

Working Hand in Hand for Progress The CABEARBCO Chronicle



The Callawa Bonggan Employees Agrarian Reform Association Inc. (CABEARBAI) composed of workers from the Lapanday Agricultural Development Corporation (LADECO) was registered with the Securities and Exchange Commission (SEC) on October 1988. The banana plantation was covered under CARP with the termination of its deferment in 1998. Hand in hand with LAD, DAR provided institutional development support to CABEARBAI and its members.

On May 1999, CABEARBAI was renamed as Callawa Bonggan Employees Agrarian Reform Beneficiaries Cooperative (CABEARBCO) and registered with the Cooperative Development Authority (CDA).

It was a great day for rejoicing for the one hundred thirteen (113) plantation workers/members of CABEARBCO when they were awarded their Certificates of Land Ownership Award (CLOA) in CY 2000 over the one hundred thirty (130) hectares landholding.

Not one to rest on their laurels, the members and officers of CABEARBCO, with the support of the LADECO management, DAR and other program stakeholders struggled to make their cooperative what it is now. From a mere initial share capital of Php 252,000, the cooperative is now worth an astounding Php 15.9 Million, after only ten years (10) of operations.

Realizing that they lack the necessary expertise, skills and farming technology as a new landowner and in managing the banana plantation, CABEARCO leased back 79.5 hectares of their awarded land to LADECO, the former landowner under an alternative venture agreement (AVA) contract. The term of the contract is for a period of 30 years, with a rental rate of Php 28,000.00 to Php 32,000.00 per year per hectare. The rental increases yearly until the agreement expires. Aside from the rentals, most if not all of the cooperative members are gainfully employed in the plantation. The advance lease rentals they received were used to finance the operations of the cooperative.



CABEARBCO Officers and members with DARPO, Davao City Officials and Staff

Relatively, the cooperative directly manages the other portions of their awarded land, with the bigger area planted to gmelina and mahogany, 2.5 hectares to mango and 3.2 hectares as CABEARBCO village or where their home lots are. Their mango plantation generated an income of PhP 333,000.00 in just one cropping season and a total of PhP 465,390.00 for the year 2008.

CABEARBCO used to hold office at the plantation's production area, but in the year 2005, they purchased a 150 square meter lot (worth PhP 40,000.00) and constructed their office building on it, spending as much as PhP 607,000.00 from their own savings.

In 2007, they started to operate a consumer store with an initial capital of PhP 150,000.00, and after a year expanded its operations with an additional capital of PhP 150,000.00, to address the needs of its clients and members. Aside from the consumer store, the coop ventured into providing credit services to its members. As of December 2008, the coop has generated an income of PhP 249,378.90 from these. Presently, the coop has extended its lending strategies by providing loans to members with ATM cards.

Not only do they take after the financial needs of their members, they have also established a housing program named "Handog Lote" in a 3.2 hectares lot in barangay Bonggan. The area was subdivided into a 168 square meter lots for each of their 113 members. It is now known as "Agrarian Reform Beneficiaries Village".

The coop also bought a 0.35 hectare land in Callawa for PhP 325,000.00, which they likewise subdivided into 31 residential lots at 140 square meters each, and made available to some cooperative members for PhP 30,000.00, payable in five (5) years after paying PhP 5,000.00 downpayment.

For the year 2008, they realized a net income/surplus of PhP 2.607 million, broken down as follows:

1. PhP 465,390.00 from their mango plantation
2. PhP 228,256.00 from consumer store operations,

3. PhP 249,378 from lending; and
4. PhP 1.774 million from contracting jobs.

This is on top of their lease rental of PhP 32,000.00 per hectare or a total of PhP 2.240 million.

As of December 2008, CABEARBCO has a total asset of PhP 15.3 million. Total share capital of members totaled to PhP 9.550 million which includes the cash paid by members to the Land Bank of the Philippines (LBP) for land amortization.

CABEARBCO is one of the more stable and viable cooperatives in Davao City. In terms of organizational maturity (OM), it has maintained the highest level rating of five (5) since 2003. CABEARBCO belongs to Callava ARC, which has also retained its ALDA rating of five (5) for the past eight years. This just proves that indeed the cooperative has found its niche and success in the community and thus proves worthy of being recognized as one of the Most Outstanding Organizations for CY 2009.