

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Batasan Complex, Quezon City

**EIGHTEENTH CONGRESS**  
First Regular Session

**HOUSE RESOLUTION NO. 13**



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**Introduced by**  
**BAYAN MUNA Party-List Representatives EUFEMIA C. CULLAMAT,**  
**CARLOS ISAGANI T. ZARATE, and FERDINAND R. GAITE,**  
**ACT TEACHERS Party-List Representative FRANCE L. CASTRO,**  
**GABRIELA Women's Party Representative ARLENE D. BROSAS and**  
**KABATAAN Party-List Representative SARAH JANE I. ELAGO**

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**RESOLUTION**  
**DIRECTING THE COMMITTEE ON AGRARIAN REFORM TO CONDUCT AN**  
**INQUIRY, IN AID OF LEGISLATION, ON THE IMPACT OF AGRIBUSINESS**  
**VENTURE AGREEMENTS ON THE ECONOMIC STATUS**  
**OF AGRARIAN REFORM BENEFICIARIES**

**WHEREAS**, after almost three decades of implementation of the expired Comprehensive Agrarian Reform Program (CARP), the monopoly ownership and control of vast haciendas and plantations of the biggest landlord families and agro-corporations has remained intact while the poorest of the country's rural poor – the farm and agricultural workers – remain landless, barely getting by with slave-like wages;

**WHEREAS**, CARP, as part of its numerous loopholes, provided hacenderos and corporate landlords with options for non-land transfer schemes that contradicted the spirit of “land to the tiller”, “social justice”, “owner cultivatorship” and “equitable distribution and ownership of land” as mentioned in its Declaration of State Principles and Policies (Section 2 of R. A. 6657);

**WHEREAS**, in anticipation of the end of the ten-year deferment period (1988-1998) covering lands operated as commercial farms, as provided for in Section 11 of R. A. 6657, the Department of Agrarian Reform had issued a series of administrative orders that promoted business models that aimed to retain commercial farm landowners in possession and control of the deferred lands that were to be distributed. DAR called these business models with the catchy name “agribusiness venture agreements”;

**WHEREAS**, but in so doing, those DAR-issued administrative orders, namely Administrative Order No. 2 Series of 1999, Administrative Order No. 2 Series of 2002, Administrative Order No. 9 Series of 2006, Administrative Order No. 4 Series of 2016, unduly added to the menu of non-land transfer options provided in R. A. 6657 by promoting such AVA business models like corporative schemes, joint ventures, labor management contracts, production management contracts, contract growing and block farming. Moreover, DAR expanded the coverage of promoting corporative schemes and AVAs by including leaseback which was supposed to be limited to lands operated by multinational corporations (Section 8) and corporate farms (Section 29);

**WHEREAS**, as a result, instead of land transfer, the AVAs are now the norm in almost all farms operated on economies of scale, observing no distinctions delineated in Section 8 for multinational corporations, Section 11 for commercial farms and Section 29 for stock distribution option;

**WHEREAS**, these business models grafted into agrarian reform are so one-sided in favour of commercial farm operators and agro-corporations. For one, they have bound agrarian reform beneficiaries to long term contracts, effectively reducing their rights and titles over the awarded collective lands to mere pieces of paper. In leaseback AVAs, the rentals are very low that they are like give-aways. They remain low despite DAR attempts to compel commercial farm operators and agro-corporations to stipulate for acceleration rate in their rentals. In production management and contract growing AVAs, the prices of the contracted exported crops are usually fixed, without room for movement in accordance with the motions of prices in the global market;

**WHEREAS**, in general, the AVAs benefitted only the commercial farms and agro-corporations and the cooperatives of agrarian reform beneficiaries which DAR hurriedly assembled to enter into

contracts with former corporate and commercial landowners or with new agro-corporations. These cooperatives have diversified their interests, earning huge incomes from business expansion like trucking, construction, employment outsourcing, real estate and others. But for the general run of agrarian reform beneficiaries, their economic status has remained the same if not worse as before they became beneficiaries as they get only survival share (dividends), of as low as P350-P500/year, from their cooperatives;

**WHEREAS**, there are even cases of cooperatives which evicted agrarian reform beneficiaries from the collective land on grounds that they had retired or were dismissed from employment. Which means that these AVAs have become instruments for invalidating the land distribution award as to individual agrarian reform beneficiaries;

**WHEREAS**, as of 2013, the AVAs covered around 1.2 million hectares of lands nominally distributed under CARP and CARPer. The figures are increasing since DAR is still aggressively promoting the AVAs despite the groundswell of complaints and protests from the ranks of aggrieved agrarian reform beneficiaries;

**WHEREAS**, these complaints and protests were not decisively addressed by DAR so that in 2016, they erupted into open conflicts as expressed in pickets, strikes and stake outs initiated by agrarian reform beneficiaries;

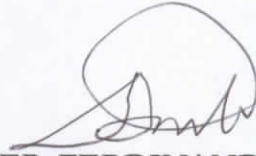
**WHEREAS**, it has been reported that DAR had conducted a review of these AVAs but has not made public the results of the review;

**WHEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED** that the House Committee on Agrarian Reform conduct an inquiry, in aid of legislation, on the impact of AVAs, particularly on the performance of AVA cooperatives as medium for improving the economic status of agrarian reform beneficiaries and on the thrust of agrarian reform to give land to the tiller.

*Adopted,*



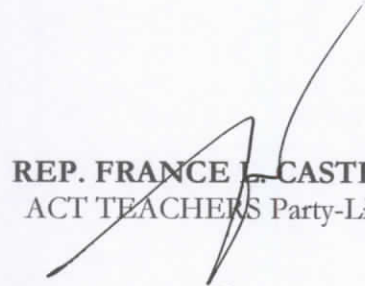
**REP. EUFEMIA C. CULLAMAT**  
BAYAN MUNA Partylist



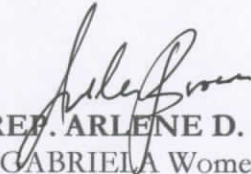
**REP. FERDINAND R. GAITE**  
BAYAN MUNA Partylist



**REP. CARLOS ISAGANI T. ZARATE**  
BAYAN MUNA Partylist



**REP. FRANCE L. CASTRO**  
ACT TEACHERS Party-List



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GABRIELA Women's Party



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