



Republic of the Philippines
DEPARTMENT of AGRARIAN REFORM

Memorandum Circular

No. 14

Series of 1999

SUBJECT: Guidelines and Procedures Governing the Selection and Launching of Agrarian Reform Communities

I. BACKGROUND and RATIONALE

Memorandum Circular No. 5, Series of 1999, has redefined the Agrarian Reform Community Development Framework to make it more responsive to the strategy of the Estrada Administration of sustainable rural development. An expanded approach is being adopted through: a) the reclustering of existing ARCs to include other ARBs in contiguous barangays and based on ARC model classification; b) a wider beneficiary focus, and c) the launching of new ARCs, anchored on scale and ecological considerations.

The new policy necessitates some revisions in the processes involved in ARC strategy implementation. Since the selection and launching of ARCs are critical initial steps in ARC development, these guidelines are issued consistent with M.C. No. 5, Series of 1999.

II. OBJECTIVES:

1. To define the criteria in ARC selection vis-à-vis the Sustainable Rural Development Framework in ARCs.
2. To determine the procedures and considerations in launching ARCs.

III. DEFINITION OF TERMS

1. Agrarian Reform Community (ARC) - composed of clusters of land reformed barangays in a municipality where farmers and farmworkers are awaiting the full implementation of agrarian reform.
2. ARC Task Force - a structural mechanism established at the DAR Provincial, Regional and Central Offices to provide over-all directions in the implementation of the ARC Development Program.

1

3. Scale intervention approach - an ARC expansion strategy anchored on area-based development where the ARC may comprise clusters of barangays in a municipality taking into consideration its economic, ecosystem and socio-political bases.

IV. ARC SELECTION

A. Basic Policies

1. The approval of new ARCs shall be decentralized to the Regional ARC Task Force (RARCTF) in accordance with the rules and procedures set forth in this Memorandum Circular. The RARCTF shall likewise be responsible for orchestrating the over-all development of ARCs consistent with the regional medium term development plan (1999-2004).
2. ARC selection and launching shall be done within calendar years 1999 to 2002. The remaining two years of the planning period (CY 2003-2004) shall be devoted to the implementation of the development plans of existing ARCs and those launched in CY 1999-2002.
3. The selection and launching schedules of ARCs shall generally consider the planning and budgeting cycle of the Department and the other CARP Implementing Agencies (CIAs). In line with this, approval of all ARCs for the succeeding year shall be done by the RARCTF not later than end of March of every year.

In this case all the pre-approval processes including preliminary listing, data gathering, profiling, provincial level screening and regional level review shall be done by the first quarter of every year.

This process shall ensure that the funding requirements for the development of these ARCs shall be incorporated in the indicative planning activities of the Department. Likewise, the ARCs may be considered in the CIAs CARP plan and budget.

4. The list of all approved ARCs per classification (prime agricultural, in-between and agropolitan areas) with corresponding attachments shall be submitted to the DARCO, through BARBD, by 15 April of each year until year 2002 for incorporation in the National ARC Masterlist. BARBD

shall forward to the PARC Secretariat the list of additional ARCs for consideration in the CIAs CARP plan and budget.

B. ARC Selection Criteria

A scale intervention approach shall be adopted in ARC selection. This shall take into consideration the economic, ecosystem and socio-political factors. Along this line, three (3) ARC models shall be operationalized: a) the prime agricultural areas, b) the inaccessible ARCs, and c) the in-between areas.

As a general rule, the MUST and WANT criteria as stipulated in the Operations Manual on ARC Development shall be followed in the selection of ARCs. However, in view of the peculiarities of each model, ARC selection shall likewise take into consideration the following sets of standards.

| Model | Ecological Considerations | Economic Considerations | Socio-Political Considerations |
|-------------------------|-------------------------------|---|--|
| Prime Agricultural ARCs | ❖ One to two ecological zones | <ul style="list-style-type: none"> ❖ Potential to become key production center for various crops ❖ Volume of production and land utilization rate can support the market demands ❖ Potential to project high agro-industrial development & integrated agribusiness system ❖ Presence of critical infrastructure facilities (irrigation, roads, post-harvest facilities) | <ul style="list-style-type: none"> ❖ A cluster of more than 5 contiguous barangays ❖ Huge tracts of agricultural lands (more than 1,500 hectares) ❖ Significant number of small farmers/ agricultural workers (more than 800 farmers) |

| | | | |
|-------------------|---|---|---|
| In-between ARCs | <ul style="list-style-type: none"> ❖ One to two ecological zones | <ul style="list-style-type: none"> ❖ Scale of production cannot meet the market demands ❖ Lands are not fully utilized ❖ Can be a production support to prime agricultural ARCs ❖ Can be a mid-processing and market-link of the inaccessible ARCs ❖ Presence of limited infrastructure facilities | <ul style="list-style-type: none"> ❖ A cluster of 2 to 5 contiguous barangays ❖ Substantial tracts of agricultural lands (700 to less than 1,500 hectares) ❖ Substantial number of farmers and agricultural workers (400 to less than 800 ARBs) |
| Inaccessible ARCs | <ul style="list-style-type: none"> ❖ One ecological zone | <ul style="list-style-type: none"> ❖ Low soil fertility ❖ Low production, subsistence agriculture ❖ Absence of critical physical infrastructure facilities | <ul style="list-style-type: none"> ❖ A minimum of 2 - 5 barangays ❖ Limited Agricultural lands (less than 700 hectares) ❖ Substantial number of small farmers and agricultural workers (100 - 400 ARBs) |

C. ARC Selection and Launching Procedures

1. Municipal Level:

- 1.1 The MARO through the DF/ARPT shall conduct ocular inspection of proposed ARCs including focused group discussions (FGDs) and interview with key informants in every barangay to be covered by the ARC.
- 1.2 The MARO shall prepare the ARC M- Form No. 1 and Data Base Form No. 1-5 based on the data gathered from the ocular inspection and FGD/interview. These forms are attached as Annexes A – E.

- 1.3 If the ARC meets the selection criteria, the DF/ARPT shall conduct community orientation on ARC concepts, objectives and implementing mechanism.
- 1.4 To manifest LGU and PO support for the ARC, PO/Barangay and Municipal Development Council resolutions endorsing the barangay(s) as an ARC should be issued.
- 1.5 The MARO shall endorse the said resolutions, including the respective ARC DB 1-5, ARC Form 1, ARC Profile and Base/Location Map to the Provincial ARC Task Force (PARCTF).

The base/location map (Annex B) shall show the relative location of the ARC and provide a graphic representation of the spatial and economic configuration of the area (i.e., infrastructure, market/commercial centers, etc.)

- 1.6 If the ARC fails to meet the criteria, the MARO shall inform the PO/local leadership through an official letter, citing therein the reasons for its non-inclusion as an ARC.

2. PARO Level

- 2.1 Upon receipt of the endorsement from the MARO(s) the PARCTF, through its Secretariat (BDCD), shall conduct field verification to assess the feasibility of the proposal based on the criteria for ARC selection. A recommendation based on the evaluation results will be submitted to the PARCTF.
- 2.2 Deliberation of the proposed ARCs will be done during the PARCTF meeting. Each proposed ARC shall be subjected to the selection criteria. The MAROs, PARCCOM and NGOs may be invited to this meeting.
- 2.3 The list of all ARCs, including the documents specified in Item C-1.5, and the pertinent minutes of PARCTF meeting(s) shall be submitted to the Regional ARC Task Force (RARCTF) for final deliberation and approval.
- 2.4 The MARO shall be officially informed of the results of the PARCTF meeting within five (5) working days.

3. RARO Level

- 3.1 Upon receipt of the PARCTF endorsement, the RARCTF, through its Secretariat (SSD), shall initially review the documents and conduct field validation, if necessary, to determine the feasibility of the proposal.
- 3.2 The RARCTF shall convene to deliberate on the approval of the proposed ARCs. The concerned PARO(s), PARCCOM and NGO representative(s) may be invited to this meeting.
- 3.3 The RARCTF shall submit a list of all approved ARCs, including the documents specified in item C-1.5, and the pertinent minutes of RARCTF meeting(s) to the National ARC Task Force (NARCTF) for confirmation.
- 3.4 The RARCTF shall officially inform the respective PARCTFs of the deliberation results by providing them the minutes of the pertinent RARCTF meeting(s) and/or resolution(s). The PARCCOM and the Provincial Governor may also be provided with said documents to generate support.

4. DARCO Level

- 4.1 Upon receipt of the list of approved ARCs and pertinent documents, the NARCTF Secretariat (BARBD), shall review said documents for completeness and consistency of data.
- 4.2 If found in order, the NARCTF shall confirm the approval of the ARCs and officially include them in the National ARC Masterlist.
- 4.3 The NARCTF shall officially inform the respective RARCTFs of the confirmation of the ARC(s) and their inclusion in the National ARC Masterlist.

V. OTHER RELATED CONCERNS

1. In case an ARC is launched without undergoing the selection processes prescribed herein, said ARC shall not be confirmed by the NARCTF, and hence, shall not appear in the National ARC Masterlist.
2. The delisting of an ARC shall only be allowed under extreme circumstances, i.e., when ARC development can no longer prosper. To justify such delisting, a thorough evaluation, to include field verifications/observations, interviews with POs/LGU

officials and other stakeholders should be conducted. Supporting documents such as PO resolutions, field verification reports and LGU, PARCCOM, PARCTF endorsements should be submitted to the RARCTF for deliberation and approval. The basic procedures contained in Item IV.C of this M.C. shall be followed.

3. In no case shall delisting of barangays from ARC coverage be allowed for reasons of difficulty in mobility/accessibility problem and inadequate personnel complement. Instead, a strategy of "phasing" should be drawn up by the concerned offices to eventually develop the whole area;
4. Reclustering and classification of existing ARCs is proposed for technical and practical considerations consistent with the ARC Framework for Sustainable Rural Development.
5. Any deviation from this policy guidelines should be adequately justified by the concerned Task Force and should go through proper channels as indicated in Annex A.

VI. EFFECTIVITY

This Memorandum Circular shall take effect immediately and supersedes all issuances inconsistent herewith.

Diliman, Quezon City, July 12, 1999



HORACIO R. MORALES, JR.
Secretary

File/Addressed/Indexed/Added

**PROFILE & LOCATION MAP
PROPOSED ARC**

Region : _____
 Province : _____
 District : _____
 Municipality : _____
 Brgys. Covered : _____
 Proposed yr. of launching : _____

Legend:
 > Road
 > Brgy. Boundary
 > Creeks/Rivers



AREA PROFILE

LAND

> Land Area : _____
 > Agr'l. Area : _____
 > CARP Scope : _____
 > Accomp. (as of _____) _____
 _____ has. (_____ %) _____
 > Topography : _____
 > Type of soil : _____
 > Climate : _____

PEOPLE:

> Population : M _____ F _____ T _____
 > No. of Household : _____
 > No of ARBs: M _____ F _____ T _____
 EP/CLOA: _____
 Leascholder _____

ECONOMY & ENVIRONMENT :

> Principal Crops : _____ Average Yield/ha. _____

 > Potential crops : _____
 > Nearest Market Center & Dist. _____
 > Eco. Center: Municipality : _____
 City : _____
 > Ave. Annual HH Income :
 On-Farm _____
 Off-Farm _____
 Non-Farm _____
 > Secondary Source of income other than farming: _____

>Ecosystem & ecological zone: _____

Enlarged view of the proposed ARC area

> Modality Classification : * PAA IBA IA

EXISTING SOCIO-ECO DEV'T. INFRASTRUCTURES

(No. & kind of Infrastructures)
 Kind _____ No./coverage (has./kms/lm) _____

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

ON-GOING DEV'T. PROJECTS IN THE AREA

(Name development projects)
 Project _____ Agency _____

DEVELOPMENT REQUIREMENTS OF THE AREA

| Project | Estimated Cost |
|---------|----------------|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

TARGET Fas/COOPERATIVES FOR STRENGTHENING

(Name of Organizations)

DEVELOPMENT POTENTIALS OF THE AREA

*PAA - _____; IBA-In-Between Area; IA-Inaccessible ARCs