



ADMINISTRATIVE ORDER NO. 06

Series of 1995

**SUBJECT: SUPPLEMENTAL GUIDELINES TO ADMINISTRATIVE ORDER (A.O.) NO. 7, SERIES OF 1994, RE: NEW IMPLEMENTING GUIDELINES STRENGTHENING THE FORMATION, ORGANIZATION AND OPERATION OF THE PROVINCIAL AGRARIAN REFORM COORDINATING COMMITTEE (PARCCOM) PURSUANT TO REPUBLIC ACT (R.A.) NO. 7905**

**I. PREFATORY STATEMENT**

Section 3 of R.A. No. 7905 amends Section 44 of R.A. No. 6657 by providing additional functions for the PARCCOM. Section 4 of the same law further amends Section 45 of the Comprehensive Agrarian Reform Law (CARL) by expanding the province-by-province implementation of the Comprehensive Agrarian Reform Program (CARP).

To implement the intent and purpose of the aforecited provisions, these rules and regulations are hereby prescribed.

**II. POLICY STATEMENT**

A. The PARCCOM shall recommend to the Presidential Agrarian Reform Council (PARC) the following:

1. Market prices to be used in the determination of the profit sharing obligation of agricultural entities in the province in relation to Section 32 of R.A. No. 6657;
2. Adoption of the Direct Payment Scheme (DPS) between the landowner and the farmer and/or farm worker-beneficiary provided that the following provisions shall be followed: (a) amount and terms of payment are not more burdensome to the agrarian reform beneficiary (ARB) than under the Compulsory Acquisition (CA) coverage provision of the CARL; (b) that the ARBs agree to the amount and the terms of payment; (c) that the DAR shall act as mediator in cases of disagreement between the landowner and the farmer; and (d) that the farmer and/or farm worker-beneficiary shall be eligible to borrow from the Land Bank of the Philippines (LBP) an amount equal to eighty-five percent (85%) of the selling price of the land that they have acquired, pursuant to the said bank's credit loan assistance program; and

3. Continuous processing of application for leaseback arrangements, joint-venture agreements and other schemes that will optimize the operating size for agricultural production, and also promote both security of tenure and income to ARBs. However, leaseback arrangements shall be the last resort.
- B. The PARC shall provide the guidelines for the province-by-province implementation of the CARP taking into account the following:
1. Peculiarities and needs of each place - This shall be done in consultation with Peoples Organizations (POs), Non-government Organizations (NGOs) and other concerned agencies of government in the province;
  2. Kind of crops needed or suited - The Provincial Agricultural Officer (PAO) shall provide the PARCCOM with a list of crops needed or suited to the specific agrarian reform area in the province;
  3. Land distribution work load - Pacing in the acquisition and distribution of public and private agricultural lands shall be done in coordination with the DAR Provincial Office and the Bureau of Land Acquisition and Distribution (BLAD);
  4. Beneficiary development activities - Specific activities to be undertaken regarding beneficiaries development on a need basis shall be done in coordination with the Bureau of Agrarian Reform Beneficiaries Development (BARBD) of the DAR; and
  5. Promote the development of identified Agrarian Reform Communities (ARCs) without neglecting the needs and problems of other beneficiaries - The needs of each ARC shall be based on its level of development and actual needs of the ARBs and farmers in the area and shall be done in consultation with the Development Facilitators of the DAR in the ARCs.

### III. PROCEDURE

The procedure for the formation, organization and operation of the PARCCOM under A.O. No. 7, Series of 1994 shall be applied.

### IV. TRANSITORY PROVISION

This Administrative Order supplements Administrative Order No. 7, Series of 1994. All orders, circulars, memoranda and other issuances inconsistent herewith are hereby revoked or modified accordingly.



V. EFFECTIVITY

This Order shall take effect ten (10) days after publication in two (2) national newspapers of general circulation pursuant to Section 49 of R.A. No. 6657.

Diliman, Quezon City JUNE 15, 1995.

Published in Two (2) national newspapers  
of general circulation:

1. THE PHILIPPINE JOURNAL
2. MANILA BULLETIN

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Secretary

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