

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Batasan Hills, Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 5206



Introduced by Honorable Representatives
ARLENE D. BROSAS (Gabriela Women's Party),
FRANCE L. CASTRO (ACT Teachers Partylist),
and **RAOUL DANNIEL A. MANUEL (Kabataan Partylist)**

**AN ACT WRITING OFF ALL LAND AMORTIZATIONS INCLUDING INTERESTS AND
EMANCIPATING FARMERS AND AGRARIAN REFORM BENEFICIARIES AND PROVIDING
SUPPORT SERVICES THEREOF**

EXPLANATORY NOTE

Agriculture has been paralyzed and impaired by years of liberalization, privatization, and deregulation. It is the most underdeveloped sector of our economy. It is estimated that seven out of ten Filipino farmers do not own the land they till. The backward conditions of our farmers pose a severe threat to our food security.

Filipino farmers have been adversely affected by the COVID-19 pandemic. The economic crisis and severe restrictions brought about by the pandemic have made it difficult for farmers to produce their crops, mainly due to transportation and movement restrictions and lack of support services. In addition, they are facing the brunt of typhoons and calamities that have hit the country in the past few years.

Another challenge the farmers face is the increase in the cost of agricultural production because of the high prices of fuel and fertilizer, two of the basic needs in agriculture. Fertilizer prices reached as high as P3200 per bag last crop year. Fertilizer prices today range from P2,243 to P3,094 per bag, an increase of P1,343 to P2,144 compared to 2021 when fertilizer prices ranged from P900 to P950.

Amidst the 14 agrarian reform programs implemented by the government in the last 80 years, the state of landlessness of our farmers, the most fundamental problem, has not been resolved. Rather, farmers, especially agrarian reform beneficiaries, are burdened by debt due to unpaid amortization of land under Presidential Decree No. 27 and Republic Act No. 6657, as amended by Republic Act No. 9700.

Despite farmers' pleas for help, the government has failed to provide sufficient support for farmers, especially in production subsidies. Instead, they offer credit and loan programs that drown farmers to further poverty and devastation. Farmers are under a lot of pressure to make ends meet. Due to the harsh economic crisis, they have been forced to sell their lands or use them as collateral for loans. The government must understand the importance of farmers to our country's food supply and economic development.

The executive order implementing a one-year moratorium on the payment of the principal obligation and interest of the amortization that was signed on September 13, 2022 is inadequate. Thus, it is essential to legislate a law that will entirely dismiss land amortization. For this purpose, this bill proposes the following:

- Writing off amortization on lands distributed under Presidential Decree No. 27 and Republic Act No. 6657, as amended by Republic Act No. 9700
- Restoration to farmer-beneficiaries of lands under canceled Certificates of Land Ownership Awards (CLOAS), Certificate of Land Transfers (CLTs) and Emancipation Patents (EPs) or with pending cancellation proceedings due to non-payment
- Issuance of Title of Full Emancipation
- Providing support services

In view of the foregoing, the speedy passage of this bill is earnestly sought.



ARLENE D. BROSAS
Gabriela Women's Party



FRANCE L. CASTRO
ACT Teachers Partylist



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SECTION 1. Short Title. – This Act shall be known as the “Writing off and Emancipation from Land Amortizations Act of 2022”.

SECTION 2. Declaration of Policy. – The State shall promote comprehensive rural development and agrarian reform through the provision of measures that will emancipate farmers and agrarian reform beneficiaries from the bondage of debt. Towards this end, it shall be the objective of the State to provide support to farmers and agrarian reform beneficiaries through writing off land amortization.

SECTION 3. Writing off of amortization on lands distributed under Presidential Decree No. 27 and Republic Act No. 6657, as amended by Republic Act No. 9700 – The amortization schedule or any balance thereof, including the interests, penalties, and surcharges, if any, of lands already distributed under Presidential Decree No. 27 and Republic Act No. 6657, as amended by Republic Act No. 9700, are hereby declared as written off. The farmer-beneficiaries of such lands shall be deemed their full owners upon the effectivity of this Act.

SECTION 4. Restoration to farmer-beneficiaries of lands under cancelled Certificates of Land Ownership Awards (CLOAS), Certificate of Land Transfers (CLTs) and Emancipation Patents (EPs) or with pending cancellation proceedings due to non-payment –The lands covered by Certificates of Land Ownership Awards (CLOAs), Certificate of Land Transfers (CLTs), and Emancipation Patents (EPs) already cancelled due to the failure of farmer-beneficiaries to amortize, where such lands have not yet been awarded to other qualified farmer-beneficiaries, are hereby restored to the ownership and possession of original farmer-beneficiaries who shall be deemed full owners of the land upon the effectivity of this Act. If such lands were already awarded to other qualified farmer-beneficiaries, the award shall be recognized and the amortization schedule for the land or the balance thereof are hereby likewise declared as written off such that the rights of full ownership over such lands shall devolve upon the subsequent qualified farmer-beneficiaries in accordance with Section 9 of this Act.

All pending cancellation proceedings of CLOAS, CLTs and EPs due to the failure of farmers to amortize their lands are hereby declared terminated and resolved in favor of farmer-beneficiaries.

The lands covered by such CLOAs, CLTs and EPs shall be immediately restored to the ownership and possession of farmer-beneficiaries who shall be deemed full owners of the land in accordance with Section 9 of this Act.

SECTION 5. Issuance of Title of Full Emancipation – All farmer-beneficiaries under this Act shall be issued, at no cost, a Title of Full Emancipation.

SECTION 6. Support services. – The State shall implement a program for the delivery of support services to farmer-beneficiaries. The program shall be based on a holistic approach to human and social development and integrated into the land distribution program with the long term end view of increasing the productivity of farmer-beneficiaries in order to transform them into cooperatives or organizations of efficient member-producers.

Along this thrust, the program of support services shall consist of credit facilities, production support, post-harvest, market access and market price guarantees and such other services necessary to make their production viable and increase their income. The credit facility shall have an interest rate affordable to the farmer-beneficiaries and shall make full use of alternative collateral systems that do not put up as collateral the land of farmer-beneficiaries.

The support services for production shall include research for the development of sustainable farming technology to sever the farmer-beneficiaries from dependence on imported technology and inputs.

SECTION 7. Appropriations. - In addition to the annual budget of the Department of Agrarian Reform and Department of Agriculture, the amount of Fifty Billion Pesos (P50,000,000,000) is hereby allocated for the implementation of the support services program of this Act. The amount shall be constituted as the Land Reform Support Services Fund which shall primarily serve as a trust fund to ensure the delivery of support services to farmer-beneficiaries.

SECTION 8. Implementing Rules and Regulations (IRR). – Within thirty (30) days from the effectivity of this Act, the Secretary of the DAR, in consultation with the secretaries and heads of offices of the DA, LBP, LRA, CDA, PCFC, the Agriculture Credit Policy Council (ACPC) and the BSP shall promulgate the implementing rules and regulations for the effective implementation of this Act.

SECTION 9. Repealing Clause. – All laws, executive orders, issuances or parts thereof inconsistent with the provisions of this Act are hereby amended, repealed or modifies accordingly.

SECTION 10. Separability Clause. – If any provision of this Act is declared unconstitutional, the remainder of this Act or any provisions not affected thereby shall remain in full force and effect.

SECTION 11. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,