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## **No need to revise CARP law, PIDS says**

**by Cai Ordinario - January 17, 2018**

<https://businessmirror.com.ph/no-need-to-revise-carp-law-pids-says/>

REVISING the Comprehensive Agrarian Reform Program (CARP) law is unnecessary to achieve true land reform in the Philippines, according to the Philippine Institute for Development Studies (Pids).

In a paper, titled “Land Reform: What Has Been Its Impact After 30 Years?,” the Pids said that instead of revising the CARP, the government should focus on resolving long-standing issues, such as land-ownership conflicts.

One of the recommendations of the Pids is for the Department of Agrarian Reform (DAR) to adopt a progressive land-taxation scheme to deal with land-ownership issues.

“While the implementation of the program may have been flawed, revising the law is unnecessary as there are only a few large sizes of agriculture lands left for distribution,” the paper read.

“[The DAR] should also adopt a progressive land-taxation scheme to deal with issues on land-ownership concentration. The said scheme can be supported by ongoing process improvements [e.g., digitization of records] in agencies that handle land administration, such as the Land Registration Authority and the Department of Environment and Natural Resources,” it added.

This can also help deal with land-ownership issues, such as the cancellation of titles, default on land payments by agrarian-reform beneficiaries (ARBs).

The Pids also urged the government to focus its efforts on programs to modernize agriculture accompanied by adequate provision of support services to small farmers.

This includes giving smallholder farmers direct access to new technologies, credit, infrastructure, value chains and markets.

The government think tank also said that the Department of Agriculture (DA) can work with the DAR to consolidate farm operations for economies of scale and the development social enterprises.

The Pids cited DAR data that showed about 4.8 million hectares have been awarded to 2.8 million ARBs since CARP’s implementation.

The program had a total expenditure of P286 billion, or an annual average of P9.87 billion, from 1987 to 2016, which PIDS found to be a “hefty sum” over a long period of implementation.

In 2009 former Socioeconomic Planning Secretary Arsenio M. Balisacan said the CARP is very costly and that the government can resort to alternative means to reduce poverty without resorting to land reform.

Balisacan added that compared to the government’s conditional-cash transfer (CCT) program, the government seems to have spent twice as much for the CARP based on 2007 prices.

The former DA official said that the government spent P235.74 billion for 2.259 million beneficiaries since the CARP started in 1988. This translated to a cost of P144,377 per beneficiary.

In terms of the CCT, the government spent P20.025 billion for 321,000 beneficiaries since 2008, which amounted to P63,382 per beneficiary.

Balisacan also said that based on his independent assessment of the benefits of CARP, the increase in the average capita consumption increase in agrarian-reform communities due to the CARP is only 1.1 percent.

This is lower compared to the survey of the Institute of Agrarian urban Studies (IARDS), which showed that the average capita consumption increase was 42 percent. Balisacan noted that the data used by the IARDS may not be comparable that is why they arrived at a 42-percent increase.

Balisacan also added that there are inherent problems with the CARP. He said the government, under the CARP, has distributed only Collective Certificate of Land Ownership Award, which cannot be used as collateral to access credit facilities.

He explained that apart from that, being a recipient of the CARP even acts as a disadvantage for farmers looking to tap credit facilities since banks immediately consider them “risky” borrowers simply because they are poor and may not have enough means to repay loans.