



Republic of the Philippines  
**DEPARTMENT of AGRARIAN REFORM**

MEMORANDUM CIRCULAR NO.:

01

Series of 2003

**SUBJECT: DEVELOPMENT FRAMEWORK FOR BAYAN-  
ANIHAN AGRARIAN REFORM ZONES (BARZones)**

**I. BACKGROUND/RATIONALE**

In 1993, the Agrarian Reform Community (ARC) Development Strategy was launched to usher in an era of accelerated and sustained national growth through a people centered, concerted, holistic and area-focused approach in community development. More than just a Department's key strategy for support services delivery, it is the overarching framework that would guide DAR and other implementing agencies in delivering development interventions in the agrarian reformed-lands. The program involves provision of integrated development interventions on land tenure improvement (LTI) and program beneficiaries' development (PBD) in selected areas or ARCs.

The ARCs serve as growth points in the countryside, as pilot areas where partnership and convergence between and among stakeholders are showcased and where these stakeholders may concentrate and optimize use of their resources and development efforts, and as windows for viewing the impact of the CARP on the lives of the beneficiaries and other farmers.

As of end of CY 2001, the Department has launched 1,415 ARCs nationwide covering 5,098 barangays in 1,002 municipalities, or area coverage of 1,153,134 hectares, which is 35% of the total distributed lands. These ARCs cover 695,363 ARBs, or only about 24% of the estimated 3.0 million ARBs. In addition, about 65% of these ARCs, or 878 ARCs, are at medium to high level of development and have to be integrated into the economic mainstream. These ARCs need second level specialized types of services, which could not be provided at the level of the ARC since these would require economies of scale to be viable.

With these challenges ahead, the DAR under the present administration realizes the need to enhance the ARC approach to improve delivery of support services to ARBs and cater also to the needs of farmers outside the ARCs. Thus, the Bayan-anihan Agrarian Reform Zone Development Strategy is adopted to rationalize, integrate and institutionalize the delivery of support services to ARBs as well as to other farmers by expanding the area-coverage and thus creating a comprehensive foundation for broad-based, sustained growth. This would involve the integration of ARCs and adjacent areas into viable economic agrarian reform zones, or AR Zones.

## II. GUIDING PRINCIPLES

Consistent with the Program Beneficiaries Development thrusts and directions, the development of AR Zones shall be pursued in accordance with the following basic principles of sustainability:

1. Forging closer collaboration with different stakeholders so that their distinct, yet complementary programs/projects will have greater impact on rural development;
2. Shared responsibility for capital, technology and social resource infusion among partners from other government/line agencies, civil society organizations and business/private sector;
3. Building solidarity across sectors and among different interest groups to harness the full potentials of the countryside as the foundation for sustainable and equitable national development;
4. Maximizing the utilization of government's scarce resources; and
5. Continuance of resource mobilization from both local and foreign donors.

## III. CONCEPTUAL FRAMEWORK

The development of Bayan-anihan Agrarian Reform Zones (BARZones) is basically intended to sustain and extend the gains in ARC development by expanding the area coverage and improving the beneficiaries' reach of development interventions. As such, the development of BARZones shall emanate from the DAR's existing ARC development strategy which ensures, among others, the delivery of a minimum package of support services to identified communities. It ultimately aims to elevate the ARCs and its adjacent areas to a higher level of development, which would redound to improved farm productivity and increased household incomes for a greater number of farmers.

The strategy would adopt a more comprehensive approach, which is multi-disciplinary in character, and would provide for the integration of spatial and physical development with the economic, social, administrative, institutional and cultural aspects of development into one plan for a given geographic area. The BARZones shall serve as the planning area and convergence of operations of DAR, other line agencies, LGUs, private sector, NGOs and peoples' organizations. Within the BARZone framework, DAR shall facilitate access to and provision of agricultural support services, basic small-scale infrastructure, institutional strengthening and technical support to farmers. It will coordinate with other line departments and LGUs with respect to the provision of large-scale and national infrastructure and industrial projects.

In this connection, the BARZones approach offers a critical advantage as it would allow not only the coverage of an area wherein communities are diverse enough to encompass the entire chain of development process to influence the market, but also the integration or pooling of available resources and services of all CARP implementing agencies for all interventions within the BARZone for complementation and mutual reinforcement. In addition, partnerships with the private sector and non-government organizations would also be developed or enhanced.

Based on the above premise, the Department, through this strategy, would address *food security*, due mainly to improved farm productivity; *social equity*, as farmers and CARP beneficiaries shall be given equal access to an improved way of life; and *convergence*, because available resources and services from all concerned stakeholders shall be pooled in the BARZone to attain the set objective.

#### A. Objectives

The development of BARZones hopes to achieve balanced integrated area development through optimum utilization of meager development resources and rationalized provision of and access to support services while reaching out to more farmer-beneficiaries and other farmers in these zones.

Specifically, the development of BARZones is geared towards promoting synergy among the ARCs and adjacent areas within the delineated BARZone and also between and among the BARZones in the province, and is aimed at:

1. Determining and enhancing the strategic role(s) of the ARCs within the municipality/ARZone/province in terms of their comparative advantage in agricultural development and spatial relationships with other ARCs, adjacent areas (non-ARCs), industrial sites such as the regional industrial centers (RICs) and the provincial industrial estates (PIEs), among others;
2. Complementing and linking the development programs for ARCs and BARZones with the concerned local/provincial development plans and major area and regional development programs, such as the SAFDZs, among others, to decrease inequality in the distribution of incomes and urban-rural imbalances in economic opportunities;
3. Enhancing farmers/farmer-beneficiaries' participation in development processes particularly in the institutionalization of organized production, processing and marketing management systems to develop responsive social, political and cultural organizations and local capacities to sustain rural development;
4. Ensuring efficient utilization of economic resources and enhancing agricultural production and farm productivity through the promotion of viable farming systems and technologies; provision of appropriate support

mechanisms for the setting up of agro-based industries; and the provision of adequate level of or access to support services and facilities to farmers; and

5. Institutionalizing effective linkages/networking with the private sector, non-government organizations (NGOs) and other government entities for resource mobilization efforts/accessing of specific development requirements of the ARCs and BARZones.

## **B. Delineation of BARZones**

A Bayan-Anihan Agrarian Reform Zone is defined as a sub-provincial area composed of one or more municipalities with a critical mass of agrarian reform beneficiaries where ARCs and adjacent areas may be linked, with regard to functional/spatial, physical, institutional and cultural aspects, to form an integrated economic unit. It may include all CARP-able and CARP covered lands within a municipality or municipalities in a province. For better manageability and political considerations, each zone should coincide with the boundaries of congressional districts at the most. As such, a province may have as many BARZones as it has congressional districts, provided the province identifies the degree of priority of these BARZones. Thus, the BARZones shall be ranked by priority.

The integration process may be: a) functional – which looks into the industry and market orientation of the area; b) physical – which considers the geo-physical and geo-political features of the area; c) institutional – which looks into the programs and projects of government as well as non-government institutions in the area; and d) cultural – which considers the different cultural orientation in the area. Hence, a BARZone may be defined based on the following:

1. Concentration of ARCs/ Clusters of ARCs. A BARZone shall be so delineated in areas where there is a marked concentration of ARCs or ARC clusters. In addition, surrounding communities with a significant concentration of ARBs will be included in the BARZone.
2. Economic. Each BARZone shall have both primary and secondary crops that it can competitively produce in sufficient volumes and that can be absorbed by the market processing and agro-industries.
3. Ecological. A BARZone may encompass two or more ecosystems. A significant determining characteristic is a major river system to provide for irrigation, domestic and agro-industrial needs. Aside from lowland to upland ecosystems that can support agriculture, the watershed is an essential planning consideration.
4. Geographical/Territorial. A BARZone may be congruent to a legislative district with predominantly agricultural population. Geographic factors such

as proximity and availability of access infrastructures may also be a determinant in the delineation of BARZones.

5. Social/Cultural. BARZones shall be based on viable rural farming communities, working together toward common goals and solidarities. Social considerations include the presence of institutions whether traditional or new, such as people's organizations.
6. Governance. BARZones should consider the presence of local state and non-governmental institutions that would enable the rural folk to participate in governance and provide them with opportunities to advocate policies and programs favorable to their interests.

### C. Types of BARZones

The functions and interrelationships of growth centers, growth points (ARCs), as well as other important sites and geographical areas should be identified. ARCs may play new roles or expand their existing roles, which may come in the form of: 1) trading or market centers; 2) primary or secondary processing centers; 3) service centers for warehousing and repair of agricultural equipment, banking and credit and other functions; 4) research and development and extension centers; or 5) institutional center-offices of farmers' cooperatives and people's organizations.

Further, the BARZone strategy shall engage in the development of integrated models to facilitate transformation of ARCs and outlying areas into viable agro-industrial zones. Among those that may be considered are the following;

#### 1. Nucleus Estates/ARC Models

##### a. Anchor Industries

Existing ARCs with potentials to host anchor agri-based industries will be linked to their surrounding areas, which can be other ARCs or non-ARCs. Their total production will supply the raw materials for the anchor industry. The anchor industry could either be an existing or a new industry that could produce for local consumption, for export to nearby areas, or could function as any of the following:

- Supplier of raw material requirements of the agro-industry, e.g., corn for feed mills;
- Primary or secondary processing center that would earn additional income for the farmer-producers and cooperative-processors;
- Business firm subcontracting production among the farmers in the ARCs.

Selection of nucleus ARCs will be based on location considerations, the stability of the cooperatives and market potentials of the identified anchor industry.

#### **b. Smallholders/Out-growers Areas**

A variation of the above strategy, an anchor firm/ARC is envisioned to provide processing and marketing services to the smallholders/out-growers surrounding the nucleus farm/ARC. The small growers will be sources of raw materials. This model is expected to reinforce the collective management system for plantation crops such as rubber, palm oil, coffee, cacao, and other fruit trees, which do not lend themselves to highly individualized production and post-harvest operations.

### **2. Network of Specialized Production Zones**

The ARCs may be classified into production zones with each zone specializing in the production of a specific crop, livestock, fruits, fiber or any commodity where such ARC has competitive advantages.

This zonal specialization will avoid competition and also enhance exchange of produce or commodity among the ARCs as well as with the non-ARCs.

### **3. Integrated Grains Production, Post Harvest and Marketing Zones**

This strategy addresses one of the limiting factors for maximizing gains from produce – the small but dominating processing and trading sectors which have been controlling and dominating the farmers through inputs trading, credit provisions, and product marketing, among others.

Under this strategy, farmers will be organized to handle their production, pre-processing and marketing activities. Managerial and entrepreneurial skills of the farmer-leaders need to be upgraded to prepare them in the management of the village cooperatives which will assume the management of the integrated agri-business system from the production to processing and marketing.

### **4. Eco-Tourism Zones**

In areas where natural wonders, such as waterfalls, caves, lakes, among others, are located, and is deemed profitable to develop as a tourist attraction, efforts should be focused in this direction. However, a balance in development efforts and conservation of the ecology and the environment should be maintained.

## **D. BARZone Development Components**

### **1. Land Tenure Improvement**

LTI plays a key role since this involves the physical transfer of ownership and control of the lands to agrarian reform beneficiaries (ARBs) through the Land Acquisition and Distribution (LAD) and Leasehold Operation (LHO) schemes. Under the ARCDP, LTI accomplishment is at 89.7% as of December 2001. For the expanded strategy, the DAR has to fast-track land acquisition and distribution, and facilitate the resolution of second-generation LTI problems within the delineated agrarian reform zones.

### **2. Social Infrastructure and Local Capacity Building and Strengthening**

Under this component, farmer beneficiaries are organized and capacitated. They must be developed to be strong, self-reliant and capable of self-governance, able to participate in the development processes, and chart their own destiny since they have to utilize and make the awarded land productive.

This shall involve the provision of various training programs to capacitate ARBs and their organizations in providing services to farmer-members, managing enterprises and accessing services from various development institutions geared towards improving productivity and household income. Farmer organizations should also be strengthened to prepare them for sustainable operation and maintenance of facilities provided under the program.

As previously stated, most of the programs would be expanded and in consequence, non-ARBs/other farmers within the zone may be involved in these activities.

### **3. Sustainable Area-Based Rural Enterprise Development (SARED)**

Under this component, economic and entrepreneurial support shall be provided to assist the farmers and their organizations in acquiring skills. This support shall include training and capability enhancement activities, ensuring access to appropriate farming technology, financial (credit) and investment and marketing assistance both from public and private sector for farmers to be able to own, operate and manage their respective farming, non-farming and off farming enterprises.

In line with the agri-modernization thrust of the government, development interventions shall not be limited to provision and adoption of modern, appropriate and environment-friendly technologies and farming systems but shall also look into the totality of developing sustainable demand-market led farming systems and instituting product value addition, focusing on both crops and livestock production, processing and marketing.

Specific projects/activities would focus on the following areas: access to credit; seed production technology; use of appropriate farm equipment and mini-agro industrial machines; establishment of equipment pool; development of green house village for leafy vegetables and high value crops; establishment of demonstration farms and nurseries; and other farming systems development.

*a. Physical Infrastructure Support*

Farmers are not just provided with the required infrastructure support but they should have access to and shall benefit from any other infrastructure that will be established within the zone.

As such, critical physical linkages will be provided to support and integrate the different economic activities of the ARBs and other farmers. The following shall be provided: farm to market roads, bridges and irrigation system, among others. Because of the expanded coverage of intervention, the road sub-component may include municipal, provincial and national roads and highways. This would link the agrarian reform zones to the market centers, commercial and industrial zones.

*b. Credit and Micro-finance Services*

Existing credit programs of the Department would be rationalized to move idle funds and make them available to individual ARBs and other farmers and their organizations. Among these programs are the DAR-DBP Financing Program for ARBs or the DBP-DAR Special Projects Office (SPO) Window III Facility, which involves about P75M in collected loan amortizations and interests earned; and the DAR-LBP 5-25-70 Countryside Partnership Scheme, for which DAR has an undisbursed amount of about P40M out of the P100M counterpart fund sourced from the ARF.

In addition, access to micro-finance will be enhanced to support the farmers' livelihood and agri-business activities through the establishment of a DAR corporate arm.

*c. Extension Services and Technology Promotion*

- *Promote the use of mobile mini-agro industrial machines and farm implements*

Under this sub-component, the use of mini-agro industrial machines and farm implements necessary for land preparation, cultivation, harvesting and processing of wide variety of crops where the ARZone has high competitive advantage shall be promoted. Machineries, such as tractors, when used by farmers/farmer beneficiaries or cooperatives shall ensure efficiency of farm production and high quality of produce. The



Department shall initiate access of these farm machineries from foreign sources.

- *Provision of Farm Equipment and Implements Pool*

In instances when acquiring farm equipment and machineries on their own are not economically feasible due to the small land tillage of a farmer or cooperative, an equipment pool shall be strategically established within the ARZone where farmers can readily access or use the needed equipment at specified time. The production and post-production machines and equipments shall be pooled together to reduce maintenance cost, maximize equipment utilization, and systematize machine availability. Under this system, the farmers will merely pay for operating expenses, such as gasoline and oil, and a minimal rental for equipment use, should the pooling entities require it. Training for the use of these equipment and machines are to be provided to obtain maximum benefits from their utilization.

- *Development of Green House Villages*

In areas with high advantage for cultivating vegetables and high-value crops, the development of affordable *Green Houses with Built-in Drip Irrigation System* whenever feasible shall be promoted with the possible participation of landowners. Through this technology, most of the environmental factors, pests and diseases that may affect crop production are controlled. Thus obtaining the highest possible returns for the farmers.

- *Establishment of Demonstration Farms and Nurseries*

Tie-ups with State Universities and Colleges (SUCs) and extension centers shall be expanded to include the establishment of demonstration farms and nurseries prior to the adoption of new technology or when there is a need to redistribute the seedlings for massive adoption in the farms.

- *Other Farming Systems/Technology*

Other farming systems or technologies shall be promoted through timely and appropriate technology transfer trainings depending on their applicability, viability, and acceptability to the farmers within the ARZones. Among these are:

- Palay Ratooning or Rolodge technology;
- Maunlad Saka;
- Hybrid Rice

*d. Investment and Marketing Assistance*

Aside from improving access to credit, there is a need to improve the provision of investment and marketing assistance to maximize the value added to agricultural production of beneficiaries. The DAR, through its corporate arm, shall intensify this component by regular conduct of investment and market matching fora and linkaging as well as facilitate commodity swapping or technology exchange among cooperatives. It shall likewise ensure that the farmers and their organizations enter into a fair and just marketing tie-ups and contracts with the business/investment sector.

**4. Basic Social Services Development**

Because rural development is not entirely dependent on agricultural development alone, each ARB's/farmer's family must have access to basic social services. These services include potable water supply, power/energy, housing, communication facilities, transportation, education, health and recreation, which would enhance the development of the rural areas.

Existing program and project tie-ups implemented by the Department, such as the health insurance, shall expand its coverage to include other farmers and farm-workers in the ARZones. It is envisioned that farmer beneficiaries and other residents of the zones are to be given equal opportunity in accessing the basic social services being provided by the government.

**5. Gender and Development and Sustainable Resource Management**

Under the ARCDP, both the contribution of men and women in the development process of the organization and the community is recognized. These shall be enhanced in the ARZones and gender issues and concerns shall be addressed.

Relatively, environment protection and revitalization shall be promoted through judicious utilization of resources to ensure its availability for use of future generations.

**IV. OPERATIONALIZATION OF BARZones DEVELOPMENT**

BARZones development is within the context of the DAR's policy of rationalizing, integrating and institutionalizing the delivery of support services with the end in view of creating a greater impact in the lives of greater number of rural households. Hence, the DAR Provincial Offices shall ensure that at least one (1) BARZone is identified and developed in their respective provinces. In addition to the initial guidelines issued during the Department's national planning and assessment in Tagaytay, hereunder are more specific considerations, guidelines and procedures in the identification of BARZones and formulation of provincial integrated spatial development plans.

## **A. Implementation Considerations**

### **1. Expansion of the ARC Development Program**

The expanded ARC development framework shall be used as the guiding principle in the development of BARZones. As such, the following strategies shall be undertaken:

- *Continued Intensification of Interventions for Development of Existing ARCs*

The ARCs shall remain the center of support services delivery to ARBs. Development interventions shall continue to be focused on the 5 major program components or key result areas. Intensification would also entail expanding the institutional network to create or improve involvement of the private sector, academic institutions, local government units, civic and non-government institutions in the implementation of concrete programs to address the various components of ARC development.

- *Development of New ARCs*

The expanded ARC program shall take off from the existing ARCs where substantial development works were already extended. Expansion would also entail widening the universe of the ARCs by launching and covering additional ARCs to bring to 2,000 the total number of ARCs by end of CY 2004.

- *Extension of ARC Development Interventions to Adjacent Areas*

Expansion would also entail extending the reach of existing ARCs by linking them functionally, physically and economically with the adjoining areas, thereby benefiting also other farmers outside of the ARCs. As such, the ARCs may be linked with adjoining areas or clustered with other ARCs to grow into agro-industrial zones. In this regard, assistance should be provided in terms of crop modernization and technology upgrading, formation of rural-based enterprises, cooperative development, and marketing assistance.

### **2. Social Marketing and Resource Mobilization for BARZones Development**

The development of ARZones would require huge amount of investments. Due to budgetary constraints, DAR cannot finance these requirements out of its own budget. In this regard, social marketing shall be accelerated to encourage the participation of other development stakeholders including local funding sources and foreign donors. Alternative financing schemes shall also be explored:

- **Expanded Cost – Sharing Scheme**

Through the convergence approach, the DAR will forge resource-pooling arrangements with local government units and line agencies where contributions from partners will be encouraged in financing infrastructure, agri-extension programs, and other initiatives.

Tie-ups will be established not only with municipal LGUs, but with the provincial LGUs, members of Congress, and other government agencies.

- **Partnership with the Private Sector**

Private-sector participation in income-generating projects, agri-business, and even technology upgrading will be encouraged. Contract growing schemes, management contracts, and marketing arrangements will continue to be promoted to establish linkage between producers, buyers and consumers.

Financing of the business itself will be made by the private sector while provision of technical assistance; facilitation and other support systems will be handled by DAR.

- **Internal Resource Generation and Equity Participation of Beneficiaries**

The farmer-beneficiaries or their organizations will be encouraged to mobilize and pool local resources to finance their equity in public investments. Beneficiaries' contribution in the form of labor, local materials, know-how, and tools will be harnessed as equity in the implementation of projects.

## **B. BARZones Identification and Selection Criteria**

1. BARZones are to be identified and demarcated through overlaying of maps (manual/sieve technique or BLD/Swed survey Mapping Technology) or by empirical formula based on, among others, a centrality matrix of some ARC functions and characteristics. The map overlays, of the same scale, shall include the following:

- Provincial base map with political boundaries of congressional districts, provinces, & municipalities
- Topography with road network, rivers
- Slope map delineating agricultural areas (0-18% slope) from areas with 18-30% slope and >30% slope
- Cadastral map showing CARP-covered areas (both distributed and potential areas);
- Location of existing facilities such as schools, market towns, major processing/industrial centers, ports, irrigation systems, etc.);

- Location of ARCs and ARBs (showing density of population);
  - Land use map denoting agricultural area and area by major crops;
  - Location of SAFDZs and NPAAAD;
  - Location of existing strong peoples' organizations, cooperatives, irrigators' associations, etc.
  - Proposed/expected roles of ARCs and other areas such as production zones (specify crops); primary processing centers (specify industries); marketing and storage points; training/agri-tech centers (FBCRDs), etc.
2. As a general rule, the presence of ARCs/cluster of ARCs shall serve as guide in identifying potential BARZones.
  3. The operationalization of the convergence approach to rural development shall be the underlying strategy hence the special preference for areas where the DAR's ARCs, the DA's Strategic Agriculture and Fisheries Development Zones (SAFDZs) and the Network of Protected Areas for Agricultural and Agro-industrial Development (NPAAAD) and the DENR's National Integrated Protected Areas (NIPAs) converge. Other focused areas of the CIAs shall likewise be considered in the selection process.
  4. Selection shall likewise be based on the following planning and integration considerations as outlined in Section III-B:
    - a) Economic
      - Potential to become key production center for various crops
      - Total agricultural area that can be devoted to production
      - Number of small farmers/agricultural workers
      - Scale of production relative to meeting the market demands
      - Potentials for mid-processing and market-link to production areas
      - Potential for agro-industrial development and integrated agribusiness system
      - Infrastructure facilities (road network/system, telecommunications, power and transportation system)
      - Soil characteristics and potential
    - b) Ecological
      - Ecological diversity – may encompass 2 or more ecosystems
      - Presence of mineral deposits, watersheds, and other protected areas
      - Water resources and systems

c) Geographic/Territorial

- Proximity to access infrastructure, major processing and marketing centers, etc. within the district or province

d) Social/Cultural

- Presence of indigenous peoples and other cultural communities
- Presence of institutions/people's organizations

e) Governance

- Supportive and dynamic local governance
- Presence of financing facilities/institutions/windows
- Presence of resource/technology centers/academic institutions
- Presence of NGOs with significant active operation in the area
- Functional organizations/cooperatives

**C. BARZone Identification, Selection and Confirmation**

The existing ARC Task Forces from the provincial, regional and central levels shall be the structure responsible in the identification, selection and confirmation of BARZones. Its membership however will be strengthened to include other development stakeholders.

1. The National ARC Task Force (NARCTF) shall henceforth be referred to as the National ARC/BARZone Task (NABTF), a structural mechanism established at the DAR central office to provide overall direction in the implementation of the ARC and BARZones development. This body shall likewise be responsible for orchestrating the overall development of BARZones consistent with the Regional Medium Term Development Plan.
2. The Provincial ARC/BARZ Task Force (PABTF), in close coordination with and proactive participation of the BDCD and the MAROs, shall be responsible in the identification and selection of BARZones. They shall likewise be responsible in the preparation of the necessary plans and documents of identified BARZs.
3. Approval of identified BARZones shall be decentralized to the Regional Offices through the Regional ARC/BARZ Task Force (RABTF). Identified BARZs should be supported by the following documents, which essentially include the outputs of the mapping activity and consolidation of ARC profiles and plans:
  - BARZone Profile (to include also profiles of ARCs in the BARZone)

- Synthesis Map
- Consolidated indicative investment plans and requirements of ARCs in the BARZone

(Please see attached Annexes "A" and "B" for the format and guide in the preparation the profile, synthesis map and spatial/development plan)

4. Prior to the launching of these BARZones, these BARZones should be confirmed by the NABTF. As a requirement for confirmation, development plans of these identified and approved BARZones should be submitted to and approved by the NABTF. (Please refer to section D – Plan Formulation)
5. The selection and launching of seventy-eight (78) BARZs shall be undertaken within the remaining months of calendar year 2002. It shall consider the planning and budgeting cycle of the Department and the other CARP Implementing Agencies (CIAs). This is to ensure that the funding requirements for the development of the BARZs shall be incorporated in the indicative planning activities of the Department and the CIAs.

The list of all approved BARZs with the corresponding requirements shall be submitted to the Project Development and Management Staff (PDMS) for programming investment requirements, and shall forward the investment requirements to the PARC Secretariat for consideration in the CIAs CARP plan and budget.

#### **D. Formulation of Integrated Spatial/BARZone Development Plan**

Development intervention gaps within the zones need to be identified and qualified. The conduct of development planning activities is therefore necessary for target setting, the identification of strategies, programs and projects to attain specific goals and objectives of each zone and ensure participation of all concerned stakeholders.

1. Review and Updating of Existing Plans and Projects/Programs
  - 1.1 Review ARC profiles/status and assess their agri-development potentials/competitive advantages such as resource (crops/products) endowments; soil suitability; centrality of location and accessibility to facilities and centers; etc.
  - 1.2 Review the Municipal/Provincial/Regional Medium-Term Development Plan (MTDP)/ Physical Framework Plans (including SAFDZs, NPAAAD), etc. to determine the role of the CARP in provincial and/or regional development.

- 1.3 Analyze the role(s) of the ARCs and expansion areas and other CARP areas in the provincial and/or regional development. A role-objective matrix may be helpful for this purpose.
2. Determine the centrality index/economic function/key industry of each ARC
3. Delineate BARZones
4. Prepare detailed spatial/implementation strategy for physical, functional and institutional integration
5. Formulation of Programs, Funding Requirements and Timetable for Implementation of programs

For each province, a Provincial Spatial/BARZone Development Plan should be designed to determine the specific roles of ARCs and other areas in the province/zone, the investment requirements to implement the identified plans and project and to rationalize the allocation of resources into the area.

Attached is the suggested outline for a Provincial Spatial /BARZone Development Plan (Annex B).

#### **E. Plan Evaluation and Approval**

##### **At the Provincial Level**

1. Identify and evaluate potential BARZs in the province in coordination with the MAROS and LGUs concerned;
2. Prepare profiles and synthesis map of the potential BARZs identified in collaboration with the MAROS and LGUs concerned;
3. Secure the necessary endorsements and/or resolutions from concerned LGUs and institutions (PARCCOM, Councils and/or Sanggunian)
4. Formulate Spatial/BARZone Development Plan with the assistance of PDMS, BARBD, and BLD and submit the same to the DARRO with all the requirements.

##### **At the Regional Level**

1. Upon receipt of the Integrated Spatial/BARZone Development Plan, the RABTF, through the RSSD, reviews the plan and conducts field validation, if necessary, to determine the feasibility of the plan and consistency with the regional development plans, and other local development plans.



2. The RABTF shall deliberate on the approval of the plans/proposals based on the criteria set forth in this memorandum circular. The concerned PARO(s), PARCCOM and NGO representative(s) may be invited in this meeting.
3. The RABTF shall officially inform the respective PABTF on the results of the deliberation by providing pertinent minutes of meeting and/or resolution(s). The PARCCOM and the provincial governor may also be provided with said documents to enlist general support and commitment.
4. RABTF shall endorse the approved plan to the NABTF for launching and fund programming/resource mobilization.

#### **Central Office Level**

1. Upon receipt of the development plans and pertinent documents and endorsements, the NABTF assesses the plans for completeness and consistency with the national plans and the Department's major final outputs (MFOs);
2. If found in order, the NABTF confirms the approval of the plan and endorses the plan to PDMS for final evaluation and integration with the Department's priority programs and projects for investment programming; and
3. Informs concerned RABTF of the confirmation of the approval of the BARZs for launching. No BARZ shall be launched without the confirmation of the NABTF

#### **F. Monitoring and Evaluation**

##### **At the Central Level**

- **Office of the Assistant Secretary for Support Services (OASS)**

1. Develop/formulate and institutionalize the monitoring and evaluation system for the BARZDP including the instruments to be used and prepare an operations manual for the same;
2. Monitor and evaluate initial utilization of the system to identify system flaws and immediately address problems that may arise in its utilization;
3. Integrate reports on the status of BARZs/ARCs

- **Project Development and Management Staff (PDMS)**

1. Review and consolidate investment requirements of BARZs;

2. Resource mobilization; and
3. Coordinate with DARPOs/DARROs for updating BARZ/ARC Development Plans

- **Foreign Assisted Projects Office (FAPsO)**

1. Monitor and evaluate foreign assisted project components.

- **Bureau Of Agrarian Reform Beneficiaries Development (BARBD)**

1. Monitor and evaluate the implementation of project components;
2. Conduct assessment of level of development of BARZs and ARCs; and
3. Prepare and submit reports to OASS for consolidation.

**At the Field Level**

- **Regional Support Services Division (RSSD)**

1. Conduct progress monitoring and evaluation on the status of BARZDP;
2. Prepare and submit to OASS consolidated regional status reports.

- **Beneficiaries Development and Coordination Division (BDCD)**

1. Monitor and evaluate the implementation of the BARZDP; and
2. Prepare and submit BARZDP status reports to RSSD.

**V. EFFECTIVITY**

This Memorandum Circular takes effect immediately and supersedes all other issuances inconsistent hereto.

Diliman, Quezon City, January 16, 2003

  
**HERNANI A. BRAGANZA**  
Secretary

2. Resource mobilization; and
3. Coordinate with DARPOs/DARROs for updating BARZ/ARC Development Plans

- **Foreign Assisted Projects Office (FAPsO)**

1. Monitor and evaluate foreign assisted project components.

- **Bureau Of Agrarian Reform Beneficiaries Development (BARBD)**

1. Monitor and evaluate the implementation of project components;
2. Conduct assessment of level of development of BARZs and ARCs; and
3. Prepare and submit reports to OASS for consolidation.

**At the Field Level**

- **Regional Support Services Division (RSSD)**

1. Conduct progress monitoring and evaluation on the status of BARZDP;
2. Prepare and submit to OASS consolidated regional status reports.

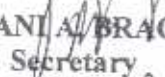
- **Beneficiaries Development and Coordination Division (BDCD)**

1. Monitor and evaluate the implementation of the BARZDP; and
2. Prepare and submit BARZDP status reports to RSSD.

**V. EFFECTIVITY**

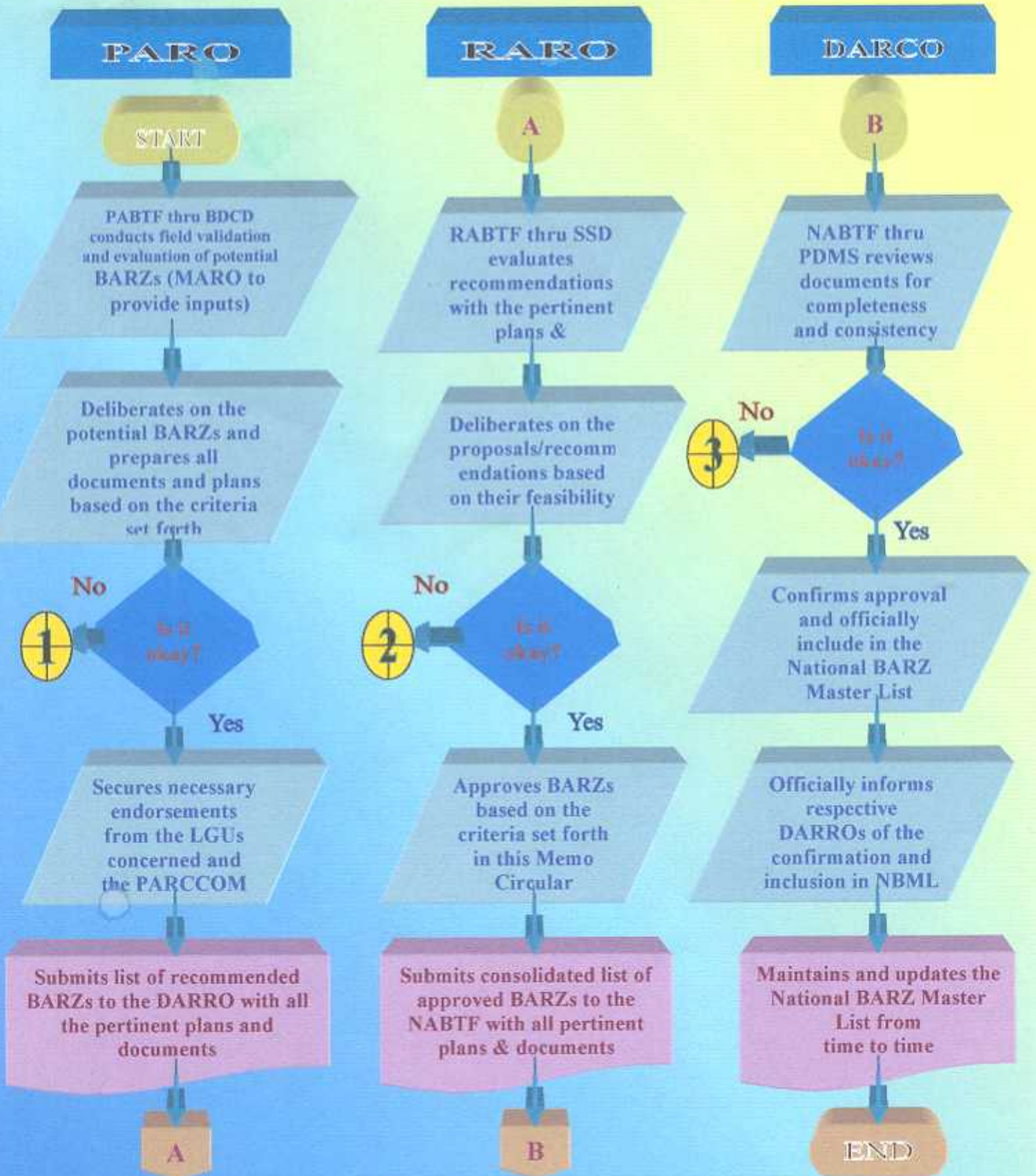
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HERNANI A. BRAGANZA  
Secretary

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# IDENTIFICATION, SELECTION, APPROVAL AND LAUNCHING PROCEDURES Bayan-anihan Agrarian Reform Zones



1 - Secure assistance of MARO

2 - Back to PARO

3 - Back to DARRO

**PROFILE AND SYNTHESIS MAP**  
**BARZONE**

Region: \_\_\_\_\_ Province: \_\_\_\_\_  
 District: \_\_\_\_\_ Municipalities Covered: \_\_\_\_\_  
 Year Launched: \_\_\_\_\_

**AREA PROFILE**

*LAND*

- Total Land Area: \_\_\_\_\_ has.    ➤ Agricultural Area: \_\_\_\_\_ has.  
 ➤ CARP Scope: \_\_\_\_\_ has.    ➤ Topography: \_\_\_\_\_  
 ➤ Accomplishment as of: \_\_\_\_\_    ➤ Soil Type: \_\_\_\_\_  
    has. \_\_\_\_\_ %    ➤ Climate: \_\_\_\_\_  
 ➤ ARC/s Covered: \_\_\_\_\_

*PEOPLE*

- Population: Male \_\_\_\_\_ Female \_\_\_\_\_ Total \_\_\_\_\_  
 ➤ # of Households: \_\_\_\_\_  
 ➤ # of ARBs: Male \_\_\_\_\_ Female \_\_\_\_\_ Total \_\_\_\_\_  
                  EP/CLOA Holder \_\_\_\_\_ Leaseholder \_\_\_\_\_  
 ➤ # of Farmers/Non ARB \_\_\_\_\_

**ECONOMY AND ENVIRONMENT**

*CROP PRODUCTION*

- | ➤ Primary Crops | Area Devoted (has.) | Average Yield/ha./yr. |
|-----------------|---------------------|-----------------------|
| _____           | _____               | _____                 |
| _____           | _____               | _____                 |
| _____           | _____               | _____                 |
| _____           | _____               | _____                 |
| _____           | _____               | _____                 |
- Secondary Crops
- |       |       |       |
|-------|-------|-------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
- Potential Crops: \_\_\_\_\_  
 ➤ Nearest Market/Distribution Center/s: \_\_\_\_\_  
 ➤ Economic Centers:  
     Municipality \_\_\_\_\_ City \_\_\_\_\_  
 ➤ Average Annual Household Income: PhP \_\_\_\_\_  
     Source:  
         On-Farm    PhP \_\_\_\_\_    Non-Farm (specify) \_\_\_\_\_  
         Off-Farm    PhP \_\_\_\_\_    PhP \_\_\_\_\_  
 ➤ Ecosystem and Ecological Zone: \_\_\_\_\_

# SYNTHESIS MAP OF THE PROPOSED BARZONE



**EXISTING SOCIO-ECONOMIC DEVELOPMENT INFRASTRUCTURES**

Number	Kind	Coverage (ha./km./lm.)

*ON-GOING DEVELOPMENT PROJECTS IN THE AREA*

*DEVELOPMENT REQUIREMENTS OF THE AREA*

Name of Project	Agency Responsible	Name of Project	Estimated Cost

*EXISTING ORGANIZATIONS IN THE AREA*

Name of Organizations	OMA Rating	Services/Businesses

*TARGET FAs/COOPERATIVES FOR STRENGTHENING*

*NAME OF NGOs & OTHER DEV'T INST. OPERATING IN THE AREA*


*DEVELOPMENT POTENTIALS OF THE AREA*

(As to the type of BAR Zone to develop)

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*BASIC FEATURES OF THE AREA TO SUPPORT ITS POTENTIALS*

(Characteristics of the area that leads toward its development to the potential type of Zone)

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## INTEGRATED SPATIAL/BARZONE DEVELOPMENT PLAN

(Suggested Outline with Explanatory Notes)

### I. EXECUTIVE SUMMARY

This section should provide a concise presentation of the salient features or key components of the Plan. It should be clear as to the purposes and intentions of the plan as well as the assumptions and principles underlying its preparation. It should highlight the Plan's framework development, goals, objectives, the strategies, the BARZs to be developed and the source requirements/costs, benefits to be derived and the prospective funding sources. The proposed plan administration should likewise be described in this section.

### II. INTRODUCTION

#### 1. Background

This section should clarify that the plan covers the agrarian reform sector, which just forms part of the development plan of the entire province and is an input to the Regional Development Plan. It should specify the time frame for which the plan was prepared i.e., for the period 2002 – 2004. It should briefly discuss the plan's relevance to the provincial, regional and national development thrusts and programs. It may include the policy statements of the President pertaining to rural development and CARP, the current policy thrusts and programs prioritized by the DAR, and the process through which the plan was formulated (e.g. workshops with partner NGOS, community consultations, etc).

It should explain how the plan document is organized including a short description of the contents of its parts.

#### 2. Rationale

*This should answer the questions "Why is there a need to formulate the Provincial Spatial/BARZone Development Plan? What are the major reasons for doing so? This may be answered by introducing the Bayan-Anihan Agrarian Reform Zone Development as the main strategy of the DAR to move the CARP and create significant impact on the ARBs.*

How does this plan relate to the Medium-Term Philippine Development Plan? to the expected contributions of the AR sector to the Regional and Provincial development objectives and programs? What will be the specific contributions of the Bayan-Anihan Agrarian Reform Zones in increasing agricultural production



and farm incomes? In agro industrial development? How will it complement existing plans? What is the usefulness of the Plan? Who are its intended users?

### **3. Planning Approach and Methodology**

This should briefly discuss the planning approach and the methods used in the planning process, e.g. participatory, community-based, workshops, regular coordination/task force type, tripartite conferences, etc.

It may include the major concepts/theoretical bases of the planning approach used, e.g. growth-oriented development; rural-focused, poverty-oriented approach; ecosystem concept; spatial approach; etc.

An overview of the planning methodology adopted in the various stages of planning may be included especially on the goal formulation and strategy formulation, site selection process and project identification.

### **4. Regional Context**

To put the plan in its proper context, the general socio-economic situation and development direction at regional level is relevant. This should focus on the major indicators such as population, (total and rural) average family income, poverty incidence, agricultural production and productivity, access to land, employment/ unemployment rate particularly in the rural areas, and major problems in the delivery of basic infrastructure credit, post harvest and other economic support facilities as well as social services. It would be helpful to highlight the thrusts and priorities of Regional Development as a basis in formulating the Provincial Bayan-Anihan Agrarian Reform Zone Spatial Plan.

## **III. PROGRAM AREA PROFILE (Provincial Perspective)**

The Provincial profile should not appear as a mere statement of facts but should be a synthesis of the analysis of problems, opportunities, constraints and potentials of the province. A concise characterization of major aspects should be made by presenting all the data, which are relevant to Agrarian Reform Planning. Data may be obtained from the Provincial Planning and Development Office, other agencies and NCSO publications. Always state the year and sources of the data.

### **1. Socio-economics and Physical Conditions**

- a. Land Area population and population growth rate and implications on land use
- b. Land use and prime agricultural lands
- c. CARP Scope and LTI status

- d. CARP beneficiaries and organizations
- e. Location, accessibility and distance from existing ports, airports, major centers
- f. Topography, elevation, the soil characteristics (soil types, suitability to various crops, drainage characteristics, erosion problems, among others), climate
- g. Major economic activities such as volume and growth production per crop, export average yields, major industries/processing facilities, commercial towns and market centers
- h. Family Income and Poverty Incidence – average income and income sources, causes of poverty, other poverty indicators such as health conditions, malnutrition rate, enrolment rate, drop-out rate and literacy rate
- i. Existing Infrastructure Support Facilities - existing, ongoing and proposed infra facilities analyzing whether they are sufficient or not (irrigation, roads, power supply, post-harvest, mass transportation, communication, and water supply facilities)
- j. Agricultural Extension- Status and institutions involved such as SUCs, research institutions and line agencies operating in the area
- k. Development Partners operating in the Province such as Non-Government Organizations and People's Organizations.

#### IV. STATUS OF ARCs

Summarize the general profile of the ARCs in the Province in terms of:

- a. Number of ARCs, barangays, level of development (based on ALDA), classification
- b. Land area, LTI status, irrigated areas, average landholdings
- c. Population, ARBs and organizations
- d. Agricultural conditions, income and poverty situation
- e. Physical ARC condition
- f. Support services provided
- g. Development Gaps

#### IV. SPATIAL DEVELOPMENT FRAMEWORK PLAN

##### a. Development Goals and Objectives

Explain the contributions of the Provincial Bayn-Anihan Agrarian Reform Zone Development Plan to the overall objective and targets of the agricultural sector in the Province. e.g.,

- Increase agricultural productivity in rice in BARZs by \_\_\_% by year 200\_\_.
- Increase productivity in corn by \_\_\_% by year 200\_\_.
- Strengthen \_\_\_\_\_ farmer association and cooperatives
- Provide technology improvement support to \_\_\_, 000 ARBs.
- Complete LTI in \_\_\_\_\_ by year \_\_\_\_\_.

##### b. Spatial Strategy

The spatial strategy should show in a map the location and specific role/function of the different BARZones in relation to the development directions of the province or region.

Specifically, the following BARZones may be identified and defined:

- Agricultural production zone (crop/livestock/specified)
- Village-level processing zone
- Secondary processing zone
- Warehousing/trading/service zone
- Agri-technology center
- Other functions that may be identified

##### Spatial Organization of the ARCs

Based on the review of plans and directions for the agricultural sector in the province, consider how the ARCs can help in shaping the development of the province. By spatial organization, we refer to how the different ARCs in the province will use their respective land resources, and how they will be linked physically and functionally to hasten their growth. In this regard, it is important to have knowledge of the land use and settlements plans of the province and the region to serve as key references. It is also important to examine carefully the types of priority ARCs to know which are the most developed and the least developed ARCs. The following is intended to provide insights on how to formulate the ARC spatial organization. It is meant to serve only as a guide and should not delimit other alternative approaches deemed be more useful by the planner.

Is it possible to group the ARCs according to resource base? Plot the crops grown/major economic activities per municipality in a base map of the province. Overlay the map of the priority ARCs. Which ARCs lying adjacent in each other, which share common resources? Delineate this group of ARCs in a map. Do the ARC clusters have distinct characteristics? For example, are they distinctly livestock clusters? Rice-producing areas? Rubber-based clusters?

Compare these facts with the development thrusts of the province or region. Are the crops presently grown to be encouraged in the future or are there planned shifts in crops and agricultural commodities? Consider further the soil suitability. (Refer to the Land Resource Evaluation Project of the Department of Agriculture) Are the present crops the most appropriate types to grow? Will developing and expanding these crops reap greater benefits to the province and to the Agrarian Reform communities? After assessing these factors, proceed to delineating your zones or clusters.

Examine each of the ARC zones or clusters. Where are the more developed and depressed ARCs? Can the ARC serve as center to other ARCs, which could provide agricultural inputs, repair and servicing of farm tools and equipment, or processing of agricultural produce? You can use the manual scalogram technique and other criteria in determining the relative centrality of the ARCs. Indicate this center in a map and delineate its service area (the production areas/ARCs which this center will serve). Relate this center with the existing capital town/major towns in the province. What will be the role or contribution of your production clusters to the development objective of the province? What will be the role of the ARC centers in the bigger town/market centers? Will the ARC centers perform first level processing while the town center engages in secondary processing? How will these centers contribute to each other's growth? Relate the whole ARC network to the Regional/Physical Framework Plan.

The results of these analysis should be explained in the text with the accompanying maps showing the ARC zones – indicating the production areas and center ARC for each. In the same map, plot the capital towns/market centers, the regional capital or major cities in the region. Using arrows, plot the linkages between and among these centers.

#### Stages of the ARC Growth

Consider the level of development of different ARCs. How are they expected to grow in the future? Recall the spatial organization you have just drawn. Which ARCs will grow as centers? What will be their specific economic functions? It is possible to transform them from a simple agricultural service center to an agro-industrial complex? Which ARCs are depressed? How will these ARCs grow? Will all of these continue to be production satellites? If not, which among them have potentials to become ARC cluster agricultural service centers? Which ARCs are relatively isolated at present? How will they be drawn into the economic?

## Programs and Projects

The plan should present the objectives, targets, operational plan, costs and timeframe for each of the following major programs:

- Land Tenure Improvement
- Social Infrastructure and Local Capability Building and Strengthening
- Sustainable Area-Based Rural Enterprise Development
- Basic Social Services System Development
- Gender and Development and Sustainable Resource Management

## VI. SPATIAL INTEGRATION

### 1. Functional Integration

1.1 Industry-Oriented – where a processing facility serves as an integrator of the surrounding production zones such as integrated corn production-feed mill-livestock project. This may consist of a network of processing facilities such as:

- Primary or village level processing (e.g. village coco-oil-mill)
- Secondary processing at the provincial level, usually located in the Provincial Industrial Centers (PICs)
- Tertiary processing plants or refineries which are usually located in regional industrial zones or big urban centers

1.2 Market-Oriented – ARCs which are accessible and near existing cities or urban areas may also serve as marketing and distribution centers for the produce/products of ARBs in the municipality, the BARZone, district or province. This center will undertake bulk buying, sorting, grading, packaging, pricing and wholesale of products of farmers to address the common problems regarding product marketing.

### 2. Geo-physical Integration

Physical integration may be possible in naturally contiguous areas using the ecological approach to planning and linkages may be enhanced thru infrastructure development. As a pre-requisite to economic integration, ARCs and non-ARCs must be linked physically by improving roads, bridges and access between and among these areas, improving means of transportation and establishing communication system.

### **3. Institutional Integration**

Integration can also be attained by organizing farmers associations and primary cooperatives in the ARCs and non-ARCs into a federation at the provincial level and link them to national network of farmers organizations. Primary cooperatives can perform trading and service functions to the ARBs while the federation can provide bulk buying, processing and marketing functions to various primary coops. Organizational integration will provide the opportunities for ARB coop federation to invest and manage multi-product operations and encourage primary cooperatives to specialize in particular crops or business.

### **4. Cultural Integration**

Isolated barangays and indigenous communities may also be linked to the economic and cultural mainstream thru institutional building and provision of agricultural extension, basic services and infrastructure support.

## **VII. IMPLEMENTATION PLAN**

### **a. Structure**

Present the organizational structure of the BARZ Development Program (BARZDP). Who will implement the program? What will be the composition of the structure? If the program will be implemented by a tripartite partnership structure, what will be the role and function of each organizations involved (the LGU, DAR, NGO, PO, other development stakeholders). What will be the relevant post-implementation structure of the program? Who will manage the program during its operation stage? Are present capabilities sufficient to match future responsibilities? What measures should be taken to augment capabilities? Explore the various aspects and phases of management of the program and propose a workable set-up.

### **b. Cost Requirements**

Present the cost requirements to reflect the total project costs by a) year; b) by BARZ, c) by project component; and d) by proposed funding source.

This type of cost presentation will allow for greater flexibility in repackaging the projects later on.

The cost per funding source should be broken down into GOP, Foreign Funding, and Beneficiaries' Equity. This will give a signal of commitment on the part of the proponent and the beneficiaries of the project.

**c. Monitoring and Evaluation**

How will the program be monitored? Who will monitor and what mode and methods of monitoring will be adopted?

**d. Schedule**

Prepare a timetable of activities preferably a Gantt Chart of Activities for the Program. This should reflect not only the major components but the key activities as well.

**VIII. PROGRAM BENEFITS**

The social soundness of the investment should be adequately discussed. The evaluation should take into account the groups or sectors to be benefited by the program investment on the one hand, and the groups, which would be adversely affected on the other. The acceptability of the program to the recipient community and neighboring communities should be taken into consideration. The organizational strength of the ARC should likewise be considered such as the presence and quality of leadership, the homogeneity/diversity of the groups/degree of organization, etc.

The unquantifiable social benefits should likewise be included in the program evaluation, e.g. increased political awareness of the ARBs.

A section on the likely environmental effects of the proposed investment should be included and appropriate mitigation measures should be included where adverse effects are likely to be created.

## PROCESS FLOW FOR THE BARZONE DEVELOPMENT PLAN

### PLAN/REVIEW/UPDATING

Review ARC Profiles/Assess Agri-Development Potentials/ Competitive Advantages

Review Municipal/Provincial/ Regional MTDP/Physical Framework Plans/ SAFDZ Plans, etc

Analyze role of ARCs and expansion areas

Determine centrality index/economic function/ key industry of each ARC

Determine ARC Zones

Prepare detailed spatial/ implementation strategy for physical, functional and institutional integration

Formulate programs, funding requirements and timetable for Support Services delivery

### MAPPING

Prepare Provincial Base Map with the road network

Superimpose Slope Map delineating the ff:  
0 – 18 %  
> 18 – 30 %  
> 30 %

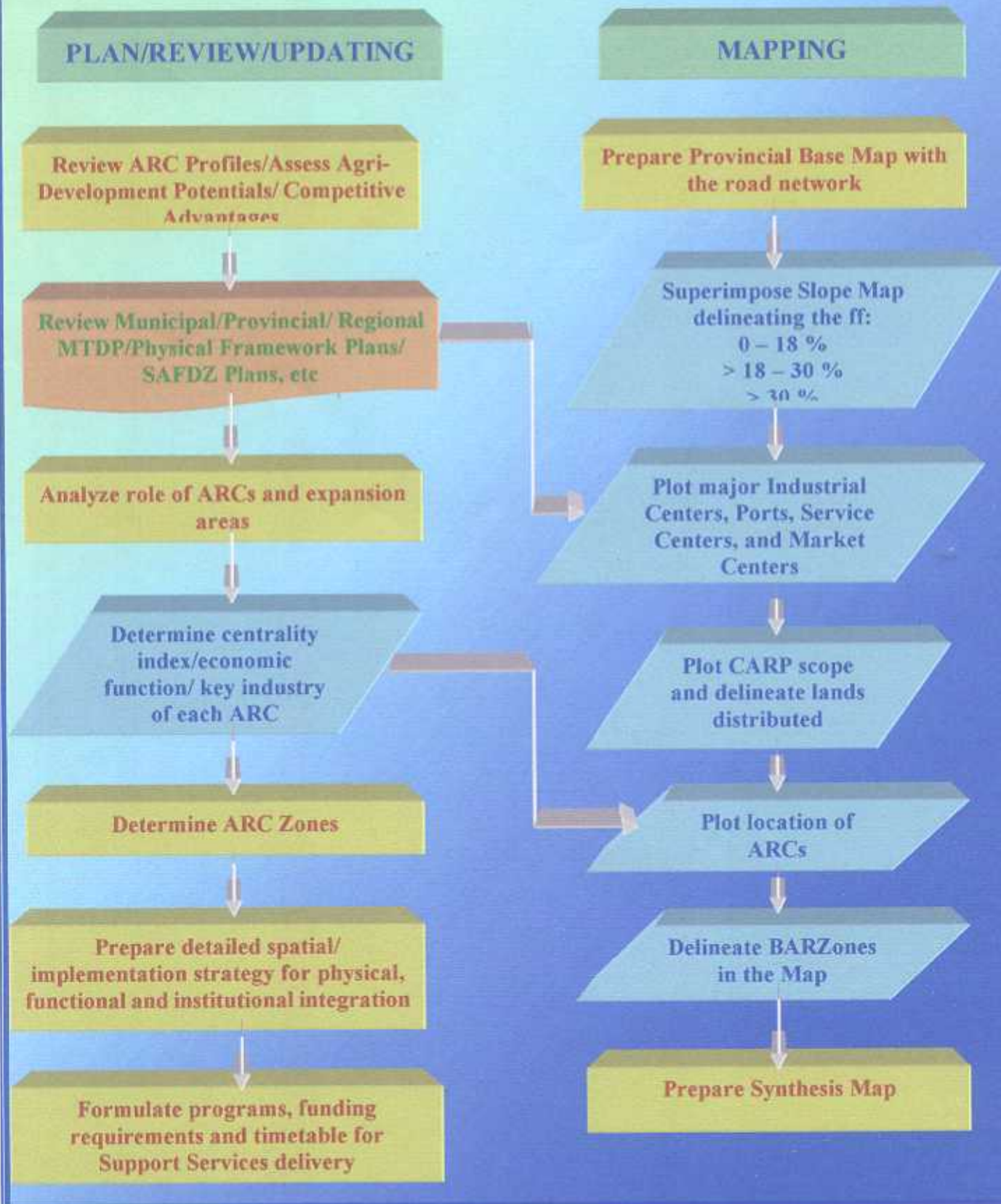
Plot major Industrial Centers, Ports, Service Centers, and Market Centers

Plot CARP scope and delineate lands distributed

Plot location of ARCs

Delineate BARZones in the Map

Prepare Synthesis Map





# Guidelines for the Evaluation of BARZDPs

## **PART A : General Assessment**

1. Internal Consistency of the Plan
2. Consistency with the General BARZONE Development Framework
3. Consistency with the overall Regional and Provincial Development Plan
4. Completeness of the Plan
5. Strengths of the Plan
6. Major Deficiencies
7. Recommendations

## **PART B : Detailed Assessment**

- Whether the major aspects found in the suggested outline for BARZDP are captured
- Type, nature and quality of data presented and the level of analysis made e.g. Development Problems, Constraints and Issues Affecting the Province/Zone
- Clarity of Presentation
- Soundness of Recommendations/Justifications