 1) “Extension” of land acquisition and distribution of all agricultural lands as provided under the Republic Act. (RA) No. 6657 for a period of five years (or until 2013);
- 2) authorization for an additional appropriation of Php 100 billion for land acquisition and distribution purposes and all other CARP funding requirements;
- 3) increase in the yearly allocation/ share of CARP in the general appropriations from Php 3 billion per year to Php 5 billion annually;
- 4) increase in the share of the support service component of the agrarian reform program from 25% of the total CARP allocations to 40%;
- 5) annual submission by the Department of Agrarian Reform (DAR) to the House of Representatives and the Senate of a detailed progress report on CARP implementation.

Among the legislative proposals dealing with CARP implementation beyond the 2008 CARP “deadline,” the Lagman bill is nearest to H.B. No. 1265, the legislative proposal introduced by Hon. Abraham Kahlil Mitra which, itself, is a refiled version of H.B. No. 5698 (filed before the 13<sup>th</sup> Congress).

Our Views

- In general, IDEALS supports proposals seeking further appropriations for CARP so that its implementation may continue even beyond the funding deadline (2008) as stated in R.A. No. 6657, as amended by R.A. 8532. It is of course fundamental that the budgetary appropriations requested should be sufficient for all the needs of the program. The Presidential Agrarian Reform Committee (PARC) Executive

Committee has already made a projection on how much is needed to “complete CARP.” In a Resolution dated February 5, 2007 (Resolution No. 2007-107-01)<sup>1</sup>, the committee certified that Three Hundred Twenty Seven Billion Two Hundred Ninety Five Billion Sixty Nine Million Three Hundred Eighty Eight Pesos PhP 327,295,069,388.00 budgetary allocation for the CARP is required to complete the program. **We therefore recommend for the commensurate increase in this bill’s proposed additional appropriations to an amount that will meet the budgetary needs embodied in the above PARC Executive Committee Resolution, with due consideration to factors that would affect the calculations of the PARC.**

- In regard to the sources of funding for the program, we have always asserted that increasing the share of the CARP in the annual general appropriations (through the General Appropriations Act) is both desirable and justified. In fact, due to the critical value of the program, and given the “end-game” stage of its implementation, it would be best if all of CARP’s funding requirements be assured through the GAA. This would truly guard against funding instabilities that have all too often been cited by CARP implementers as a one of the major culprits for the low performance, principally in the land acquisition and distribution component, of the agrarian reform program. If this is not possible, then a substantial increase in the share in the annual general appropriations must be asserted and defended. The Lagman bill recommends that Php 5 Billion per year from the annual general appropriations be allocated for agrarian reform (from Php 3 Billion annually under R.A. No. 8532). We find this to be reasonable even as, the proponents should be advised to consider asserting a higher share during the deliberations on the CARP beyond 2008 bills.
- We believe that a provision giving CARP implementing agencies a specific time frame to complete Land Acquisition and Distribution (LAD) activities is going to be favorable for the program. To the extent that this is the intention of the pertinent provision of H.B. No. 328 in relation to the additional five-year period for acquisition and distribution stated in the bill, we register our affirmation. Nevertheless, and as we have also raised in our comments on the Mitra Bill, there is a need to re-examine if five years would be enough to complete all the LAD-related activities in the areas comprising the projected net balance of 1,077,598 hectares. The necessary conditions for this includes: (a) the size of the DAR bureaucracy; (b) the absorptive capacities of the implementing agencies; and (3) the statements of DAR senior officials that they can distribute 200,000 hectares of land per year if only the program is accorded sufficient funding.

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<sup>1</sup> Resolution Approving the General Policies, Proposed Plans and Budgetary Projections for the Implementation of the Comprehensive Agrarian Reform Program Beyond CY 2008.

- The allocation for Program Beneficiary Development (to include support services for beneficiaries) must also be increased to levels that ensure support for all relevant programs for any given year. IDEALS believes, that if the funding requirements for PBD for all agrarian reform beneficiaries could efficiently be projected, then it is best if the law specifically states the allocation for PBD in actual *money terms*. Otherwise, and in recognition of the crucial value of support services in making agrarian reform sustainable, then the share of support services in the total CARP allocations must be reasonably increased. The bill under discussion proposes an increase to 40% from the current 25% of the CARP appropriations. Given the dismal performance in PBD in the almost 20 years of CARP implementation, this increase, on its face at least, appears reasonable. In fact, a 50% increase could even be justified. Nevertheless, the extent of the increase should be carefully considered alongside discussions on how much is actually needed to finance all of CARP's programs. We expect that in the deliberations on the pending CARP bills, updated figures on funding requirements for LAD and PBD, as well as the amount of appropriations that should finally be proposed, would hopefully be clarified.
- On the matter of the suggested submission by DAR to Congress of an annual detailed progress report on CARP implementation, we believe this could be done even under the existing "legislative -- executive mechanisms" wherein Congress performs or should perform general oversight functions over executive agencies in relation to the implementation of laws. The Mitra Bill, on the other hand, proposes the creation of an Oversight Committee as an added mechanism to ensure the sustainability of the program. IDEALS would rather have this committee created even as the submission by the DAR of an annual detailed progress report on CARP implementation as contemplated in this bill (Lagman's) would necessarily be covered by the functions of the committee.//

*Comparison of the Respective Proposals  
of the Mitra and Lagman Bills  
(see next page)*

**Comparison of the Respective Proposals of the Mitra and Lagman Bills**

HB No. 1265	HB No. 328	Some Views <sup>2</sup>
<p><u>Funding and Period Covered</u></p> <p>FIFTY BILLION for an ADDITIONAL FIVE- YEAR PERIOD</p>	<p>ONE HUNDRED BILLION for an ADDITIONAL FIVE-YEAR PERIOD</p>	<ul style="list-style-type: none"> <li>&gt; Higher appropriation needed in view of budgetary projections for CARP LAD balances and other activities (projection as certified by the PARC EXCOM);</li> <li>&gt; Nevertheless, consider PARC EXCOM -- certified data in conjunction with other data/ factors (e.g. updated data on balances and cost projections, automatic appropriations from the GAA of servicing for mature LBP/ other bonds paid as compensation for landowners)</li> </ul>
<p>Additional Five Years</p>	<p>Additional Five Years</p>	<ul style="list-style-type: none"> <li>&gt; We need to achieve efficiency in CARP implementation and complete program targets at the shortest possible time. However, while a short time frame for the coverage/ distribution of “remaining” CARP lands is advantageous as this indicates a policy in favor of completing the program as soon as possible, the said period must still allow efficient implementation of LAD and related activities. (Even so, IDEALS resist any proposal foreclosing on any further extension of CARP);</li> <li>&gt; Period proposed – just half of the ten-year period ostensibly considered by the PARC Technical Committee as the realistic timeframe (at least for LAD) and the period that guarantees a “more desirable outcome” (Moreover, H.B. 1265 is a refiled version of HB 5698, which did not factor in the results of the ICS reflecting increased LAD balances);</li> <li>&gt; In the deliberations on the CARP bills, re-assessment of the period of five years; the view of the PARC should be considered along with a careful assessment of the absorptive capacities of the implementing agencies, and the statements of DAR senior officials that they can distribute 200,000 hectares of land per year if given sufficient funding.</li> </ul>
<p>Share of CARP in the GA increased from Php 3 Billion to Php 5 Billion per year</p>	<p>Share of CARP in the GA increased from Php 3 Billion to Php 5 Billion per year</p>	<ul style="list-style-type: none"> <li>&gt; Increased share is justified;</li> <li>&gt; During the congressional deliberations on the pending CARP bills (particularly during hearings of the pertinent committee), it would be well for the program if the proponents could even pursue a higher increase in the share of CARP in the general appropriations.</li> </ul>

<sup>2</sup> Refer to the full comments on House Bills 1265 (Mitra) and 328 (Lagman) for details.

HB No. 1265	HB No. 328	Some Views <sup>2</sup>
Increase in the allocation of support services from the total CARP appropriations -- from 25% to 50%	Increase in the allocation of support services from the total CARP appropriations -- from 25% to 40%	<ul style="list-style-type: none"> <li data-bbox="662 262 1472 298">&gt; Increased allocation is justified;</li> <li data-bbox="662 331 1472 430">&gt; Nevertheless, the extent of the increase should be carefully considered alongside discussions on how much is actually needed to finance all of CARP's programs.</li> </ul>
Creation of additional 3 ARCs/year	Creation of additional 3 ARCs/year	<ul style="list-style-type: none"> <li data-bbox="662 533 1472 632">&gt; There should also be sufficient and efficient support services and beneficiary development programs provided and implemented in non-ARC areas.</li> </ul>
Creation of an Oversight Committee	Provision for the annual submission by the DAR to Congress of a detailed progress report on CARP implementation	<ul style="list-style-type: none"> <li data-bbox="662 699 1472 869">&gt; IDEALS strongly endorse the proposal for an Oversight Committee with the following recommendations: (a) representation in the committee of other CARP implementing agencies (in addition to the representatives from the DAR, DA, and DENR; (b) directive for more meetings (e.g. quarterly).</li> <li data-bbox="662 903 1472 1031">&gt; Note: Should the creation of the committee be approved -- AR advocates should be able to engage it to ensure that the details of its functions and operations are efficient, transparent, consultative, and democratic.</li> </ul>

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