

04 February 2020

REPRESENTATIVE SOLOMON R. CHUNGALAO

Chairperson
Committee on Agrarian Reform
House of Representatives
Batasan Complex, Batasan Hills
Quezon City

Dear **Representative Chungalao**:

We are pleased to submit the Department's position on House Bill No. 5507, entitled:

An Act Instituting the Second Phase of Agrarian Reform in the Country Thereby Completing the Coverage of Agricultural Lands Under the Agrarian Reform Program, Providing State Subsidy in the Acquisition and Distribution of Agricultural Lands to Agrarian Reform Beneficiaries and Creating the Mechanisms for its Implementation and Other Purposes

This is without prejudice to the Department's submission of additional inputs.

With my best regards.

Very truly yours,



RAMON M. LOPEZ
Secretary

OFFICE OF THE SECRETARY

DTI Position on

House Bill No. 5507

An Act Instituting the Second Phase of Agrarian Reform in the Country Thereby Completing the Coverage of Agricultural Lands Under the Agrarian Reform Program, Providing State Subsidy in the Acquisition and Distribution of Agricultural Lands to Agrarian Reform Beneficiaries and Creating the Mechanisms for its Implementation and Other Purposes

The Department supports the timely gesture of instituting the second phase of agrarian reform in the country. It adheres to President Rodrigo R. Duterte's declaration to expedite the implementation of the Comprehensive Agrarian Reform Program (CARP) in the country.¹

The Department expresses its views on certain provisions of the bills, to wit:

Proposed Provision	DTI Position
Sec. 1. State Subsidy in the Acquisition and Distribution of Agricultural Lands thereby Implementing Free Land Distribution to Qualified Beneficiaries. The distribution of agricultural lands to qualified beneficiaries which shall be directly and fully subsidized by the State shall comprise the second phase of the agrarian reform program in the country. Agrarian Reform Beneficiaries shall no longer pay any amortization for their awarded lands.	<ul style="list-style-type: none">• The Department defers to the Presidential Agrarian Reform Council (PARC) and the Department of Agrarian Reform (DAR) with regard to the full subsidization of the distribution of agricultural lands to Agrarian Reform Beneficiaries.• We note that under Section 49 of Republic Act (RA) No. 6657, it is stated that the PARC and the DAR "shall have the power to issue rules and regulations, whether substantive or procedural, to carry out the objectives and purposes" of the said law, and therefore has the specific authority governing the specific matters at hand.
Sec. 8. Scope of Exclusion Under the Comprehensive Agrarian Reform Program. Landholdings which have been excluded from the Comprehensive Agrarian Reform Program due to such activities as prawn farming, fish farming, aquaculture, livestock, poultry and other similar business undertakings shall be placed under the Comprehensive Agrarian Reform if such activities are no longer the main or dominant activity therein.	<ul style="list-style-type: none">• The DTI views that the provision should mention the entity or authority tasked to determine whether "such activities are no longer the main or dominant activity..." of landholdings excluded from CARP.• The Department poses the need to balance the objective of the land reform program with the government's development objectives, such as increasing agriculture production and productivity, and expanding the agri-business sector.
Sec. 12. Broadened Scope of Support	<ul style="list-style-type: none">• As one of the implementing agencies

¹ Julie M. Aurelio, "Duterte vows to speed up land reform," inquirer.net, 13 January 2020, accessed 20 January 2020 at <https://newsinfo.inquirer.net/1212137/duterte-vows-to-speed-up-land-reform>

<p>Services to Agrarian Reform Beneficiaries Under the Comprehensive Agrarian Reform Program. In addition to the support services available to the Agrarian Reform Beneficiaries under Section 37 of R.A. No. 6657, as amended, the DAR together with the Presidential Agrarian Reform Council, shall ensure that the Agrarian Reform beneficiaries shall receive support services and assistance indispensable for the sustenance, dwelling, clothing, medical attendance, education and transportation of the beneficiary and the immediate members of his or her family.</p>	<p>of CARP, DTI is in charge of promoting strong and viable enterprises in empowered agrarian reform communities by providing beneficiaries with access to livelihood programs and projects, including technology/skills training, provision of support services such as equipment/Shared Service Facilities (SSFs), and trade promotion, among others.</p> <ul style="list-style-type: none"> • We view that Agrarian Reform Beneficiaries will be more empowered if the funds for support services are directed towards livelihood programs, including skills trainings, to provide a regular source of income, instead of relying from government dole-outs. • We, thus, wish to implore the appropriation of necessary funding as well as the provision of sufficient regular (plantilla) positions, to further support DTI-CARP Project Management Office's services and projects.
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The Department reiterates its support to the objectives of the bill as the initiative presents an opportunity for the country to gear towards a genuine agrarian reform program that would address the limitations of past laws/initiatives.

Kayapimchay

Bureau of Trade and Industrial Policy Research

04 February 2020

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