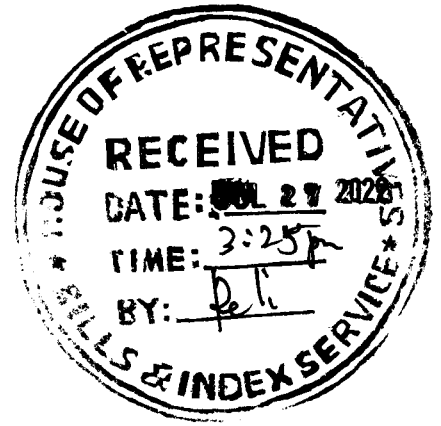


REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

House Bill No. 2550



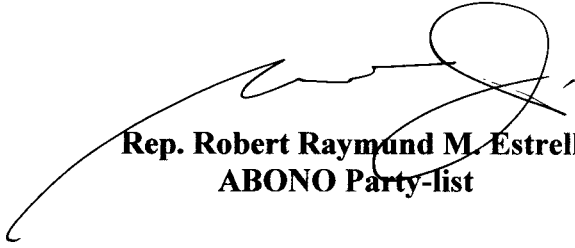
Introduced by **ABONO Party-list Representative**
HON. ROBERT RAYMUND M. ESTRELLA

EXPLANATORY NOTE

The non-compliance of agrarian reform beneficiaries has been a major challenge in the implementation of the Comprehensive Agrarian Reform Program (CARP). In a study by the Philippine Institute for Development Studies published in 2017, the collection performance rate of the Land Bank of the Philippines on CARP loans is at 51.55% as of 2015¹. One of the apparent reasons to the problem is that beneficiaries do not have enough financial resources to settle the loan they obtained through CARP. Agricultural inputs are at high costs while farm outputs produced are low. Their situation is also exacerbated by the losses incurred during calamities.

Cognizant of the struggles of the farmers, President Ferdinand Marcos Jr. stressed in his first State of the Nation Address the need to “emancipate the agrarian reform beneficiaries from the agrarian reform debt burden”. In accordance with the directive of the President and in recognition of the needs and welfare of our farmers, this bill seeks to condone the unpaid amortization and interest of the agrarian reform beneficiaries. This representation shares the belief of the President that writing off the debts of the beneficiaries would allow them to focus their financial resources instead on increasing farm productivity.

In view of the foregoing and in keeping with the core value of social justice in agrarian reform, the immediate passage of this bill is earnestly sought.



Rep. Robert Raymund M. Estrella
ABONO Party-list

¹ Ballestros, M., Ancheta, J. and Ramos. T. (2017). The Comprehensive Agrarian Reform Program after 30 Years: Accomplishments and Forward Options. *Discussion Paper Series No. 2017-34*. Quezon City: Philippine Institute for Development Studies. <https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps1734.pdf>

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Introduced by **ABONO Party-list Representative**
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AN ACT
GRANTING THE DEPARTMENT OF AGRARIAN REFORM AUTHORITY TO
CONDONE DEBT BURDENS OF FARMERS WHO ARE BENEFICIARIES OF
REPUBLIC ACT NO. 6657, OTHERWISE KNOWN AS THE COMPREHENSIVE
AGRARIAN REFORM LAW OF 1988, AS AMENDED BY REPUBLIC ACT NO. 9700

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled,

1 **SECTION 1. *Short Title.*** - This act shall be known as the Agrarian Reform Debt
2 Condonation Act of 2022.

3 **SEC. 2. *Condonation of Debt Burden of Beneficiaries of the Comprehensive Agrarian***
4 ***Reform Program (CARP).*** – All unpaid monthly amortizations and corresponding interests due to
5 beneficiaries of the CARP pursuant to Sec. 26 of R.A. No. 6577, otherwise known as the
6 Comprehensive Agrarian Reform Law of 1988, as amended by R.A. No. 9700, are hereby
7 condoned in full.

8 Agrarian reform beneficiaries yet to be awarded a Certificate of Land Ownership Award
9 (CLOA), if any, shall be awarded their land without any obligation for amortization.

10 **SEC. 3. *Release of Lien on the Land Awarded to the Beneficiary.*** – Pursuant to the full
11 condonation as provided in Section 2 of this Act, the Land Bank of the Philippines' liens on the
12 lands awarded to the beneficiaries are hereby deemed cancelled.

13 **SEC. 4. *Cancellation of Foreclosure Proceedings.*** – All foreclosure proceedings against
14 delinquent beneficiaries or beneficiaries who have unpaid monthly amortizations with interests
15 that are already pending pursuant to Section 26 of R.A. 6577, as amended by R.A. No. 9700, are
16 hereby cancelled while those foreclosure proceedings that are to be initiated against such
17 beneficiaries are no longer to be pursued or filed.

18 All such delinquent beneficiaries or beneficiaries shall be restored to their original status
19 as if no delinquency has been incurred. Provided, that the benefits of this Act shall not accrue to
20 those whose land award was already foreclosed and subsequently awarded to other qualified

1 beneficiaries. Rather, the benefits of this Act shall accrue to the qualified beneficiary who has been
2 subsequently awarded with the land after foreclosure proceedings on the original beneficiary or
3 beneficiaries were conducted.

4 **SEC. 5. *Implementing Rules and Regulations.*** – The Department of Agrarian Reform
5 (DAR), in coordination with the Presidential Agrarian Reform Council (PARC) and the LBP, shall
6 provide the necessary implementing rules and regulations within thirty (30) days upon the approval
7 of this Act.

8 **SEC. 6. *Separability Clause.*** – In the event that any provision of this Act is declared
9 unconstitutional, the validity of the other provisions shall not be affected by such declaration.

10 **SEC. 7. *Repealing Clause.*** – All laws, decrees, executive orders, issuances, rules and
11 regulations, or parts thereof inconsistent with this Act are hereby likewise repealed or amended
12 accordingly.

13 **SEC. 8. *Effectivity Clause.*** – This Act shall take effect fifteen (15) days following its
14 publication in the Official Gazette and two (2) newspapers of general circulation.

Approved,