



INFORMATION PACKET



CENTER FOR AGRARIAN REFORM AND RURAL
DEVELOPMENT

JANUARY 2018

ABOUT CARRD

Center for Agrarian Reform and Rural Development (CARRD) is a not-for-profit organization supporting agrarian reform beneficiaries and their cooperatives in selected communities in Batangas, Capiz and Iloilo.

We aim to improve the quality of life of smallholder farming households by promoting access to productive resources and enabling them to make informed decisions about their livelihoods. We aim to do this in a manner that is environment-friendly, non-discriminatory, and sustainable.

We believe in people-centred development and a faith that promotes justice, peace, and integrity to all people - regardless of race, gender, religion, and disability.

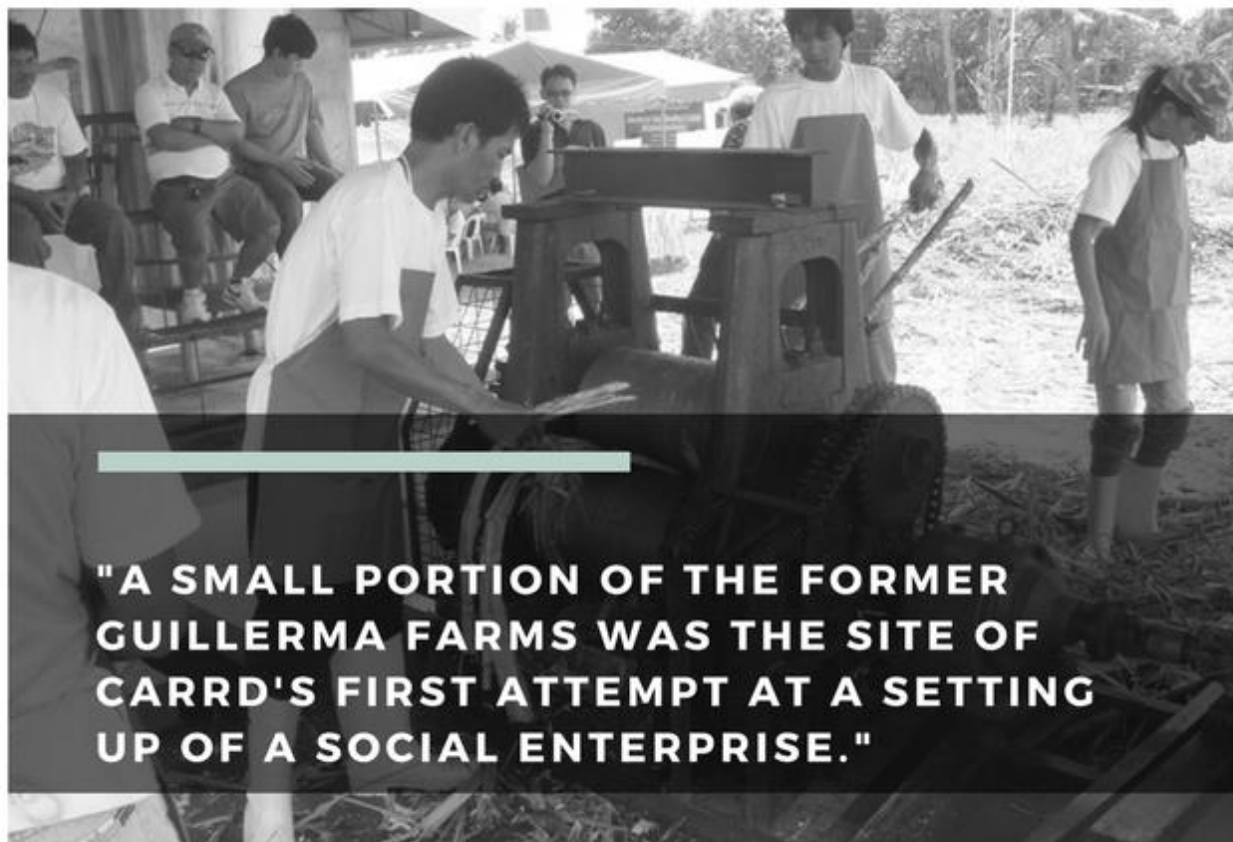
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**NURTURING LAND,
NURTURING PEOPLE**

GUILLERMA FARMS BARANGAY CAYBUNGA, BALAYAN, BATANGAS



ABOUT BALAYAN, BATANGAS

Balayan is a first class municipality in the province of Batangas. "Balayan" is an old Tagalog word for "to walk past the paddy" (Nuceda & Sanlucar, 1860). It operates one of the two sugarcane milling districts in Region IV-A. According to the latest report from the Sugar Regulatory Administration (SRA), the Batangas Sugar Central, Inc (BSCI) caters to almost 17 000 hectares (ha) of sugarcane farm. In Luzon, it has the highest sugarcane productivity in terms of yield per hectare. Almost 80 percent of farms served by BSCI are smallholder-owned, or are less than 5 ha in size.

CARP COVERAGE

Guillerma Farms was a 15-hectare sugarcane landholding originally owned by the Yupangco Family. In the 1990s, the landholding was covered by the Comprehensive Agrarian Reform Program (CARP). The Farm was among the several landholdings assisted by CARRD in Balayan, Batangas. In 1996, a collective title was issued to 12 farm workers of the landholding. The awarding of individual title to farmer-beneficiaries was not approved until 30 January 2006.

SALVADOR DE GUZMAN AND CARRD

One of the farmer-beneficiaries was Salvador De Guzman, who received 5,637 square-metres of sugarcane land. Together with other farmer-beneficiaries assisted by CARRD, De Guzman was among the first farmer-members of Nagkakaisang Mamamayan ng Kanlurang Batangas Multi-Purpose Cooperative (NAGKASAMA-MPC), a municipal cooperative organized by CARRD to provide new landowners with the starting capital to farm the land on their own.

De Guzman's agricultural productivity started to decline in 2000 when Balayan was hit badly by white grub infestation. This affected sugarcane productivity and caused small-scale farming households like De Guzman's to default from the payment of his production loans from NAGKASAMA-MPC. Thinking that he'd do better in coconut farming, he decided to sell his plot of land in Batangas and move to Quezon Province to plant coconuts.

Through NAGKASAMA-MPC, De Guzman negotiated with CARRD to initiate the selling of his plot of land. Upon awarding of the individual title, De Guzman paid the amortization to LANDBANK in full (through proceeds from his sale of land to CARRD) and transferred the ownership of the land to CARRD in 2006.

In 2008, CARRD secured a certification from DAR-Balayan to convert more than 2,000 sqm of the original land purchased from De Guzman into a muscovado processing facility. This complex therefore became a site of one of CARRD's first attempt at venturing into social enterprises.

The muscovado processing facility, which was designed by the Department of Science and Technology was the first steam-operated processing plant in the Philippines, and was envisioned to operate using environmentally-sustainable technologies.

The enterprise performed badly in the following years. The design had a problem, and CARRD was unable to recoup its initial investments after it tried to fix the design.

To recover its losses, it explored selling the land (which it has acquired from De Guzman) to other farmers/ business owners who may take interest. However, it was unable to do so, after LANDBANK refused to issue a Certificate of Final Payment to CARRD and De Guzman, in spite of the already paid amortization.

According to LANDBANK, there was a problem with the land survey conducted by DAR when it subdivided the landholding to individual farmer-beneficiaries. Aside from this, a valuation protest filed by the Yupangcos against DAR prevents LANDBANK from issuing the CFP.

Subdividing collective titles is one of the major residual issues of CARP. Countless farmers from the areas that we serve were affected by structural bottlenecks and conflicting policies relating to the process of subdivision.

UNTITLED PRIVATELY-CLAIMED AGRICULTURAL LAND BGY DAO, TUY, BATANGAS



"A PERSON IS ENTITLED TO HAVE A PRIVATE CLAIM IN AN UNTITLED LANDHOLDING IF S/HE HAS CONTINUOUSLY OCCUPIED AND CULTIVATED THE LAND FOR AT LEAST 30 YEARS."

ABOUT TUY

Tuy was historically a part of the town of Balayan until 1886. It was named after Tui, a town in Galicia, Spain. According to the latest data from the Philippine Statistics Office, Tuy has an estimated population of 40,734 and is classified as a third class municipality. Livelihood is predominantly agricultural in nature, and sugarcane is the town's main crop.

Tuy was one of the first municipalities covered by CARRD. It is also home to Ka Oscar Castillo, CARRD's former Executive Director and Farmer-Leader. Ka Oca founded the Pambasang Kilusan ng Samahang Magsasaka (PAKISAMA), the largest peasant organization in the Philippines during the People Power era.

UPALS IN TUY

Untitled privately claimed agricultural landholdings (UPALs) are among the most contentious landholdings being subjected to agrarian reform. The UPAL in this case is located in Barangay Dao, Tuy, Batangas, and covers more than 65 ha. The landholding was only covered on 30 June 2014, a day before the Government-issued deadline for the issuance of Notices of Coverage (NOCs) under Republic Act (RA) 9700. This UPAL was one of the landholdings identified by CARRD's Operation Suyod - a mobilization strategy to "plow" the remaining landholdings that have not been covered by CARP. On August 2014, farmer claimants have submitted a request for certification from the Department of Environment and Natural Resources (DENR) to recognize

their claim to own and till the land. As of now, they are still awaiting for DENR to release the said certification.

THE CHALLENGES IN UPAL

Prior to the passage of RA 9700 (CARPER), UPALs were already an unresolved issue between DAR and DENR. DENR believes that any untitled land must be classified as "public land" and must therefore fall under their jurisdiction. DAR, however, contends that if the land is classified as alienable and disposable, and it is being used for agricultural purposes, it should be covered by CARP and should therefore fall under DAR's jurisdiction.

Based on the Department of Justice's (DOJ) Opinion No. 100, series of 2012, DAR is mandated to distribute not more than 12 ha of any untitled land. Anything in excess of these 12 ha should fall under DENR's jurisdiction.

On April 2014, DAR and DENR released a joint administrative order on the management of UPALs. The AO

the procedures that farmers have to go through in claiming ownership of UPALs. According to the joint AO, the titling limit of 24 ha, which was set under the 1935 and 1973 Constitutions will also be taken into account when covering UPALs.

However, these policy pronouncements have not produced the desired results insofar as the management of UPALs is concerned. About 79,000 ha of UPALs are still pending for distribution as of 2016. Based on then Secretary Virgilio de los Reyes' end of term report, only half of these landholdings are considered "workable." He noted that coordination challenges between DAR and DENR remain to be a central issue. An additional cost of about PhP 500 per hectare is likewise projected for UPALs being processed by DAR.

WHERE WE'RE GOING

In the next five years, CARRD will work towards resolving bottlenecks in second generation cases of agrarian reform through organizing local inter-agency dialogues. In 2017, CARRD inked a partnership with DENR-Capiz, together with local DAR offices to facilitate a venue where these agencies can work together to talk about and resolve specific issues in agrarian reform.

MARILO REALTY CORPORATION BGY GIMALAS, BALAYAN, BATANGAS



**"ALMOST 240,000 SQM OF
AGRICULTURAL LAND WAS CONVERTED
INTO AN INDUSTRIAL PARK."**

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GIVING UP ON FARMING

On April 2013, DAR issued a Notice of Coverage in a landholding in Barangay Gimalas, Balayan, Batangas. This was immediately contested by Empire East Distillery, maker of local brandy, Emperador. According to them, the area was since converted into a residential facility through the local government unit in 2006, and further, into an industrial park in 2012. This was supported by a city council resolution granted in the same year.

CARRD went back to the original beneficiaries of the land. They were farmers who got certificate of land tenancies under the Operation Land Transfer (OLT). They confirmed the sale and transfer as valid.

CORAZON AGONCILLO ESTATE BGY PUTOL, TUY, BATANGAS



**"FOR SEVERAL YEARS, THE FARMERS
HAVE BEEN WAITING FOR THEIR LAND
TITLES, WHICH WERE ALL THE WHILE
ALREADY GENERATED AND KEPT IN DAR
PROVINCIAL OFFICE."**

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NO KNOWLEDGE OF CARP COVERAGE

Last year, CARRD undertook a spatial mapping exercise in Balayan and Tuy, covering all agrarian reform landholdings with certificate of land ownership awards (CLOA). One of CARRD's paralegal volunteers went to Barangay Putol, Tuy, Batangas, where they were met with farmers who did not know that they were already in the masterlist of CLOA-holders from DAR.

A dialogue was facilitated by CARRD to determine the cause of the problem. Apparently, the CLOA was already generated several years ago, lodged in the office of the Provincial Agrarian Reform Program Office, and was never distributed. Some of the farmers, who grew tired of waiting for their land

sold their "farming rights" to other parties. These parties, however, maintained that it was the land (and not just the right to till it) which was sold to them. Unfortunately, the farmers do not have a copy of the contract, but were adamant that they would be unable to sell the land because they didn't know that they own it.

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SUGARCANE BLOCK FARMING BALAYAN, BATANGAS



"LUCBAN MULTI-PURPOSE COOPERATIVE IS ONE OF THE 16 APPROVED SITES FOR THE SUGARCANE BLOCK FARMING PROJECT OF THE DEPARTMENTS OF AGRICULTURE AND AGRARIAN REFORM IN THE PROVINCE OF BATANGAS."

BRIEF HISTORY

LUCBAN MPC was registered with the CDA on 17 November 2009. The cooperative has a total membership of 321 farmers as of December 2017. 126 of the members are agrarian reform beneficiaries.

The services/projects being provided by the cooperative are Fertilizer Trading, Production Loan, Microfinance, Pre and Post Harvest facilities rental, consumer store, Botika sa Barangay, Videoke Rental, and Sugarcane Block Farming.

SUGARCANE BLOCK FARMING IN BATANGAS

The project, which was started in 2012, is a component of the DA-SRA sugar industry roadmap to encourage small farmers to form themselves into groups or cooperatives and adopt "economies of scale" to make their farm operations - land preparation, planting, fertilization and harvesting - more cost-efficient and, thus, more profitable per unit area.

The DA-SRA's sugarcane block farming project – in partnership with sugarcane farmers, sugar milling districts and other sugar industry stakeholders – will sustain the production of sugar for both food and biofuel feedstock.

Under the block farming system, small farms of less than 10 hectares will be consolidated and integrated through various schemes such as contract, joint venture, partnership, and sharing.

To attain economies of scale, the "block farms" should have a total area ranging from 30 to 50 hectares.

The project initially covered 927 hectares in Tuy, Batangas, involving 919 agrarian reform beneficiaries (ARBs), belonging to four cooperatives.

In Barangay Lucban, the farms of the 43 enrollees have formed a total area of 35 has under the government's Sugarcane Convergence Program, or simply, sugar block farming. Of the 43 farmers in the program, 31 are agrarian reform beneficiaries who are members of the Lucban Multi-Purpose Cooperative (LMPC). Through the cooperative, which manages the collective farming program, farmers can get their farm input for a much lower price and take out loans to pay for these without interest.

Training, coaching and mentoring on agri-technology and agri-extension services are included in the implementation of sugarcane block farming.