

DEPARTMENT OF AGRARIAN REFORM
Accomplishment Report
January to December 2007



I. INTRODUCTION

CY 2007 is a crucial year for the DAR as it marks the year prior to the culmination of the 10-year extension of the Comprehensive Agrarian Reform Program (CARP) under Republic Act No. 8532. The events that transpired during this year are vital to the prospects and continuity of the program beyond 2008. Henceforth, the Department geared itself towards preparations for the inevitable changes in the upcoming year. The DAR finetuned its land distribution targets to a more workable and attainable levels in response to fiscal and operational constraints. It undertook validation of land distribution balances, scope and accomplishments especially in priority provinces. Relevant administrative orders which simplified and ensured the completion of land distribution were issued to facilitate the process. The continuing conduct of the Inventory of CARP Scope (ICS) Project has also resulted in precise target-setting and the establishment of scenarios and time-lines to complete land distribution. The targets set until 2008 and beyond is a testament to the present administration's intention to maintain the momentum in land distribution and complete the same within a six-year period.

The first semester of the year marked the 19th CARP anniversary. It is on this occasion that DAR recognized the significant achievements of the other CARP implementing agencies and honored the resolute spirit of the agrarian reform beneficiaries (ARBs) in transforming the lands awarded to them into productive use. The anniversary celebration was capped with the submission to the President of the draft bill to extend the term limit of CARP until 2018. The DAR has since lobbied at the Office of the President to certify the bill as urgent so Congress shall act on it with dispatch. As of date, seven bills have been filed at the House of Representatives for the extension of the program after June 2008.

The DAR also sought to address operational concerns by strengthening its policies and systems. In recognition of the importance of the support of the local government units to CARP implementation, DAR Regional Directors and Provincial Agrarian Reform Officers were directed to meet with their respective Congressmen, Governors, Mayors and farmer leaders on a monthly basis, to coordinate, discuss and resolve problems or share information on agrarian reform developments within their jurisdiction. This issuance intends to strengthen the Department's partnership with various sectors involve in CARP implementation and to win their support for the program and major legislative support measures such as the CARP extension bill and the annual budget for agrarian reform.

Meanwhile, the year also saw the Department's stance in implementing CARP in highly contentious lands despite surmounting political pressure. After a month long hunger strike in front of the DAR Central Office in Quezon City, Secretary Nasser C. Pangandaman finally installed 57 of the 122 farmers of Hacienda Velez-Malaga in Negros Occidental. Further, warring groups in the said hacienda with the assistance of the DAR and local government units have sealed a pact for the equitable and acceptable division of the farm. Similarly, 97 ARBs were installed in the 186-hectare land owned by Marcelino Florete-Caperonce Agro Commercial Corp. in Bgy. Igbong, Barotac Nuevo, Iloilo. The installation has been much awaited by the ARBs as the landowner withdrew the case filed at DARAB after a series of negotiations between DAR and the corporation. In addition, the DAR has led the distribution of land titles in war-torn communities in Mindanao in support of the administration's peace initiatives. Moreover, in the final stretch of the last quarter of the year, the Department issued a status quo order on the protest of the Sumilao farmers, "refraining parties from further undertaking development activities other than those presently ongoing." The ruling seeks to provide a middle ground between the contending parties and an opportunity to settle amicably and reach a mutually beneficial resolution.

At the forefront of beneficiaries development is the launching of the Special Agrarian Reform Communities (SARCs) as an intervention delivery mechanism to agrarian reform areas that have distinct opportunities to foster growth in the countryside. SARCs shall provide a platform for a more responsive support services delivery in uniquely situated and/or characterized areas.

The Department has also clustered ARCs that are economically viable as a practical approach to optimize utilization of resources and capitalize on investments already in place in these ARCs. The model shall further ensure the integrated and coordinated delivery of a variety of services at farm levels. Add to this the continuing effort of the DAR to mainstream the ARBs into the free market economy and one foresees a vibrant rural setting within the medium-term. The connectivity model as well as the sustained endeavors to improve the well-being of farmers are in keeping with the growing concern to focus on their total human development.

The DAR continues to intensify the provision of support services to the ARCs and SARCs through the following projects which are mostly funded by foreign donors: 1) Solar Powered Technology System or SPOTS projects in several villages in Davao del Sur worth P109.7 million which will help improve the socio-economic condition of more than 10,000 families; 2) P155 million steel bridge that crosses the Agusan River initially built under DAR's Mindanao Sustainable Settlement Area Development (MinSSAD) program and was later turned over to the "Tulay ng Pangulo" program implemented under the Special Zone of Peace and Development; 3) P11.43 million farm-to-market road that stretches from Bgy. Upper Irasan to Bgy. Balakid in Roxas, Zamboanga del Norte; 4) P18.3 million farm-to-market road project in Malungon, Sarangani; 5) P42.6 million worth of farm-to-market roads in Nueva Ecija; and 6) the P64.4 million infrastructure projects under the Second Agrarian Reform Communities Development Project (ARCDP2) in two agrarian reform communities in Quezon

province which include newly-constructed Multi-Purpose Cooperative building with solar dryer, three farm-to-market roads, and a bridge.

Moreover, the DAR strengthened its partnership with other national government agencies in helping to reduce poverty through the Department of Labor and Employment's Unlad Kabuhayan Program Laban sa Kahirapan or DOLE Worktrep Program. The program is a convergence of 48 various national government agencies and private sector's programs gearing on productivity, occupational safety and health, human relations, confidence building, business development services, and social protection which are being given before to small and medium enterprises (SMEs). The partnership will make these services available to farmers' organizations in the ARCs.

Recently, the Department formalized the P2.2 billion ethanol distillery and biomass project in Mindanao through a Memorandum of Understanding with South Bukidnon Bioenergy, Inc. which will produce biofuel from sugarcane and generate eight megawatts of electricity from biomass. The ARBs from Bukidnon and North Cotabato shall supply 300,000 metric tons of sugarcane to the ethanol plant.

The Department has made possible the dream of 987 ARB descendants to have college education through the President Diosdado Macapagal Agrarian Reform Scholarship Program. Out of these graduates, 1 graduated magna cum laude and, 39 cum laude. Seven hundred seventy-five are still enrolled in different colleges and universities.

The health insurance program of DAR for ARBs and non-ARBs in the ARCs generated total enrollees of 184,022. This program is in line with President Arroyo's directive to promise social health insurance to indigent Filipinos so that they can have access to quality and affordable medical services.

II. HIGHLIGHTS OF PERFORMANCE

The report highlights the DAR's accomplishments on the three core programs, namely: 1) Land Tenure Improvement (LTI); 2) Agrarian Justice Delivery (AJD); and Program Beneficiaries Development (PBD). It also highlights the year's performance on the key activities and indicators as compared to the previous years' performance.

A. Land Tenure Improvement

The program secures land tenure of landless farmers and farmworkers through the acquisition and distribution of agricultural lands in excess of 5 hectares retention limit of landowners. It includes services and activities such as identification of landholding, landowner and farmers or potential ARBs, land surveys, transfer of ownership to beneficiaries through awarding of Certificate of Landownership Award (CLOA) or Emancipation Patent (EP). For lands not covered by acquisition and distribution, farmer tenure is secured through leasehold arrangement.

1. Land Acquisition and Distribution

Land Survey (Tables 1, 1a, 1b).

Involves the actual survey of lands which the Department undertakes to allocate the lands to identified agrarian reform beneficiaries. As a preliminary step to land distribution, this activity is done either by administration through DAR's own survey teams or by contract to a private surveying company.

For the year, 115,723 hectares of newly acquired lands for distribution were moduled for survey. This is 91 percent of the target for the year of 127,000 hectares. Of these, 70,578 hectares (61%) of completed survey returns were transmitted to the LMS-DENR for verification and approval. Of the total area covered by survey returns transmitted, 38,911 hectares or 55 percent were approved by LMS-DENR.

It is also worthy to note that from 1993 to 2007 or in a span of fifteen years, a total of 2,225,128 hectares were moduled for survey of which 1,950,791 hectares or 88 percent were completed and transmitted to LMS-DENR for verification and approval. The LMS-DENR has so far approved survey returns of 1,753,727 hectares or 90 percent of the area covered by transmittals.

Claimfolders (CFs) Processing For Landowners' Compensation (Tables 2, 2a)

Upon obtaining approved survey plans and other technical documents required, the DAR prepares and transmits claimfolders (CFs) to LBP for payment of private agricultural lands (PAL) acquired through Operation Land Transfer (OLT), Voluntary Offer to Sell (VOS), Compulsory Acquisition (CA) schemes, and lands covered by Executive Order 407/448. Likewise, the DAR prepares land documentation folders (LDFs) containing terms and conditions executed between the landowner and the ARB who opted for Voluntary Land Transfer (VLT) or Direct Payment Scheme (DPS).

Box. 1. Accomplishment in CFs processing, by mode of acquisition January - December 2007		
PARTICULARS	CFs (NUMBER)	AREA (IN HECTARES)
<i>OLT</i>	224	2,873
<i>VOS</i>	3,129	27,834
<i>CA</i>	1,010	9,787
<i>E.O. 407</i>	279	3,202
GRAND TOTAL	4,642	43,696

For CY 2007, DAR prepared and transmitted to LBP 4,642 claimfolders covering 43,696 hectares of private agricultural lands for valuation (Box. 1). Majority of the claimfolders are for payment of lands through VOS scheme.

This accomplishment represents 46 percent of the target for the year of 94,648 hectares.

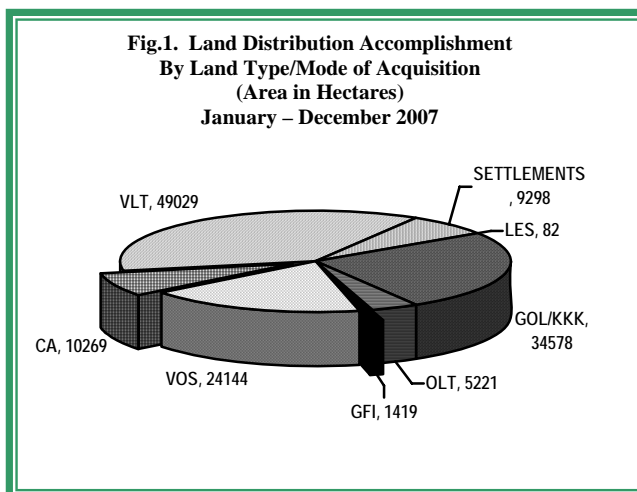
Regions I, IV-A, IX surpassed their targets for the period while Region XII (10,014 hectares), VI (7,744 hectares), and Region V (3,536 hectares) have the biggest area of CFs processed.

Among provinces, Negros Occidental (5,421 hectares), North Cotabato (2,843 hectares), Sultan Kudarat (2,625 hectares), and Saranggani (2,441 hectares) processed CFs with the largest areas.

Land Distribution (Tables 3, 3a, 3b, 3c)

Status of Land Distribution for For CY 2007

CY 2007 is another good year for the Department in so far as land distribution is concerned. During the year, the Department distributed 134,041 hectares, overshooting its 130,000-hectare target for the year by 4,041 hectares or three percent.



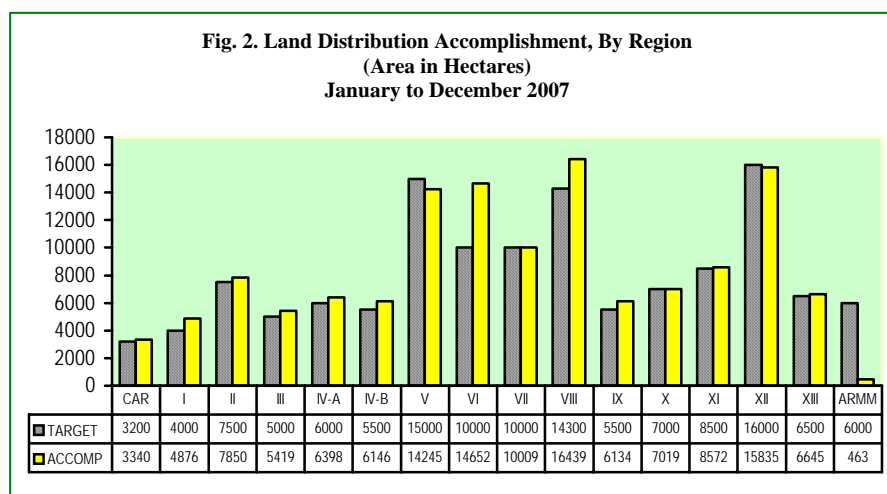
A total of 94,807 agrarian reform beneficiaries were awarded Certificates of Landownership Award (CLOAs) and Emancipation Patents (EPs) nationwide. Compared with past years' accomplishment, this is an all time high accomplishment since 1999.

The area distributed during the year comprised 90,082 hectares (67 percent) private agricultural lands (PAL) and 43,959 hectares (33 percent) non-PAL. Details are shown in Figure 1.

Across regions, the biggest contributors are Region VIII (16,438 hectares), Region XII (15,835 hectares), Region VI (14,652 hectares), and Region V (14,245 hectares). Aggregately, these four regions distributed 61,170 hectares, accounting for 46 percent of the total area distributed during the year.

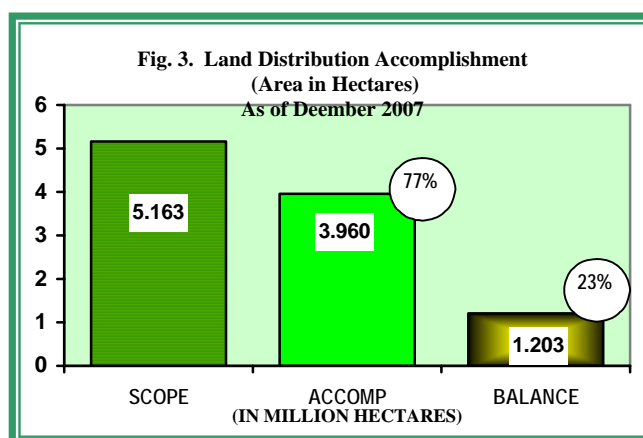
In terms of performance vis-à-vis target, 13 regions overshoot their targets for the year. Topping the list are Region VI (147%), Region I (122%), Region VIII (115%), and Region IV-B and Region IX (112%). Combined target and accomplishment of these five regions are 39,300 hectares and 48,246 hectares, respectively. Area distributed by these four regions account for 123% of their aggregate target and 36 percent of the Department's accomplishment.

Figure 2 presents the details on the regional target and accomplishment for CY 2007.



Further, this accomplishment is complemented by another 27,428 hectares at the tail-end of land distribution process being at the Register of Deeds (3,450 hectares), with paid trust deposit at the Land Bank of the Philippines (11,631 hectares), and for EP/CLOA generation (12,346 hectares).

Status of Land Distribution as of December 2007

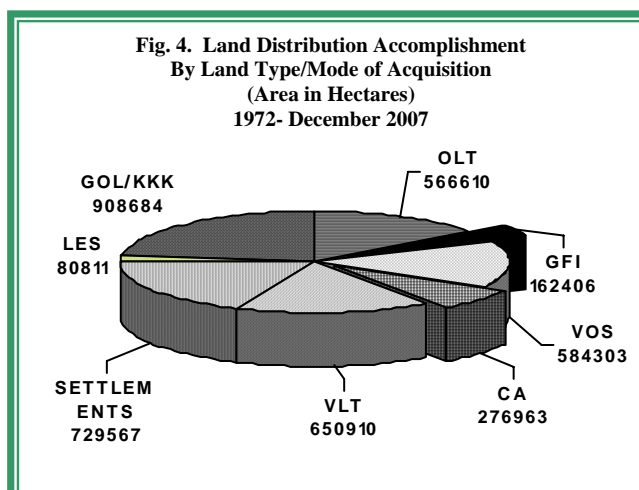


As of the end of 2007, the Department has already distributed 3,960,255 hectares of agricultural lands to 2,296,741 ARBs nationwide. This accomplishment is equivalent to 77% of the DAR's land distribution scope of 5,163,751¹ hectares.

To date, the biggest volume of lands distributed are in Region XII (454,016 hectares), Region III (392,503 hectares), Region VIII (390,960 hectares), and Region VI (357,201 hectares). Aggregately, these four regions distributed 1,594,679 hectares, comprising 40 percent of the total area distributed nationwide and 31 percent of the land distribution scope.

¹ DAR's revised scope is derived by adding the DAR's land distribution balance and cumulative accomplishment as of end of 2006. The said DAR-land distribution balance is approved by PARC through Resolution No. 2003-101-02.

Of the total area distributed, 57% or 2,241,192 hectares are private agricultural lands (PAL), while 43% or 1,719,063 hectares are classified as Non-PAL lands. The details on the area distributed in terms of land type/mode of acquisition is presented in Figure 4.



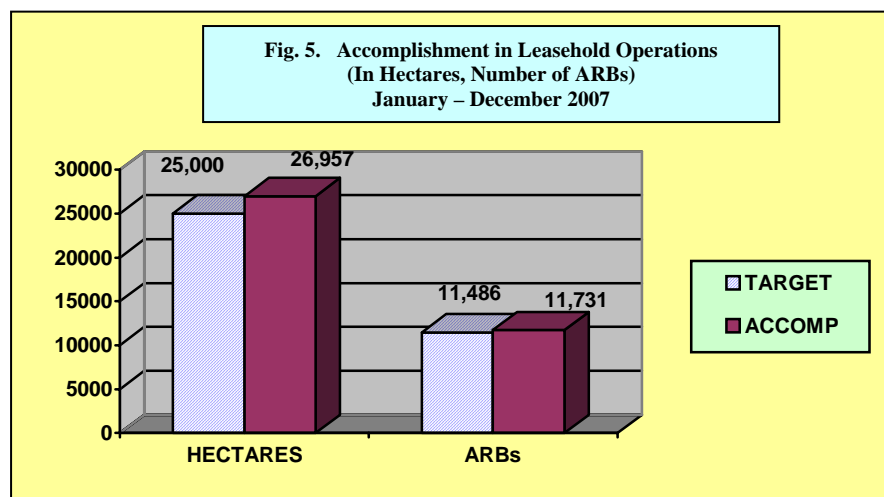
Meanwhile, DAR is yet to complete distribution of some 1.203 M hectares agricultural lands to more than 700,000 farmers. The bulk of which are in Regions VI (164,646 hectares), Region V (125,024 hectares), ARMM (113,325 hectares) and Region XII (107,253 hectares). The land distribution balance in these regions account for 510,247 hectares, or over 40 percent of the total balance.

2. Leasehold Operation (Tables 4, 4a)

All tenanted agricultural lands falling below the 5 hectares retention area of the landowner are covered by this program to protect the tenurial and economic status of the tenant-farmer. Leasehold also covers areas that are yet to be covered by CARP. A leasehold contract is executed between the landowner and the farmer containing among others the sharing arrangement of 75:25 based on the net harvest in favor of the farmer.

For CY 2007, the Department placed under leasehold 26,957 hectares benefiting 11,731 tenant-farmers. Of these, 7,330 ARBs are tilling 15,146 hectares of retained areas, and 4,401 ARBs are tilling 11,811 hectares of land that are yet to be acquired and distributed.

This accomplishment represents 108 percent of the target of 25,000 hectares.



In terms of regional contribution, Region XII has a share of 30% (7,527 hectares) to the total accomplishment; ARMM has 18% (4,795 hectares); and Region VIII has 12% (3,378 hectares). Aggregately, these regions share 58% of the total accomplishment in terms of area and 50% in terms of ARBs benefited.

As of the end of the period, 1,659,714 hectares has been placed under leasehold benefiting 1,181,028 farmer-beneficiaries.

B. Delivery of Agrarian Justice

This involves the provision of legal assistance by the DAR to ARBs by representing them before the regular courts and by resolving agrarian law implementation cases. The DAR also resolves agrarian disputes and land tenure related problems through the DAR Adjudication Board or DARAB, a quasi-judicial arm of DAR created by virtue of Executive Order 129-A.

1. Agrarian Legal Assistance (Tables 5, 5a, 5b, 5c, 5d, 5e, 5f)

Agrarian legal assistance (ALA) is generally concerned with providing legal assistance to farmers who can not afford the services of private law practitioners in their legal battle; and the administrative resolution of agrarian law implementation (ALI) cases, i.e., conversion of agricultural lands to non-agricultural uses, exemption, exclusion and retention from CARP coverage, identification of landholdings and other related matters.

In 2007, a total of 35,288 ALI cases were resolved administratively by DAR. This is an all time high accomplishment since 1990.

A large volume of ALI cases were resolved in the regional offices of Region V (5,593) and CARAGA (4,140). In terms of provincial accomplishment, Batangas has the highest number of cases resolved (1,362 cases) followed by Camarines Sur (1,172 cases) and Negros Oriental (1,155 cases).

Pending ALI cases as of end of the year stood at 3,131 cases. This is a reduction of 27 percent in the number of pending cases compared to 4,320 pending cases beginning 2007. It should be noted that Regions IV- A, Region IV- B, CAR and CARAGA have no pending case as of the end of 2007.

On the matter of lending legal assistance and representing ARBs in judicial and quasi-judicial cases, a total of 14,364 cases were disposed by the DAR involving 235,095 ARBs. This means that the final pleadings for these cases have already been filed before the regular courts and DARAB for resolution. Of these, 1,446 or ten percent are judicial cases and 12,918 (90 percent) are quasi-judicial cases. The performance during the year was the highest since 1990 in terms of the disposition of judicial cases. Likewise, the disposition of quasi-judicial cases was an all time high accomplishment since 1993.

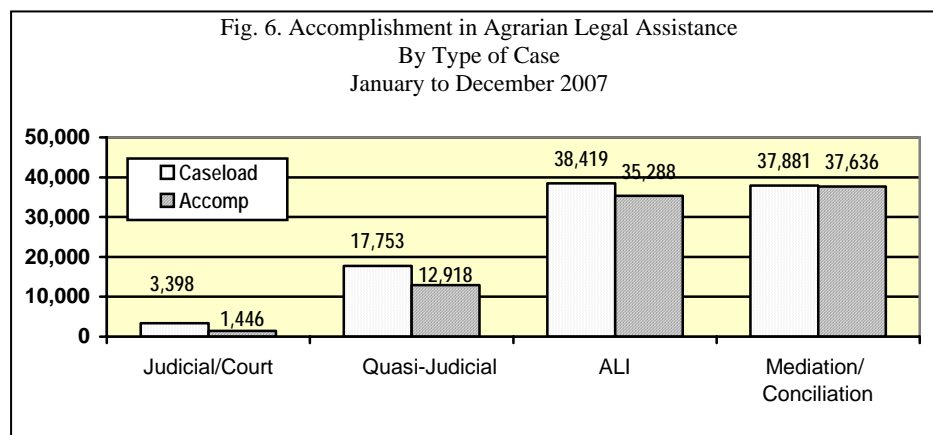
Aggregately for the three types of case, a total of 49,652 cases were resolved or disposed for resolution by the DAR during the period under review. Against caseload for the year of 59,570 cases, the resolution rate is a modest 83 percent. On the one hand, ranged against the funded target for the year of 35,839 cases, DAR posted a high resolution rate of 139 percent.

Among regions, Region V has the highest number of cases resolved during the year with 6,565 cases involving an area of 121,382 hectares. The region was likewise able to extend legal representation to 15,793 ARBs. This is followed by CARAGA (5,599 cases), and Region VI (5,218 cases). Against caseload, CARAGA recorded the highest percentage of case resolution of 99 percent.

The performance during the year has drastically reduced the number of pending cases from 14,080 cases beginning of the year to 9,918 cases by the end of the year or a reduction of 29 percent. It is widely perceived that with the aggressive stance to fast-track the resolution of cases by aiming zero backlog, no pending cases would have remained by end of 2010.

In mediation and conciliation activities, 37,636 disputes were settled and prevented from maturing into court cases. This is a 99 percent resolution rate against caseload of 37,881 cases. The high performance is largely due to the aggressive alternative dispute resolution (ADR) method which DAR applies in mediating disputes.

Figure 6 shows the accomplishment of legal assistance by type of case.



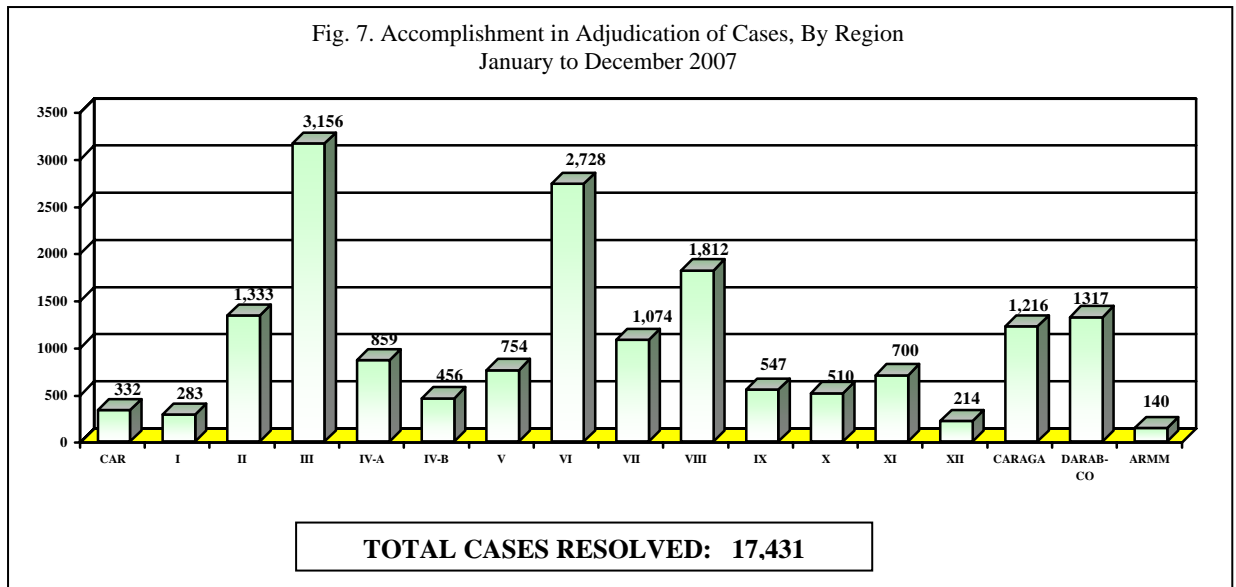
2. Adjudication of Cases (Tables 6a, 6b,)

The DAR Adjudication Board (DARAB) is vested by law as the judicial arm of the Department. It deals mainly with the resolution of agrarian reform cases filed before the Regional/Provincial Agrarian Reform Adjudicators (RARADs/PARADs) and the Board involving land compensation issues, annulment or cancellation of lease contracts, ejection and disposition of tenants/leaseholders, sale/alienation/preemption/redemption of agricultural lands under the coverage of CARL or other agrarian laws, EPs/CLOAs cancellation, collection of amortization, boundary disputes, and other agrarian reform matters or concerns referred to it by the DAR Secretary.

From January to December 2007, the DARAB accumulated a total caseload of 26,211 cases. Of these, 9,979 cases are pending resolution since January 2007 while 16,232 are new cases filed during the year. Of the total caseload, the DARAB resolved 17,431 cases. Of these, 7,871 cases came from pending cases and 9,560 cases came from cases filed during the year.

Among regions, CAR posted the highest rate of case resolution or 97 percent of the total caseload. In terms of the volume of cases resolved, the top performers are: Region III (3,156 cases), Region VI (2,728 cases), and Region VIII (1,812 cases). In comparison to the CY 2006 performance in terms of case resolution, it is Region III that consistently topped the list.

Among provinces, Bulacan (1,198 cases) and Nueva Ecija- South (848 cases) in Region III posted the highest number of cases resolved/settled.



As of end of December 2007, there are still 8,780 cases pending with the different adjudicators. This is 1,199 cases less or a 12 percent decrease from the 9,979 pending cases at the start of the year. This reduction is due to the concerted efforts of all DAR adjudicators to fast track resolution of these cases especially those ageing 3 years and above.

Majority of the pending cases are concentrated at DARAB Central Office (2,176 cases), Region III (1,792 cases), and Region II (736 cases). Of the total cases pending, majority are less than 1 year old.

C. Program Beneficiaries Development (Support Services Delivery)

The success of CARP does not solely lie on the distribution and ownership of the land but rather on how the farmers make use of the land to become productive. The farmers as key players in the development of their community have the responsibility of transforming the community into economically progressive area through their agri-based entrepreneurial activities. The DAR through several intervention strategies have introduced various economic and entrepreneurial trainings to encourage farmers engage in economic endeavors. These development interventions involve actual transfer of knowledge and latest farm techniques. Infrastructure facilities such as irrigation, roads and bridges are also provided to enhance production and transport of produce and access of farm households to basic social services.

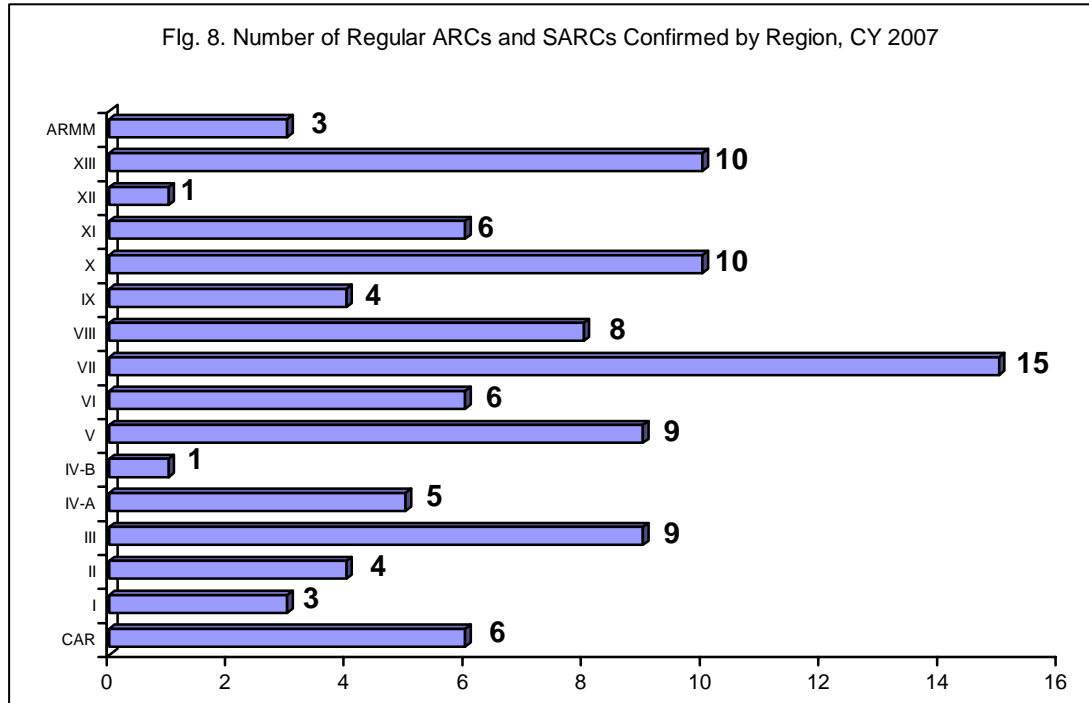
1. Agrarian Reform Community (ARC) Development (Tables 7, 7a)

In 1993, the Department adopted the ARC strategy as a focused development approach in providing intervention to improve the lives of farmers and their communities. The ARCs also serve as growth points wherein convergence among stakeholders may concentrate to optimize the use of their resources. Farmers in the ARCs are organized and strengthened to become development partners. Various trainings on organizations' systems and procedures; farming technologies; and entrepreneurial skills were provided to farmers.

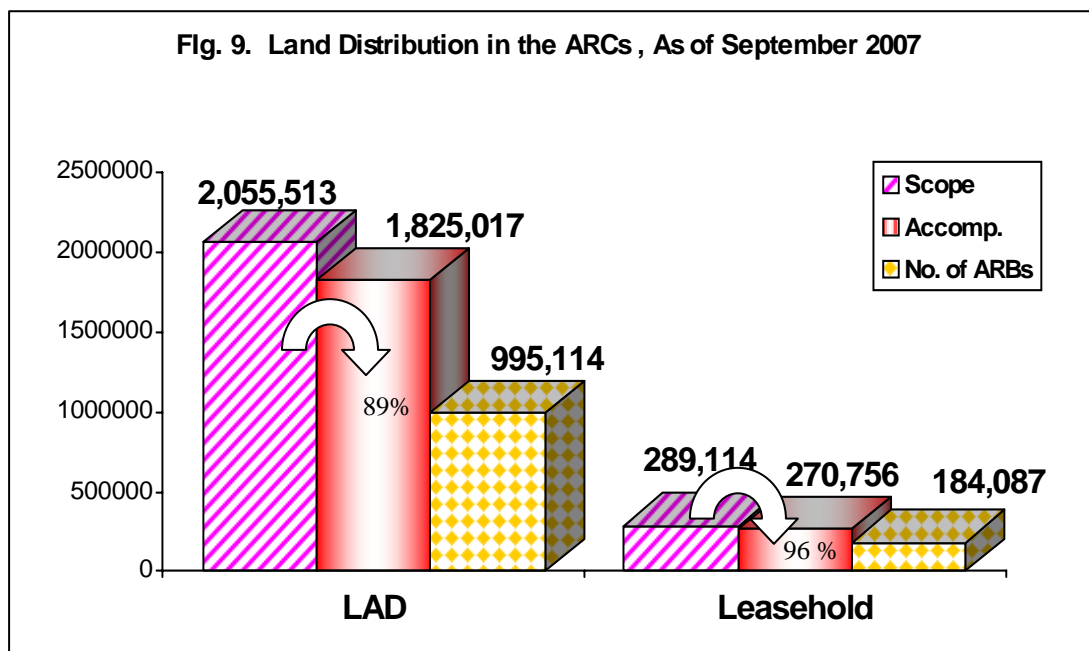
After 13 years of implementing the ARC strategy, there were areas identified to have distinct characteristics that require customize intervention. To reach out to farmers in these communities, the Department issued Memorandum Circular No.2, s. 2007 on "Guidelines Governing the Identification/Selection/Confirmation of Special Agrarian Reform Communities (SARCs). These areas with special characteristics are the following:

- Geographically Isolated Areas (GIA). Those accessible only through special forms of transportation due to absence of road networks such as islands or mountainous areas.
- Calamity Prone Areas (CPA). These are areas frequently affected by typhoons, earthquakes, volcanic eruptions, and environment-related man-made calamities such flash floods, landslide, fish kill, siltation and chemical poisoning.
- Special Tribal Areas. (STA). These are areas where members of the indigenous cultural communities are awarded CLOA, EP, leasehold contract, CBC, etc.
- Peace Development Zone (PDZ). These areas are envisioned as sanctuaries for ARBs which are affected/displaced by armed conflicts.
- Agro-Tourism Areas (ATA). These are areas with potential for tourism due to its natural or cultural attractions, or agricultural features such as demo-farms or processed agricultural products.

For the year, the National ARC Task Force confirmed 57 regular and 43 special ARCs^{2/}. The additional 100 ARCs and SARCs brought to 1,959 ARCs/SARCs already confirmed nationwide.



The combined LAD and leasehold accomplishments in the ARCs have already reached 2,095,773 hectares or 90 percent of the combined scope of 2,344,627 hectares. The LTI programs have so far benefited 1,179,567 ARBs.



^{2/} Includes ARMM.

To determine whether the interventions in the ARCs make a dent in the lives of ARBs, the Department conducts regular assessment of the ARC level of development. The assessment results in a composite index where the magnitude of interventions in six key result areas, namely: land tenure improvement (LTI), organizational maturity (OM), economic and physical infrastructure support services (ECOPISS), farm productivity and income (FPI), basic social services (BSS), and gender and development (GAD) are considered. Given these factors in computation, the resulting index is an approximation of sustainable rural development index (SRDI) of the ARBs in the ARCs.

For this year, the national ALDA average yielded 72.84% with six regions (CAR, I, II, III, IX, and X) scoring above the national average. In all key result areas, the LTI rating (92.72%) has the highest score with a high of 98.72% and a low of 85.24%. This is primarily due to the almost completed land distribution in most ARCs. The second highest rating (88.97%) is in BSS with a high of 95.25% and a low 83.6%. This rating is contributed by the continuous support of foreign donor institutions, partner agencies, and LGUs in improving potable water system, health centers, classrooms and electrification in the ARCs. The challenge for implementors are on OM, ECOPISS, FPI, and GAD. Below is the rating on the different key result areas.

Box. 2. ARC Rating On The Different Key Result Areas ALDA 2007	
LTI	92.72
OM	65.56
ECOPISS	72.01
FPI	65.98
BSS	88.97
GAD	53.38
Average	72.84

In terms of level of development, majority (69%) of the 1,713 ARCs are in levels 4 (479) and 5 (708). At medium level of development is 338 ARCs, and 188 (11%) are in levels 1 and 2. Compared to the level last year, there are 428 ARCs that progressed to higher level, most of which came from level 4 (162 ARCs). There are also 905 ARCs that maintained their development level last year, most of these are those in level 4 (217 ARCs) and level 5 (495 ARCs). Also observed is the retrogression of 286 ARCs mostly from level 3 (110 ARCs).

Box. 3. ARC level of Development, December 2007	
Level	Number of ARCs
1	65
2	123
3	338
4	479
5	708

With the customize interventions adopted by the Department in the ARCs, there is a wide-range of options to consider where ARCs may fit to continue or sustain activities that the ARBs need. The challenge lies not only in providing interventions to enable these communities realize their full potential but on post level 5 ARCs to ensure that the ideal level is maintained. This requires real capacitation of ARBs and organizations to chart their development direction and plan realistically to carry that out.

ARC Connectivity (Table 8)

The current thrust of the Department towards viable agri-business undertaking of farmers' cooperatives that will link ARCs and transform them as source for forward-backward linkages in the production cum processing chain is addressed through ARC Connectivity. The strategy is new but already generating support from the provinces as more non-ARC barangays are included in the expansion and benefiting more farmers. Under the strategy, each barangay complements the development concept of the cluster to undertake agro-industrial development endeavor focusing on production, processing, and marketing of products where they have competitive advantage.

A total of 82 ARC clusters covering 1,912,065 hectares have been identified that will benefit some 597,835 ARBs and non-ARBs. These ARC clusters shall be devoted for the production of rice, corn, coconut, palm oil, vegetables, among others. These areas shall also be the loci of convergence initiatives among the three rural development agencies; Department of Agriculture, Department of Environment and Natural Resources, and Department of Agrarian Reform wherein their resources and range of expertise shall be optimized for better result.

1.1 Social Infrastructure and Local Capability Building

a. Farmers' Organizations (Table 9)

Farmers' organizations play an important role in the development of successful ARCs. These organizations serve as linkage to government entities and other peoples' organizations where farmers can learn new techniques and technologies to enhance their traditional ways of farming. They serve as channels to support

services such as credit, marketing support and training programs for their members. These assistance are exclusively provided to members, hence, non-members are encouraged to join organizations.

To strengthen farmers' organizations, farmers are trained on capability building make them able partners in development. To enable organizations' leaders and members become knowledgeable and skilled in effectively managing their undertakings, the DAR provides trainings on organizational development such as systems and procedures in bookkeeping and accounting, among others.

At present, there are 5,746 organizations with a total membership of 665,476 or an average of 115 members. Of these, 393,535 (59%) are ARB members. In terms of total ARBs in the ARCs, the ARB members represent only 33%. These farmers' organizations/cooperatives have accumulated capital build-up amounting to PhP 1.59 billion and savings amounting to PhP 789 million. These organizations are engaged in agriculture-based businesses and have assets valued at PhP 9.47 billion. Their liabilities of PhP 8.00 billion leave a net worth of PhP1.47 billion.

Level	Number Of Organizations
1	1,319
2	498
3	637
4	738
5	1,284

In terms of organizational maturity of the 4,476 organizations assessed, 59% are in levels 5 (1,284), and level 4 (738), and level 3 (637). These are organizations considered functional organizations, most of which are capable or already managing enterprises. A big number of organizations are in level 1 (1,319) and level 2 (498). This result calls for a more active involvement of development facilitators in elevating the level of maturity of these organizations.

The assessment also disclosed the progression of 851 organizations mostly to level 4 (268) and level 5 (295), the maintenance of the level as that of last year of 2,322 organizations mostly at level 5 (938), and the regression or sliding back to lower level of 863 organizations.

The challenge with DAR in organizational strengthening and ARB capacitation boils down to the necessity of reviewing the SILCAB framework to address this concern.

b. Agrarian Reform Beneficiaries Training (Table 10)

The agriculture sector is one of the contributors to the Philippine economy. However, 42 percent of its population in the rural areas still lives in poverty. The DAR as a major player in rural development endeavors capacitate farmers in improving their productivity and enhancing their skills to undertake profitable activities that will redound to increase income. This activity is among the components of foreign-assisted projects to strengthen farmers' organizations and transforming members as active partners in the organizations' undertaking. The contribution of farmers in terms of economic growth may be insignificant as of now, but with training on improved farm technology they will eventually become significant contributors to the rural economy.

The DAR provides trainings to ARBs on values orientation and governance, financial management and cooperative education. They are also trained on the latest technologies and techniques in farm planning, upland and lowland rice farming, backyard vegetable and herbal gardening, aquaculture, poultry, cattle fattening and swine raising, among others. The Department also recognizes the role of non-government and people's organization in the community. They empower the ARBs by providing them capability-building interventions and facilitate their socio-economic and political development. The trainings they provide enable the ARBs to develop, improve, expand and diversify their existing enterprises. They are also given the opportunity to access credit and micro-finance services of government and private organizations.

For the year, the Department trained 74,521 Agrarian Reform Beneficiaries (ARBs) or 64 percent of the total target of 105,429 ARBs for the year. This covers 1,719 ARCs with 2,529 farmers' organizations.

1.2 Sustainable Agribusiness and Rural Enterprise Development

a. KALAHI Farmers' Center (KFC) (Table 11)

KALAHI (Kapit-bisig Laban sa Kahirapan) Farmers' Center was launched in 2004 through the assistance of Food and Agriculture Organization-Technical Support to Agrarian Reform and Rural Development (FAO-TSARRD). It is a one-stop shop center aimed at integrating and institutionalizing the delivery of support services being implemented by CARP implementing agencies. The DAR as the lead agency coordinates the establishment of the KFCs nationwide. Priority services available for the ARBs are mostly on agricultural extension (e.g. trainings, workshops etc.) and

promotion of technology to attain food security and agricultural modernization.

The Department taps the e-Agrikultura project of the Department of Agriculture in selected provinces in Visayas and Mindanao which aims to enhance the service delivery to the rural populace. This will provide the ARBs an easy access to the services to improve their farm technology.

As of 2007, the Department was able to establish a total of 91 KFCs in 72 provinces nationwide. Of these, 42 KFCs (46 percent) are now operational. Of the operational KFCs, 21 (50 percent) are in Luzon, 11 (26 percent) are in Visayas and 10 (24 percent) are in Mindanao.

These operational KFCs provided 88 HRD-related trainings, 271 agri-enterprise-related trainings, and 58 information technology dissemination sessions and other services benefiting 23,512 ARBs and 11,196 non-ARBs.

b. Credit Programs for ARBs (Tables 12, 12a, 12b)

Various support services are provided by the department to its beneficiaries which include financial and credit assistance through farmers' cooperatives and peoples' organizations. Such assistance is vital to the ARBs' business undertakings which serve as avenues for supplemental capital. Land Bank of the Philippines (LBP), Technology and Livelihood Resource Center (TLRC), Quedancor, the National Livelihood Support Fund (NLSF) and the Kaunlaran ng Magsasaka, Inc. (KMI) are some of the financing institutions wherein medium and large scale enterprises are linked and source out their capital. This linkage is institutionalized through a Memorandum of Agreement between the DAR and the different loan conduits.

The box below shows the different credit windows which has a cumulative approved projects of 1,569, with an aggregate loan and grant amount of PhP 3,112.41 million benefiting 221,436 ARBs as of CY 2007.

Box 4. Status of Credit Program CY 2007 as of December 2007				
CREDIT PROGRAMS	NO. OF PROJECTS APPROVED	PROJECT COST ^{3/} (PHP M)	AMOUNT AVAILED (PHP M)	NO. OF ARBs
A. Completed/Terminated Credit Windows				
DAR - LBP ^{4/}	254	462.84	176.64	15,447
DAR - TLRC ^{5/}	8	7.27	7.27	742
DAR - KMI	37	80.77	80.77	9,808
DAR – QUEDANCOR ^{6/}	100	133.44	104.49	12,169
CAP – PBD (W I) ^{7/}	208	155.42	155.42	8,063
Sub-Total	607	839.74	524.59	46,229
B. On-going Credit Windows				
CAP – PBD (W II)	6	186.05	123.92	1,664
CAP – PBD (W III)	11	6.39	6.39	542
DAR - LCAP	849	2,075.87	2,075.82	169,786
Sub-Total	866	2,268.31	2,206.13	171,992
C. Grant Windows				
CAP – PBD (Program Mgt.) ^{8/}	96	4.36	4.19	3,215
Grand-Total	1,569	3,112.41	2,734.91	221,436

For the period, 10 cooperatives availed of Php 6.39 million loan under CAP-PBD Window III to extend credit to its members.

- **On-going Credit Windows:**

- 1. Credit Assistance Program for Program Beneficiaries Development (CAP-PBD)**

The CAP-PBD was conceptualized in 1996 with two credit windows (Window I and II) in response to the need of the ARBs for financial assistance. This was designed to provide the necessary credit to farmers' associations and cooperatives to support the farming activities of the ARBs.

CAP-PBD Window I was terminated on September 2006. It was able to provide loans amounting to P155.42 million for 208 projects where 8,063 ARBs benefited. These loans enabled ARBs to acquire farm machineries, and obtain support for the production of traditional crops such as rice, corn, sugarcane and coffee.

^{3/} Includes proponent's equity, DAR's counterpart and GFI's counterpart

^{4/} Lending terminated as of 14 May 2003

^{5/} Lending terminated as of June 2001

^{6/} Lending completed as of December 2005

^{7/} Lending ended as of September 2006

^{8/} For institutional development and project management

Post evaluation of CAP-PBD Window I revealed that it was able to meet considerably the agricultural needs of a limited number of beneficiaries. Because of this, the Project Steering Committee (PSC) decided to open a similar project, CAP-PBD Window III.

From January to September 2007, the new program was able to extend credit assistance to 10 cooperatives, mostly for rice production projects with a total loan amount of P6.39 million benefiting 542 ARBs.

As of December 2007, CAP-PBD Window II extended loans for 6 projects, mostly for rubber replanting in Region IX and ARMM with a loan component of Php123.92 million benefiting a total of 1,664 ARBs.

On the other hand, amount released under the Program Management Fund totaled to Php 4.19 million which funded 96 training programs for 3,215 ARBs. These are capability training programs to enhance project management skills of ARBs on profitable and systematic business operation.

2. DAR – Local Credit Assistance Program

For small enterprises which need supplemental capital but are not eligible for bank credit windows, the DAR's local credit assistance program provides for a less rigid criteria for availing loans. The National Livelihood Support Fund (NLSF), a support institution of the DAR for credit services, handles the fund management.

The DAR-LCAP, being a micro credit window is the most widely availed credit program by ARBs through their cooperatives. The re-lending of funds directly to operators of micro-enterprise bears a minimum of 12% interest per annum.

Projects funded under this window include livestock and poultry production, vegetable and root crops production, dried and smoked fish processing, sari-sari store and other retailing operations and handicraft making. It has disbursed, as of December 2007, Php 2,076 million to 849 projects for the benefit of 169,786 beneficiaries.

The local credit programs essentially offer opportunities for self-help groups and ARB households to start livelihood projects within their managerial capabilities and which allow an extended participation among and between ARB members and non-ARB members of the conduit cooperative. While it is not clearly valued, micro-lending under this program provides a strategy for the cooperatives to increase their capital build-up and mobilize savings from their members.

c. Marketing Assistance Program (Table 13)

Stiff competition in the local as well as in the global market posed a big challenge for the ARBs to improve the quality of their produce. To help the ARBs gain from the global trend, the Department conceptualized a marketing assistance program that will help them cope with this situation. The activities undertaken under this program include provision of necessary skills training and linking the farmers with various agri-business firms and other interested business establishments willing to patronize ARC products. It has four components, namely:

1. Capability and Skills Upgrading for Program Implementer and ARBs – activities being undertaken under this component include provision of necessary skills training and upgrading involving both the program implementers and the ARBs to cope with recent demands. For the year, a total of 205 skills trainings were conducted and participated in by 582 program implementers and 390 other participants.
2. Market Information – this component serves as the channel in promoting agricultural products of ARBs through updating, publishing brochures and articles through the tri-media. For the year, 1,100 MAP brochures were prepared and distributed to about 25,794 ARBs which served as their guide in marketing their produce. A total of 601 marketing orientations were conducted involving 854 partners/people's organizations and 235 agri-business firms attended by 8,700 ARBs in 1,065 ARCs.
3. Product Development and Marketing - quality and packaging of products have been consistently given importance to make the produce acceptable in the global market. Hence, regular product assessment and packaging is undertaken to ensure the marketability of ARB products. Products that passed through assessment are improved and promoted through a marketing plan.

As part of this component, the Department conducts and organizes trade fairs to showcase and gain wider appreciation of ARC products. For the year, the traditional national trade fair was conducted on the occasion of the 18th anniversary of CARP last June 2007. The trade fairs (national/local/regional) generated an estimated PhP 9.8 million sales and a total of PhP 3.5 firmied-up negotiated sales, or a total of PhP 13.3 million ARC products sold.

4. Marketing Assistance - this component focuses on product matching and market linkaging through the conduct of 153 matching fora involving 167 agri-business firms, 365 farmers' organization, and 5,254 ARBs in 305 ARCs. This activity culminated with the forging of marketing contracts/agreements between ARBs and agri-business firms.

For the period under review, a total of 362 new marketing contracts were signed/executed between 440 agri-business firms and 278 ARBs'/peoples' organizations involving 9,955 farmers in 277 ARCs. The value of sales generated from these contracts amounted to PhP 84 million. Two regions were able to generate total value of sales of PhP 63.21 million equivalent to 75% of the total sales.

On the other hand, there were 371 carry-over contracts from the previous years involving 262 agri-business firms and 312 peoples' organizations benefiting 44,228 ARBs in 305 ARCs. These contracts generated PhP 33 million sales.

1.3 Access Facilitation and Enhancement Services

a. Infrastructure Support Projects (Table 14)

To make the CARP lands productive, the Department in collaboration with other CARP implementing agencies provide infrastructure projects in the ARCs. The objectives of these infrastructure projects are to spur economic development, to improve the living standards of the ARBs and other farm producers and to alleviate poverty in the project areas.

There are different major infrastructure sub-components implemented in the ARCs, these are as follows: 1) access infrastructure such as roads and bridges; 2) communal irrigation such as small water impounding, small scale drainage and flood controls; and 3) post-harvest-facility such as warehouse, rice mill, and farm machineries.

For CY 2007, a total of 558 projects with an aggregate cost of Php 4.580 billion both funded under ARF and ODA were provided in the ARCs. These projects are broken down as follows: 101 irrigation systems with service area of 19,532 hectares; 369 roads and bridges with a total length of 1,171 kilometers; and 88 post-harvest-facilities projects with 88 units. These projects have already been turned-over to the ARBs who are now enjoying the gains in their farming activities and income.

As of December 2007, a total of 7,787 projects worth Php 25.105 billion were constructed and turned-over to the ARBs. Below is the list of these projects:

Project	No. of Projects	Unit	Cost (Php B)
Farm-to-Market Road	6,389	12,678 km	14.399
Irrigation System	939	219,405 ha	9.655
Bridges	139	9,380 lm	0.802
Post-Harvest-Facilities	320	325 units	0.249
TOTAL	7,787		25.105

Projects still undergoing construction are 128 irrigation systems with service area of 18,050 hectares; 240 roads and bridges with a total length of 927 kilometers; and 34 post-harvest-facilities projects with 36 units. Total cost of these projects amount to Php 4.609 billion.

Other infrastructure projects provided to the ARBs include 630 school buildings, 157 rural health centers, 63 rural electrification, 918 potable water systems, 4 market structures, multi-purpose buildings/centers, 6,711 solar power technologies, sanitation systems, flood control structures, and wharf.

b. Foreign Resource Mobilization (Table 15)

Resource mobilization is deemed important especially when the domestic resources are scarce. Developing countries such as the Philippines has been tapping international support to augment the limited government funds to better develop the country and meet the basic needs of the people especially at the grassroots level.

The Department has tapped Official Development Assistance (ODA) as a significant source of fund to supplement the limited funds of the program. Through the years, the ODA portfolio of the DAR has increased significantly, reflecting the foreign donor community's support to the program and the confidence in the Department to implement development cooperation projects.

Consequently, the Department has facilitated the development interventions in more than 1,078 ARCs and delivered support services to 649,420 ARBs. These development interventions focused more on five major areas: 1) physical infrastructure; 2) community and institutional development; 3) agricultural productivity and rural enterprise; 4) basic social services; and 5) land tenure improvement.

As of date, the Department has generated an aggregate amount of Php 57.823 billion for a total of 56 projects in the form of capital and technical assistance. Technical assistance projects provide/implement training programs, manpower and equipment support, policy studies and other activities that will help augment the capability of DAR staff and the ARBs themselves. On the other hand, capital assistance projects involve substantial investments in infrastructure, economic activities, livelihood and agri-business.

Of these, 14 projects are ongoing with a total cost of Php 26.36 billion, Php 17.73 billion loan, Php 7.56 billion GOP counterpart, and Php 1.08 grant.

As of December 2007, a total of Php 57.823 billion have been generated and most came from foreign funding agencies such as the ADB, Government of Belgium, JBIC, EU, IFAD, WB, Spain, German Government, State of Israel and UNDP. Of these, Php 35.253 billion was loan, Php 6.186 billion was grant, and Php 16.384 billion counterpart from the Philippine Government.

c. Greater Medical Access Sa Bayan-Anihan (Table 16)

An individual is considered healthy if he is physically, mentally and emotionally sound. Based on studies made by various local and international organizations, the health of Filipinos has considerably improved over the last fifty years. However, still large peculiarities in health status among Filipinos exist across population groups, income classes and geographic areas. Rural population particularly the ARBs receive less and lower quality health services before. This situation triggered the President to include in her policy programs the health concerns of the indigent Filipinos which include the ARBs in particular. In compliance with this directive, the Department in coordination with the Philippine Health Insurance Corporation (PHILHEALTH) and the Local Government Units (LGUs) initiated the implementation of a program that caters to health needs of ARBs entitled "Greater Medical Access Sa Bayan-Anihan". It has three models, namely:

- *DAR Agraryong Pangkalusugan* – a community-based program which aims to provide affordable and quality health services among ARBs. For the year, the Department coordinated the enrolment of 9,102 ARBs to PHILHEALTH in 20 ARCs.
- *Advocacy On Sponsored Program for Agrarian Reform Beneficiaries* - The Department conducts a continuing massive information campaign at all levels about the program to gain the trust and confidence of all program stakeholders. The support of other government instrumentalities specifically the LGUs is important. Under this program, the LGUs and the PhilHealth shared a 50-50 responsibility for the enrollment of ARBs to PhilHealth.

For the year, a total of 55,809 ARBs and 46,921 community members enrolled in PhilHealth and availed of the benefits of social health insurance. Region X posted the highest number of total enrollees (35,634 ARBs and non-ARBs).

A new scheme was introduced entitled “ARC Saves for Health Micro-Insurance (ARCs-HMI) where ARBs save 25 percent of their insurance premium for 4 years in the cooperative. This is a 4-year program in collaboration with GlaxoSmithKline and PhilHealth through a Memorandum of Agreement signed last year. This is piloted in selected ARCs where the LGUs provide 50 percent of the premiums and 50 percent is shouldered by PhilHealth. Eventually, ARBs shall graduate from this sponsorship program towards the Individually Paying Program. The savings of the ARBs shall be used to pay their insurance premium after the 4th year.

Initial activities undertaken for the period were advocacy campaigns with various LGUs to win their support for the program and orientation-meetings with the community key players to properly disseminate information on the program. The pilot areas for this scheme are Pangasinan, Davao Norte and Compostela Valley with 500 ARB-enrollees.

- *Advocacy on Individually Paying Program (IPP) of Philhealth for ARBs*

ARB-members who are capable to pay their respective health insurance premiums are encouraged to enroll in health insurance under this model. For the period, a total of 13,271 members were enrolled under this program. Of which 9,002 ARBs and 4,269 non-ARBs covering 9 regions responded to the encouragement made by the Department to enroll in the program. Regions X, XIII, CAR, and II share the bulk of the enrollees with combined enrollees of 10,970 or 83 percent of the total enrollees.

D. Support Activities

1. Public Relations Information and Social Marketing (PRISM)

The Public Relations Information and Social Marketing (PRISM) program of the Department endeavors to present CARP as a vehicle towards alleviating poverty and promoting social justice and rural development. Its primary purpose is to lay the foundations of the agrarian reform to its stakeholders to establish a well founded understanding of the program. Concomitant to this is to address the controversies confronting CARP implementation to bring about a balanced presentation of the issues and gain support and sustain program gains.

For CY 2007, the DAR's Communication Plan focused on the theme: "Communicating Agrarian Reform's Contribution to the Country's Progress." The plan is anchored on and shall be implemented through the following strategies:

- Sustain ties with national media;
- Strengthen grassroots public relations and social marketing;
- Pursue interpersonal touch; and
- Explore multimedia avenues.

DAR Publications

For the period under review, DAR through the Public Affairs Staff (PAS) released five issues of its newsletter *Dyaryo DAR*. The newsletter caters to information requirements of the Department's personnel which features news and stories on CARP implementation. Aside from inspirational and heart-warming stories on ARBs, *Dyaryo DAR* also puts out interesting stories on its personnel. The first issue (January-February) highlighted the Secretary's appeal to Congress on the 10-year CARP extension and his position on the Hacienda Velez-Malaga controversy, the intensification of DAR's support services, launching of a physical infrastructure project in Bicol and the impact of the typhoon Reming in the lives of DAR personnel in Bicol. The second issue (March-April) featured the installation of ARBs in Hacienda Velez-Malaga and the undaunted resolve of DAR in upholding the rights of the farmers. The third issue (May-June) included President GMA and the Catholic Bishops Conference of the Philippines' (CBCP's) support to CARP extension, the CIRDAP conference and a profile of Mr. Virgilio Gullos, a successful CARP beneficiary. For the July-August issue, the newsletter carried the headline "P11-B Projects to Plow in Mindanao" which is in line with the President's thrust in creating Southern Philippines as one of the super regions in the country. It also featured the Eastern Visayas lawmakers' support to CARP extension, the Komiks contest winners, among others. Lastly, the September-October edition featured the unveiling of P190M rubber dams in Albay, the call of the Cordillera Administrative Region (CAR) governors to Congress to extend CARP, and the DAR Secretary condemning the unruly acts of

farmer-rallyists at DAR compound. In total, about 40,000 copies of the newsprint were distributed for the period.

Also during the year, the PAS prepared and distributed 2,500 copies of Landmarks, a magazine type of publication with the theme “Galing Magsasaka.”

Various reading materials and laws pertinent to CARP, such as Republic Act 6657, Republic Act 3844, as well as administrative issuances (Book 10) were also produced and distributed to DAR’s clients as well as program implementers. The primer on DAR and CARP was also improved to contain recent milestones on the program and illustrations to make it both informative and reader-friendly. Students, farmers, landowners, legal practitioners, and other clientele of the Department requesting for information about agrarian laws were provided with these information materials. During the last quarter of the year, PAS came out with special materials such as the Agrarian Reform Communities Project Newsletter and Q & A Primer on CARP Extension particularly prepared for the DAR-ADB Agrarian Reform Communities Project and legislators, respectively. A total of 1,388 copies of these printed materials were given out during the year.

Print Media

Embedded in the PRISM’s strategies to sustain ties with national media and explore multimedia avenues is to be in constant connection and partnership with the various sectors of the media to disseminate information on CARP.

For the print media, PAS prepares news stories, feature articles, advertorials, and photo stories. These are subsequently farmed-out to major dailies and newspapers of general circulation for publication. During the year, 304 news stories, 56 feature articles, 15 advertorials, and 58 photo releases from DAR were published in Metro Manila newspapers to disseminate CARP updates and accomplishments.

Print media exposure was at its peak in June during the 19th CARP Anniversary celebration. Full page ads on CARP accomplishment with testimonies of ARBs who became successful entrepreneurs were published on June 18 in Business Mirror, Manila Standard, Philippine Daily Inquirer, Philippine Star, and Manila Bulletin. The same ads were published in Bandera on June 25.

Among the news dailies, Manila Bulletin, Business Mirror, Balitang-Balita and the Philippine Daily Inquirer printed the most number of news and favorable stories both on CARP and the Department. The most frequent news releases which came out during the period were on the issues on Hacienda Velez-Malaga, support and clamor for CARP extension, the Centre on Integrated Rural Development for Asia and Pacific (CIRDAP)

conference held in Manila, the Marcos wealth, DAR's Anti-Corruption Seminar, Visayas lawmakers' support to CARP extension, the farmers' protest on the RP-China Agriculture Agreement, the proposed transfer of DAR to Davao and the Sumilao case.

To assess the impact of print as medium, the PAS uses point system in every news or photo story that appears in the dailies. Stories are classified into positive, negative and neutral, while those that are of general information are classified as others. This point system measures the impact of the stories to the reading public.

For the year, DAR garnered 41,628 positive points from the 765 favorable stories carried by various national newspapers as against 15,276 negative points from 257 unfavorable stories. This indicates that the DAR has favorably projected a good image in the eyes of the public.

Broadcast Media

The broadcast media, particularly television and radio, is another means by which the Department disseminates information in view of its extensive audience reach, effectiveness and efficiency.

DAR access this medium by providing TV and radio stations press and news releases prepared by PAS, guestings by and interviews with the DAR Secretary and other officials, and holding of other special events. For the period, the PAS prepared 91 television and 49 radio releases which were aired at least twice per week. Television and radio guestings of the Secretary and other officials were arranged by PAS as an avenue for exchanging information and interaction to thresh out certain issues.

Radio guestings of the Secretary include: DZRH "Tuloy-Tuloy Pinoy" hosted by Deo Macalma discussing the CY 2006 DAR's accomplishment; CARP Anniversary activities; and the plans and projects of DAR Central Office, Regions XII, II, IX, and CARAGA. Also interviewed by Mr. Macalma were: Usec. Gerundio Madueño on the CIRDAP conference; Director Letecia Damole on DAR Marketing Strategies; Joselito Tibayan, Luzon 2005 Most Outstanding ARB; Myrna Dimaranig, Visayas 2006 Most Outstanding ARB; and Luxmie Auxillo, Mindanao 2003 Most Outstanding ARB. Other radio stations where DAR Officials were invited to discuss critical issues included: DZXL hosted by Buddy de Vera and Aileen Velasco on the Hacienda Velez-Malaga killing and the DAR Media Olympics, DZMM hosted by Junry Hidalgo on the DAR transfer, and Australian station, SBS Radio hosted by Maridel Martinez-Andanar about CARP programs and projects.

TV guestings include the following: “Tinig ng Bayan”, “Pilipinas, Gising Ka na Ba?” and “Equilibrium: Sukatan ng Katwiran” at NBN 4; “News on 5” at ABC 5; “Palaban” and “Reporter’s Notebook” at GMA 7, and “Bandila” and “TV Patrol” at ABS-CBN. Topics discussed were on DAR’s support services; Cuenca Story-Hacienda Malaga; Installation at Hacienda Malaga; Marcos Wealth; CARP Budget, Programs and Projects; and the CIRDAP conference.

The PAS also provided regular media coverage and photo documentation for the Secretary and other DAR officials. Regular coverage team composed of writers, video, and photo documentors were sent to cover activities on the program implementation especially on foreign-assisted projects and field operations.

PAS for the period served 44 clients as it reproduced/dubbed 75 tapes re: Secretary’s field visits, project turn-over, ARC launching, CLOA distribution, MOA signing, 19th CARP Anniversary activities and others.

Special Projects

PAS spearheaded a number of activities to disseminate information about CARP and foster relationship among the public. These include:

- Sponsorship of six radio programs with 14 airings. These are: “Simple” every Saturday from 8-9 am at RMN News; “Saglit Lang”, Saturdays from 8-9 am at DWBB; “Tuloy-tuloy Pinoy”, Wednesday from 6:00-6:30 pm at DZRH; “Direktahan”, Sundays from 7-8 am at DZRJ; “Radio Bandido” from Monday to Friday, 4-5 pm at DZRJ; and “Misyon, Aksyon Ngayon”, every Monday-Wednesday-Friday from 8-9 am at DWDD;
- Media coverage or Pasyal ARC at Sto. Domingo ARC in Ilocos Sur, Mabuhay ARC in Ibaday and Maunlad ARC in Makato both in the province of Aklan, Hacienda Velez-Malaga in Negros Occidental, BIARSP Legacy in Panglao Island, Bohol, MINSSAD Project in Region XI, and an ARC in Sultan Kudarat. Media practitioners from print and broadcast joined the documentation of the ARCs. Stories on these Pasyal ARCs came out in Malaya, Pinoy Weekly, Taliba and Business Mirror;
- Photo exhibits at SM Mega Mall Trade Hall during the 19th CARP Anniversary and at the Traders Hotel during the CIRDAP Conference;
- “Komiks Contest” in collaboration with the University of the Philippines College of Fine Arts and Mango Comics which was participated in by 22 writers and illustrators, who wrote and illustrated a 16- page success story of an ARB in Filipino;

- Media coverage of the following activities: “Joy Walk for CARP”, Awarding in Malacañang. Fun Run, Fun Games, Medical Mission, Solidarity Night, and the Tree Planting at Camp Capinpin in Tanay, Rizal; and
- DAR Tri-Media Olympics which was participated by 96 members of the media.

Communication Research

CARP related articles, agricultural and other related issues appearing on broadsheets and tabloids are monitored regularly to ascertain the DAR and CARP’s exposure to the print and broadcast media. Monitoring and clipping of newspapers as well as monitoring radio programs were done everyday starting at 4:00 a.m. These news items are compiled as daily news advisory and distributed to various DAR central offices and regional offices. Some non-government organizations that requested for a copy were also provided.

For radio, the following stations were monitored: DZRV, DZRH, DZBB, RMN News Manila, DWIZ, and DZMM. Selected television stations were also monitored from Monday to Friday.

Communication Networking

DAR strengthens its Social Marketing Program by establishing a strong and effective communications network at the provincial and regional level with its provincial and regional information officers (P/RIOs).

Regional and Provincial Information Offices serve as PAS’ extension office and replicate social marketing activities at the field level. They provide valuable information and updates about CARP at their level. They also mobilize the press, conduct press conferences, and hold radio live coverage in their respective areas. The Regional Information Officers are also producing their in-house publications aside from disseminating PAS publications.

As part of enhancing the skills of the Regional and Provincial Information Officers, a special training on media-related activities was conducted on May 21 to 26, 2007 at the Development Academy of the Philippines (DAP), Tagaytay City. The training was conducted by the Creative Media Professionals Guild of Asia and Pacific (CMPGAP) in collaboration with DAP. Participants attended various courses depending on their needs and line of work. The courses were: Effective Scriptwriting for Video Presentation, Photography is Beyond Digital, Optimizing Presentation Techniques, Cool Design for Company Community Paper, Scriptwriting for Film Features that Sell, Cinematography, The Joy of Digital Editing,

Corporate Communication and Crisis Management, Events Management as Marketing and Promotional Tool, and Making Informative Radio Program Entertaining.

Aside from their regular activities, special events were conducted by the regional and provincial information officers to intensify their information dissemination and advocacy campaign. Among these activities are:

- *Photo exhibits and trade fairs* – held in provincial fiestas and invitations from other offices. Regions involved include Region V, Region VII in Cebu during two socio-cultural activities and in Bohol during the BIARSP Summit and Region IX in Zamboanga Sibugay in celebration of the “Araw ng Sibugay.”
- *Pasyal Aral* – comprised of bringing in media people to various agrarian reform communities to witness the developments in the area, conduct comparative studies or simply for media coverage. Areas visited were: Region I (Ilocos Sur), Region V, and Region VII (Cebu).
- *CARP Extension Advocacy Campaign* – Initiated by Region VIII, information officers were tasked to lead in soliciting from different sectors of the society to pass resolutions calling for CARP extension. As a result, 335 resolutions and manifests of support were signed and submitted to the Office of the President, Senate President, and the House Speaker. Moreover, a Legislators’ Forum was held in August to lobby support from the region’s legislators on the CARP bill filed by Cong. Junie Cua of Quirino.
- *CARP Quiz Date* - Also conducted by Region VIII in September, the quiz contest gauges the student’s aptitude on agrarian reform, encouraging them to know more about CARP and be advocates of the program.
- *On-the-Spot Poem Writing Contest* – joined by three ARBs in Jala-jala, Tanay and Morong. Simultaneous with the competition was the Essay Writing Contest participated by seven Pres. Diosdado Macapagal Agrarian Reform Program scholars of Rizal.

2. Research and Policy Studies

Conduct of research and policy studies provides DAR management with factual basis for revising policies and regulations to improve program implementation. Research outputs also gauge on the impact of CARP to stakeholders.

For CY 2007, two research studies were undertaken, one in-house study and one commissioned. The in-house study is still on-going while the commissioned study was completed in November.

In-House Study

1. *The Impact of Agrarian Reform Program on Landowners: The Utilization of Landowners' Compensation and the Problems and Constraints on Non-Payment of Landowners covered by the CARP/OLT*

The study generally aims to determine the impact of agrarian reform program on landowners who were either already compensated or still to be compensated for their lands that were covered under CARP. Specifically, the study will look into the following:

1. describe the history of landownership of the landowners;
2. determine the process and dynamics of the transfer of landowners' landholdings to the ARBs, land valuation and landowners' compensation;
3. determine the factors that facilitated, delayed or hindered the payment of landowners' compensation;
4. identify the problems and analyze the procedural bottlenecks encountered by DAR, LBP, and other agencies and the actions that have been taken in relation to the payment of landowners' compensation;
5. assess the utilization of the proceeds of the landowners' compensation and their investment preference;
6. determine the nature and extent of utilization of landowners' compensation and other forms of investment which helped provide employment generation and promote industrialization in their area;
7. find out the problems and constraints encountered by landowners in utilizing the cash compensation and the financial instruments (LBP Bonds) paid to them for agri-based investments;
8. identify the nature and extent of assistance provided by the LBP to landowners in the utilization of the proceeds of their compensation from CARP and/or other forms of investment;
9. determine the landowners' perceptions on: the Landowners' Assistance Program of the LBP; their socio-economic status as a result of CARP coverage; their general perceptions about the CARP; and the kind of support services which the landowners perceived they need for them to be active contributors to rural industrialization; and
10. recommend policy measures to address problems identified in the study.

The study made use of the case study approach covering six (6) provinces, 2 per major island group. Provinces were selected based on the highest area distributed in private agricultural lands. Ten to 20 respondents per selected sample province were interviewed by the research team.

So far, the study team has completed data processing and drafted reports for the case studies in the provinces of North Nueva Ecija, Davao del Norte, Negros Occidental, Iloilo, Isabela and Bukidnon. The study is programmed to be completed by the end of March 2008.

Commissioned Research Study

CARP Impact Assessment (CARP-IA) Studies Phase II

The general objective of the second phase of CARP-IA Studies is to undertake a resurvey of sample respondents covered by the 1990 and 2000 surveys that will generate information on the overall changes brought about by the CARP on the standard of living and capabilities of ARBs vis-à-vis non-ARBs, and the impact of CARP to the ARB and the household, community, and macro levels of the economy in comparison with data obtained in 1990 and 2000. The studies were undertaken at three levels: (i) at the micro or agrarian reform beneficiary (ARB) household level; (ii) at the meso or community level; and (iii) at the macro or national level.

The CARP-IA studies (Phase II) commenced in November 2006 and were completed in November 2007. The micro and meso component studies were undertaken by the University of the Philippines Los Baños (UPLB), while the macro component study was undertaken by the Asia Pacific Policy Center (APPC).

Main Findings of CARP-IA Studies (Phase II)

• *At the Micro or Agrarian Reform Beneficiary (ARB) Household Level*

1. ARBs have higher real income per capita (based on 2000 prices) than non-ARBs and both are increasing their real income per capita over time (from 2000 to 2006).
2. The poverty incidence among ARB respondents declined from about 46 percent in 2000 to 45 percent in 2006.
3. In general, there are improvements in yields from 1990 to the 2000 in rice and corn areas, which is a positive indicator of some positive effects of CARP in the traditional crop areas except coconut.
4. In real terms, total value of assets was higher in 2006 compared to the estimate in 2000.
5. Regarding the perceptions of the respondents on their level of household income, the proportion of ARBs who expressed satisfaction increased from 38 percent in 2000 to about 40.1 percent in the 2006 survey. While the non-ARBs increased from 27 percent in 2000 to 37 percent in 2006.

6. For ARBs, the level of satisfaction for peace and order conditions and implementation of government programs also increased.
7. Based on interview of 745 ARB respondents covered by the micro study in 2007, 75% of the awarded lands are still occupied by the original ARBs. About 21% have been transferred to heirs or relatives of the original ARBs. Only 3.5% have been transferred to individuals not related to the original ARBs which could be presumed as transfers through the property rights market.
8. In 2000, 67 out of 870 ARB respondents covered by the micro study or 7.7% have disposed of their awarded lands. Those who sold their lands were about 10% of the ARB respondents while those who mortgaged constituted 7.6%.
9. In both survey years (2007 and 2000), a large majority of the ARBs have transferred their awarded lands to their relatives.
10. There had been a significant increase in the share of respondents that are owner-cultivators in 2000 and 2006 (more than 60%) compared to 1990 (30.50%). The share of non-cultivators and share tenants significantly decreased from 1990 (23.3% and 28.9%, respectively) to 2006 (9.9% and 10.5%, respectively).

- ***At the Meso or Community Level***

1. The results of the case studies indicate the positive impacts of agrarian reform on farmer-beneficiaries.
2. 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 access to better transportation services, market, social facilities and utilities, e.g., safe drinking water and sanitation facilities.
3. The meso study also showed that since the ARC approach involves many dimensions and many agencies and individuals working cooperatively, the rates of success of ARCs would vary across areas and would depend on the following:
 - a. The extent of support and assistance from the Municipal Agricultural Office (MAO) and the DAR field personnel;
 - b. The extent of cooperation among the government agencies, especially the local government unit (LGU);
 - c. For lands under contest, the ARC may not help if conflict between landlords and potential beneficiaries are not settled;

- d. For lands that are economically more viable as large units, the labor-management relations in plantations are important. Thus, adversarial relations among stakeholders would affect the flow of benefits derived from an ARC; and
 - e. Weak, inactive or divisive characteristics of existing farmers' cooperatives or organizations may retard potential successes of ARC.
- ***At the Macro or National Level***
 1. Per capita expenditure, per capita income, and per capita net farm incomes of farmers with no lands (whether in ARCs or non-ARCs) are significantly lower than their counterparts owning land.
 2. An ARB residing in an ARC is better off than one residing in a non-ARC barangay, using both per capita income and expenditure as indicators of welfare.
 3. An ARB is better off than a non-ARB that owns land if the latter resides in a non-ARC barangay.
 4. Poverty incidence in ARC barangays decreased from 40% to 25% over the period 1990 and 2000.
 5. The combination of possessing land, being an ARB and being located in an ARC increases a farmer household's income and expenditure per capita, and make them less likely to be poor.
 6. In terms of non-monetary measures of welfare, households in the ARC barangays are slightly better off than those in the non-ARC barangays as shown by higher proportion of houses with strong roofs and higher educational attainment of household members aged 6 to 24 years.

Recommendations

1. Implement the segregation of collective CLOAs to complete land redistribution and make the ARBs feel the full ownership of their lands and for them to invest fully in making their lands more productive.
2. Finish land transfer in areas under the compulsory acquisition (CA) to improve inequality in land distribution.

3. Deepen and expand the reach of the agrarian reform community approach and improve macro agricultural and rural policies through the following measures:
 - a) Corrections, improvements and deepening of integrative support services should be undertaken in existing ARCs using the best practice cases, and the lessons learned in all the studies undertaken on ARCs.
 - b) The LGUs should play a more crucial role in providing support services by focusing their agricultural, off-farm and non-farm services to the needs of the specific community.
 - c) Review the parameters in the computation of the ratings derived by the ARCs Level of Development Assessment (ALDA) of DAR. The ALDA methodology must be reviewed to reconcile the inconsistency in the ALDA trend and the situation in the community. For example, examine the level of maturity of the organization or cooperative relative to the overall ALDA rating. Another aspect could reflect the general observation that as the community progresses, the cooperative an organization becomes less significant.
 - d) DAR should continue strengthening and supporting genuine cooperatives and POs through trainings and seminars, emphasizing the roles and responsibilities as well as the accountability of the cooperative's officers and members.
 - e) Promote market-oriented production system as part of the community development programs in ARCs and non-ARCs.
 - f) Promote off-farm and non-farm activities and projects in the communities.
 - g) Improve macro policies and programs of the government to address the biggest problems of farmers on low prices of agricultural products, lack of agricultural credit and irrigation facilities, poor farm-to-market roads and infrastructure facilities in rural areas.
4. A more responsive policy should be defined by the Land Bank of the Philippines (LBP) to ensure credit access of ARBs. A rational and viable restructuring of the cooperative's past-due debts should be prioritized.
5. A progressive land tax has to be implemented to hasten the compulsory acquisition of lands from large landowners and to protect owner cultivators from losing their lands and sources of livelihood.

6. For the Philippines to remain competitive in agriculture proper infrastructure, support services, research and development, training programs, and macro policies (such as agricultural pricing policy) should be in place. The development of a rational land-use program should also be considered.

The findings and recommendations of the CARP-IA studies were presented in a National Conference with various CARP stakeholders held on September 28, 2007 at the SEAMEO INNOTECH Conference Hall, Commonwealth Avenue, Diliman, Quezon City.

3. Formulation of Implementing Guidelines

Formulation of implementing guidelines is one of the support programs of the Department which aims to ensure effective and efficient CARP implementation. They serve as guideposts to CARP implementers and stakeholders on the operationalization of the provisions of R.A. No. 6657. The dynamic and evolving character of the program particularly at this stage necessitates the regular updating of guidelines to keep abreast with the recent legislative and jurisprudential pronouncements, operational issues and challenges which affect CARP implementation.

For CY 2007, the Department issued three (3) administrative orders and eight (8) memorandum circulars focused on strengthening its institutional mechanisms to increase accountability and transparency in the delivery of services of DAR officials and personnel, to be responsive to the emerging issues and needs of the program; and address operational bottlenecks and strengthen its linkages with stakeholders. The following are the relevant guidelines signed:

Administrative Orders

1. Administrative Order No. 3, Series of 2007 - "Amendment to Department Administrative Order No. 2, Series of 2007, Re: Audit Agenda of the Internal Audit Service for CY 2007" (March 7, 2007)

The guidelines amend the list of activities enumerated in A.O. Nos. 1 and 2, Series of 2007. The final audit agenda for CY 2007 are as follows:

- a) Personnel Systems Audit
 - i. Inventory and Attendance of Personnel
 - ii. Merit on Selection, Placement and Promotion Plan (MSPP)
- b) Audit on the Inventory of CARP Scope Project
- c) Systems Audit on A.O. No. 1, Series of 1989, re: "Rules and Procedures Governing Land Transactions"

- d) Systems Audit on A.O. No. 6, Series of 2003, re; “Rules and Procedures Governing Leasehold Implementation on Tenanted Agricultural Lands” (coconut and rice)
 - e) Audit on the Identification of Farmer Beneficiaries
 - f) Audit on the Reported Distributed Titles at DARPO/DARMO Level
 - g) 2006 Operations and Performance Audit
 - h) Audit on the Distributed But Not Yet Paid Landholdings (Regions V and VI only)
 - i) Special Audit Assignment as called upon by the Secretary
2. Administrative Order No. 4, Series of 2007 - “Amendment to Administrative Order No. 2, Series of 2005, entitled, “Rules and Regulations Governing the Acquisition of Agricultural Lands Subject of Voluntary Offer to Sell and Compulsory Acquisition and those Covered under Executive Order No. 407” (March 27, 2007)

This guidelines amend A.O. No. 5, Series of 2005, specifically, item IV.C.12 to improve the systems and procedures/processes on land acquisition and distribution particularly on the preparation and documentation of the Land Distribution and Information Sheet and claimfolder.

3. Administrative Order No. 5, Series of 2007 - Amendment to the 2002 Comprehensive Rules on Land Use Conversion (August 2, 2007)

This administrative order seeks to address the needs of areas affected by calamities or other forms of emergency to be able to render effective public service and cater to the urgent needs of the populace in such occasions.

It amends Items 3.1 and 6.2 of DAR Administrative Order No. 1, Series of 2002. Specifically, the A.O. provides for the following:

- Allows the construction of churches and other places of worship, including spaces for churchyard provided it does not exceed more than half of the reasonable area needed for the construction of such church.
- On areas non-negotiable for conversion as provided in Section 4 of A.O. No. 1, Series of 2002, a clearance from the PARO shall be necessary but the same shall be properly monitored and reported to the DAR Secretary within ten days from the issuance of the said clearance, with final report to be submitted not later than five (5) days from the date of the completion of the project.

- No conversion order is necessary where the construction of houses/shelter is only intended to meet the exigencies of a calamity in a nationally declared calamity area, however clearance shall be secured from the MARO of the locality, who shall monitor the activity with report to the DAR Secretary within ten days from the commencement thereof and a final report not later than 5 days from its date of completion. In no case however shall the duration of the temporary use thereof for shelter/housing facilities exceed one year from the date of declaration of normalcy.

Memoranda Circular

1. Memorandum Circular No. 1, Series of 2007 - “Conduct of Monthly Meeting with Congressmen and Heads of Local Government Units (LGUs) and Farmers” (January 17, 2007)

The circular directs all Regional Directors and Provincial Agrarian Reform Officers to meet with their respective Congressmen, Governors, Mayors and Farmer Leaders on a monthly basis, to coordinate, discuss and resolve problems or share information on agrarian reform developments within their jurisdiction. It intends to strengthen the Department’s partnership with various sectors involved in CARP implementation and to win their support for the program and major legislative support measures such as the CARP extension bill and the annual budget for agrarian reform.

2. Memorandum Circular No. 2, Series of 2007 – Guidelines Governing the Identification/Selection/Confirmation of Special Agrarian Reform Communities (SARC) (February 7, 2007)

This circular launches the Special Agrarian Reform Communities (SARCs) as an intervention delivery mechanism to agrarian reform areas that have distinct opportunities to foster growth in the countryside. The SARCs shall provide a platform for a more responsive support services delivery in uniquely situated and/or characterized areas. It is intended as a complementary approach applying the development framework set forth in M.C. No. 5, Series of 1999, the procedural guidelines provided under M.C. No. 14, Series of 1999 and succeeding circulars on other ARC parameters.

The launching of SARCs is anchored on the overriding national objectives of reducing poverty and spurring economic growth. It shall be implemented in various modalities because of certain special conditions peculiar to SARCs and to determine the development interventions appropriate for the area. The modalities are as follows:

- i. Geographically Isolated Areas (GIA) – These are areas or communities which are accessible only by special forms of transportation due to absence of road networks. These may be island areas or those located in mountainous areas which are often not prioritized because of the cost and difficulty of providing goods and services effectively.
- ii. Calamity Prone Areas (CPA) – These are areas which are frequented by both natural (typhoons, earthquake, and volcanic eruptions) and environmental-related, man made calamities (such as flashfloods, landslides, fish kill, siltation and chemical poisoning).
- iii. Special Tribal Areas (STA) – These are areas where members of the indigenous cultural community are awardees of land titles or instrumentalities issued by DAR (i.e., EP, CLOA, leasehold contract, CBC, etc). In pursuance to the constitutional rights of indigenous cultural communities, the DAR is mandated to assist in the advancement of the economic, social and cultural well-being of ARB-Indigenous Peoples (IPs). To operationalize existing guidelines of the Department, Special Tribal ARCs shall promote the delivery of support services intervention to ARB-IPs.
- iv. Peace and Development Zone (PDZ) – Peace and order problems have major implications on rural development. Civil unrest weakens the local institutions and leave behind a stigma on the political, economic, and social system. Armed hostilities significantly reduce the performance of the agricultural sector, and result to displacement of local inhabitants, thus hindering them from accessing productive resources like land, capital, human, and basic social services. Corollarily, PDZs are envisioned as sanctuaries for ARBs affected/displaced by or recalled from armed conflicts.
- v. Agro-Tourism Areas (ATA) – These are areas with notable allure because of its natural and/or cultural attractions. It may also showcase agricultural features such as model demo-farms or processed agricultural products. Tourism offers many opportunities for expanding economic development in rural areas. Eco- and agro-tourism opportunities need to be actively pursued and marketed not only within the region but also across the Philippines and around the world.

The identification, selection and confirmation procedures for SARCs shall be governed by the relevant provisions of M.C. No. 14, Series of 1999 on the Guidelines and Procedures Governing the Selection and Launching of ARCs. DAR Provincial Offices may recommend one or more Special ARCs for deliberation and approval by the National Agrarian Reform Community Task Force (NARCTF). A list of documentary requirements was also provided in the guidelines.

The confirmation criteria are enumerated as follows:

- a) Modality
- b) Land Coverage
- c) Critical Mass of Agrarian Reform Beneficiaries
- d) CARP Scope
- e) Key Players/Partners
- f) Farm Income

3. Memorandum Circular No. 3, Series of 2007 – Implementing Rules and Regulations of the DAR’s Environment Management Program (DAR-EMP) (March 7, 2007)

The guidelines aims to implement the DAR’s Environmental Program in congruence with the provisions of R.A No. 8749 (Philippine Clean Air Act), R.A. No. 9003 (Ecological Solid Waste Management Act of 2000) and the DAR’s Environmental Management Plan. By the end of 2008, DAR shall have fully sustained an efficient EMP with well defined structures and mechanics which shall lead the Department to “zero-waste practices.”

The memorandum circular lays down the function of the Steering Committee, Technical Working Group, Working Committees, Point Persons, the DAR Management, and the responsibilities of the DAR employees with respect to program implementation. All Offices within the DAR Central Office shall be covered by this memorandum circular. The Environment Management Program shall also be implemented at the DAR Field Office.

4. Memorandum Circular No. 5, Series of 2007 – Guidelines and Procedures for the Disposal/Lease of Foreclosed Properties/Assets (May 23, 2007)

The memorandum circular prescribes the guidelines and procedures for the disposal of acquired personal properties and lease administration of foreclosed real properties in provinces where physical assets of some cooperatives/loan proponents under the other terminated financing programs were surrendered voluntarily to the DAR as partial/full settlement of their loans.

It aims to recover funds loaned out through:

- Immediate disposal of acquired personal properties in accordance with existing rules and regulations;
- Proper administration of lease and or lease-to-own foreclosed real properties; and
- Remittance of the sale/rental proceeds to the National Treasury for the account of the Agrarian Reform Fund in accordance with Proclamation No. 131, Executive Order No. 229, Republic Act No. 6657 and R.A. No. 8532.

The implementation of the circular shall be guided by the following laws, rules and guidelines: COA Circular No. 89-296; Sec. E, Part V of COA Manual on Public Bidding; Sec. 69 of GAAM, Vol. 1; Proclamation No. 50 as amended; Sec. 2 of Proclamation No. 1312; Sec. 20 of Executive Order No. 229; Sec. 63 of R.A. No. 6657, and R.A. No. 8532.

5. Joint DAR-LBP Memorandum Circular No. 6, Series of 2007 – Guidelines in the Determination of Valuation of Inputs for Landholdings Planted to Cavendish Banana (June 22, 2007)

The memorandum circular provides procedures in the determination of applicable inputs to be adopted in the valuation of landholdings planted to Cavendish banana such as annual gross production, selling price and cost of operations.

These guidelines provide formula for the valuation of lands planted to Cavendish banana in the following circumstances:

- Landowner submitted BIR-filed audited financial statements which could be verified and validated;
- Landowner submitted BIR-filed audited financial statements but could not be verified and validated; and
- Landowner did not submit BIR-filed audited financial statements.

It applies to lands planted to Cavendish banana whose valuation is in process and not yet covered by Memorandum of Valuation (MOV) and whose valuation is rejected by the landowner. In the case of the latter, the use of the guidelines shall only be applied when so ordered by the Court. No petition or requests for revaluation on the basis of these guidelines shall be entertained in cases where the landowner has already accepted the DAR/LBP valuation whether the LO has already been paid or not.

6. Memorandum Circular No. 8, Series of 2007 - Mechanism of Operation to Set up an effective and Functional Consultation Scheme through the Sanggunian ng mga Magsasakang Agraryo (SMA)

The M.C. creates the Sanggunian ng mga Magsasakang Agraryo (SMA), an entity which shall be in charge not only in conducting dialogues and facilitating consultations but will look into the possibility of developing organizations and partnership schemes for the purpose of making successful agrarian reform implementation through a joint and concerted effort.

It provides for the SMA's organizational structure, linkages with other offices, and processes involved in order to build an effective and functional alliance, levels of partnerships and collaborative engagements among all CARP stakeholders. It emphasizes on documentation procedures, feedback mechanism and consultation scheme as the organization's core support structure to effectively perform its mandate and purpose.

7. Memorandum Circular No. 9, Series of 2007 – Harmonizing the Implementation of Agribusiness Development Programs and Initiatives in the Department (November 23, 2007)

The guidelines aims to judiciously utilize the limited resources of the government, create greater impact in economic growth, job creation and contribute to the attainment of the Medium-Term Philippine Development Plan. It defines the agribusiness options, imperatives and principles to be adopted by the Department in implementing its various agribusiness development programs and initiatives.

An Agribusiness Program Steering Committee (PSC) to be chaired by the Secretary shall be established to provide overall direction and supervision in the implementation of the program. The committee is composed of the following: Undersecretary, FOO; Undersecretary, SSO; Undersecretary, FMAO; National Project Director, AREDP Executive Director, FAPSO; Director, Project Development and Management Service (PDMS); Director, Bureau of Agrarian Reform Beneficiaries Development (BARBD); and Executive Director, Philippine Fruits and Vegetables Industries, Inc. (PFVII). The BARBD shall serve as the Program Secretariat.

8. Memorandum Circular No. 10, Series of 2007 – Code of Conduct for the Officials and Employees of DAR (December 19, 2007)

The guidelines was issued in view of the confidential and sensitive nature of the tasks and challenges in implementing the agrarian reform program which require utmost dedication, commitment, efficiency, integrity, moral uprightness and patriotism among its officials and employees in the performance of their assigned duties and responsibilities. It applies to all officials and employees of DAR and the DAR Adjudication Board (DARAB) who are either occupying third, second or first level position in a permanent, temporary, co-terminus, casual or contractual status. It also governs the Department's officials and employees conduct in the following areas: fidelity to duty, confidentiality of information, conflict of interest, and performance of duties.

The guidelines also include retired/retired employees who have handled confidential information during their tenure in the Department.

4. President Diosdado Macapagal Agrarian Reform Scholarship Program (PDMARSP) (Table 17)

Education in a child's life is so important that parents tried their best to invest irrespective of their ability to pay for it. It is hoped that every child should finish their studies as a gratitude for those parents who work hard to complete their college education. It is through education that a child can value the meaning of life, understand its intricacies and live comfortably that not everyone can have. The Department through the PDMARSP has given a unique opportunity to children of ARBs to broaden their intellectual and personal horizons. It is the Department's desire to minimize the cost of financial education of the children of ARBs by providing free education to each deserving students. The degree they earned in college is a stepping stone for them so they can find a descent job and earned a higher salary that would change their lives forever.

The PDMARSP, established in 2003, recognizes exceptional students and supports them in the fulfillment of their dreams. Each year, scholars are provided with P1,500 tuition fee per semester, P500 book allowance, and P800 monthly stipend, and are recognized for their achievements at a special awards reception during the CARP anniversary.

As of December 2007, 56% of 1,762 grantees already graduated from different colleges and universities nationwide while 775 grantees are still with the program. The region with the highest number of remaining scholars are Region VI (115) followed by ARMM (95) and Region V (70).

5. Human Resources Development

The organization cannot stand alone without its workforce. The human resources are its arms so that it can meet its vision and goals. One of the major functions of the organization is to provide training to its employees to efficiently respond to emerging challenges of CARP implementation. The competencies that the employees gained in these trainings are vital to the success of the organization. The Department encourages employees to attend various trainings here and abroad to be updated with the latest trend in modern technology to facilitate delivery of expected outputs.

From January to December 2007, 3,829 participants from the central and field offices attended a total of 226 training classes. These trainings were in support to managing the bureaucracy (126 classes), program beneficiaries development (78 classes), delivery of agrarian justice (18 classes) and land tenure improvement (4 classes). The regions with the largest number of personnel trained are in Regions VIII (821), CARAGA (650), and Region IV-A (420).

Specifically these trainings include:

a. Managing the Bureaucracy

- ✓ Adobe CS2 Training
- ✓ Advance Business and Media Writing Seminar
- ✓ Basic Digital and Image Editing and Design
- ✓ Basic Video Editing
- ✓ Bookkeeping, Accounting and Auditing
- ✓ Capability Building for Technical Secretariat Services
- ✓ Development Training and Development Plan Towards Enhanced Human Resource Management and Development
- ✓ Electronic National Government Accounting System Functional Training Course
- ✓ Financial Management
- ✓ Global Positioning System
- ✓ GSIS Seminar on G-WAPS
- ✓ Moral Recovery and Values Formation Seminar
- ✓ Personal Efficiency Program
- ✓ Personnel and Team Enhancement Program
- ✓ Seminar on Cash Management and Control System
- ✓ Seminar on Conflict Management
- ✓ Seminar Training Workshops for RIOs and PIOs
- ✓ Short Course on Effective Communication
- ✓ Six Sigma Black Belt Training
- ✓ Skills and Enhancement Workshop on Technical Writing
- ✓ Skills Enhancement Course on Leave Administration and Appointments
- ✓ Supervisory Development Course
- ✓ Training Workshop on Environmental Management Accounting

- ✓ Training Workshop on Scan Mail System
- ✓ Training Workshop on Media Techniques and Community Communications

b. Program Beneficiaries Development

- ✓ Agribusiness Venture Arrangements Workshop
- ✓ Basic Skills on Yogurt Processing
- ✓ Capacity Development Program of Facilitator of Learning
- ✓ Cooperative Entrepreneurial Enhancement
- ✓ Enterprise Management and Development Skills Seminar
- ✓ Enterprise-Based Agrarian Reform Community Organizing and Development
- ✓ Para-technician Training on Off-season Vegetable Production
- ✓ Level II Technical Trainings for SPOTS II
- ✓ Marketing and Financial Capability for Selected Cooperatives
- ✓ Meat Processing
- ✓ Seminar on Hybrid Rice Production
- ✓ Small Enterprise Consultancy Training Course
- ✓ Technology Training on Inarched Pili Production
- ✓ Trainer's Training on Entre-Farm
- ✓ Training on Cooperative Member Education Seminar
- ✓ Training on Trainers of Community Development Organizers and Document Facilitators

c. Agrarian Justice Delivery

- ✓ ARB Paralegal Training and BARC Strengthening
- ✓ Continuing Legal Education, Conflict Management, Agrarian Reform Jurisprudence and Laws
- ✓ E Trial Enhanced Training on Implementation of Agrarian Laws
- ✓ Feedback Handling Seminar for Luzon Resident Ombudsmen
- ✓ Mandatory Continuing Legal Education
- ✓ Training on Alternative Dispute Resolution Techniques and Agrarian Laws
- ✓ Training Workshop for DAR Legal Division

d. Land Tenure Improvement

- ✓ Enhancement Training on Claimfolder Processing Requirements
- ✓ Hands-on Training on Computerized Preparation of Sketch Plan
- ✓ Enhancement Training on NMAX Surveying Software

Also for this year, local and foreign scholarships were granted to 23 DAR employees. Seven local scholars will take up review classes on Engineering and Law. On the other hand, the 16 foreign scholarship grantees will pursue the following field of study: Graduate Diploma in Rural Systems Management and Entrepreneurship, Marketing Services, Integrated Rural Development for ASEAN Member Countries, International Training Programme on Pesticide Management and Pesticide Risk Reduction, Regional Training Program on Planning, Management, Monitoring and Evaluation, Training Course on Rural Life Improvement for Community Development Application of Kaizen for Community Development, Real Estate Appraisal, Training Program for Young Leaders Under Agriculture Category, Regional Training Program on Knowledge Management for Decentralization and Role of Local Government Service Delivery and Poverty Reduction, and Group Training Course on Agricultural Project Management.