



MINISTRY MEMORANDUM CIRCULAR NO. 1-79  
Series of 1979

TO : All Regional Directors  
District Officers  
Team Leaders and Fieldmen Concerned

SUBJECT: ADDITIONAL INSTRUCTIONS ON THE VALUATION  
OF LANDHOLDINGS WITH AUXILIARY CROPS

Further to Memorandum Circular No. 26 dated November 5, 1973 and No. 31 dated December 26, 1973, and in order that land transfer claims in which auxiliary crops were included in the determination of average gross production can be properly evaluated, the following additional instructions on the valuation of auxiliary crops are hereby issued:

1. Land transfer claims in which the average gross production of auxiliary crops were included should be supported by a certification signed by the landowner or his duly authorized representative and the tenant-farmers to the effect that they had mutually agreed that the latter shall pay the former, annual lease rentals or crop shares on auxiliary crops.

2. In determining the value of the auxiliary crops, the amount of annual rentals paid by the tenant-farmer to the landowner shall be multiplied by a constant factor. For rentals paid in cash, such amount shall be multiplied by a constant factor of 5, then multiplied by 2.5 to arrive at the total value. If the rental was paid in kind, the same shall be multiplied by a constant factor of 5, then multiplied by 2.5 times the price index for such crop. In case of cropshares in kind the same shall be multiplied by a constant factor of 2, then multiplied by 2.5 times the price index for such crop. For ready reference, attached is a Price Index for 1972 of various crops and standard weights and measures of agricultural products compiled by the Bureau of Agricultural Economics. The computations are shown in the following examples:

a. Rental in Cash

Given: Crop - Cabbage  
Rental - ₱200.00

Hence:  $₱200.00 \times 5 \times 2.5 = ₱2,500.00$

*"Hindi na matatalikuran sa ang pagbabago ng-ayos ng pananakahan. Higit kong pangarap na makita ang ating mga magsasaka na pag-aari ang lupang kanilang binubungkal."*

- PANGULONG FERDINAND E. MARCOS

b. Rental in Kind

Given: Crop - Onion  
Rental - 10 bags at 20/kilos/bag = 200 kilos  
Price Index- ₱0.78/kilo (Pangasinan)

Hence: 200 kilos x 5 = 1,000.00  
1,000.00 x 2.5 x ₱0.78 = ₱1,950.00

c. Crop Shares (In kind 50:50)

Given: Crop - Tobacco  
Crop Shares - 200 kilos

Hence: 200 kilos x 2 = 400 kilos  
400 x 2.5 = 1,000 kilos  
1,000 x ₱2.63 = ₱2,630.00

In cases where the sharing arrangement is other than a 50:50 sharing ratio, the same shall be computed on a pro-rata basis to arrive at the average gross production.

3. To support land transfer claims with auxiliary crops, the following duly accomplished forms shall be attached:

- a) Land Valuation Form 2-A
- b) Land Valuation Form 2-B

4. In accomplishing Land Valuation Form 2-B, the following instructions are to be followed:

- a. Indicate kind of auxiliary crop planted, also indicate opposite each crop the average gross production and the price thereof per kilo as of October 21, 1972 utilizing the price index;
- b. Lease rentals and/or crops shares paid in auxiliary crops to be indicated separately and apart from those paid on rice or corn;
- c. In cases where the lease rentals or crop shares on auxiliary crops were paid but included in the rental



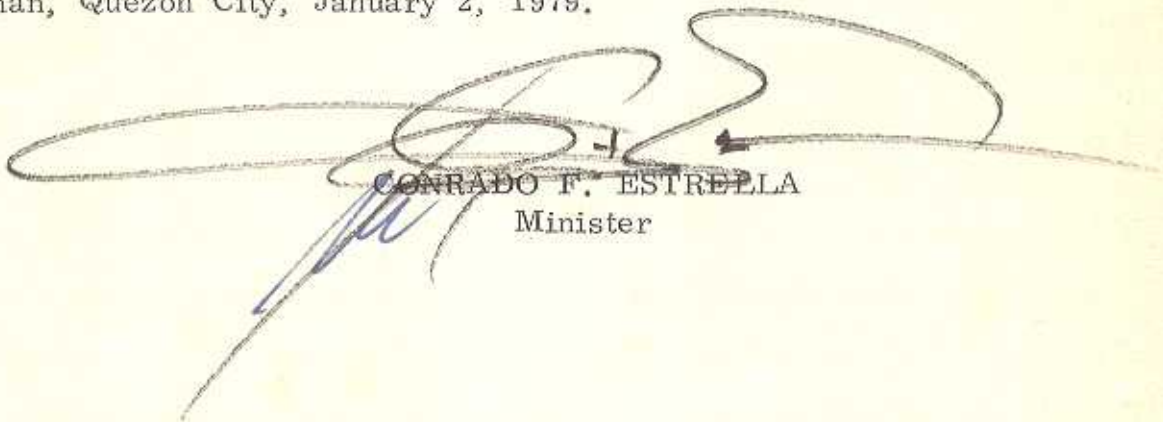
of the primary crop, then these should be considered as part of the rental for the principal crop. Hence, there should be no separate valuation for such auxiliary crops.

- d. In cases where the regional price index of a particular crop under consideration is not available, then the National Price Index for such crop shall be used in computing land value for auxiliary crop.

All orders, circulars, memoranda, rules and regulations or portions thereof inconsistent herewith are hereby revoked, cancelled or modified as the case may be.

Please be guided accordingly.

Diliman, Quezon City, January 2, 1979.



CONRADO F. ESTRELLA  
Minister

CERTIFICATION

This is to certify that we \_\_\_\_\_  
Name of Tenant  
and \_\_\_\_\_ mutually agreed that lease  
Name of Landowner  
rental on auxiliary crops are to be paid in cash/kind/shares  
in the amount of \_\_\_\_\_ (Pesos/kilos/cavans) of  
\_\_\_\_\_ per hectare as of October 21, 1972.  
(Specify Crop)

\_\_\_\_\_  
NAME OF TENANT

\_\_\_\_\_  
NAME OF LANDOWNER

NOTED BY:

\_\_\_\_\_  
MAR TEAM LEADER

VALUATION OF AUXILIARY CROPS

OF LANDOWNER \_\_\_\_\_  
 OF FARM \_\_\_\_\_

Tenant	(3) Auxiliary Crops	(4) Lease Rental		(5) Crop shares (Quantity)	(6) Average Gross Prod.	(7) Total AG P	(8) Price Index Per Kilo	(9) Total Value	(10) Total Rent Paid	(11) Value
		Cash	Kind							
In Cash										
Cruz	Cabbage	₱200.00	-	-	₱1,000.00	-	-	₱2,500.00	₱500.00	₱2,000.00
In Kind										
Kilo	Onion	-	200.00 kls.	-	1,000.00	2,500	₱1.25	3,125.00	500.00	2,625.00
Crop Shares										
es	Tobacco	-	-	200.00 kls.	400 kls.	1,000	2.63	2,630.00	300.00	2,330.00

F TENANTS:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

SIGNATURE OF LANDOWNER

NOTED BY:

\_\_\_\_\_  
 TEAM LEADER

Specific Instructions In Accomplishing Land Valuation Form 2-B

1. Indicate the Name of Landowner and Location of farm.
2. Name of Tenant - indicate full name of tenant.
3. Kind of Auxiliary Crops - indicate the kinds of auxiliary crops to be valued.
4. Lease Rental (Cash/Kind) - indicate the value/quantity of lease rental paid or agreed upon to be paid as of October 21, 1972.
5. Crop Shares - if under sharing arrangement indicate quantity of auxiliary crops shared by the landowner as of October 21, 1972.
6. Average Gross Production - value/quantity of rentals paid in cash/kind multiplied by constant factor of 5 equals AGP.

Under sharing arrangement the quantity of crop shared multiplied by a constant factor of 2 equals the AGP.

7. Total AGP - average gross production (in kind or crop shares) times constant factor of 2.5.
8. Price Index - prices of various crops as of 1972 compiled by the Bureau of Agricultural Economics.
9. Total Value - cash value of average gross production times the constant factor of 2.5.

Average gross production in kind multiplied by constant factor of 2.5 times price index equals the total value of the auxiliary crops.

10. Total Rental Paid - total rentals or value of crops paid to landowners on crops planted and harvested after October 21, 1972.
11. Net Value - total value minus total lease rental paid.
12. Justification for the use of constant factors:

A constant factor of five (5) is used where the rental is paid in cash inasmuch as under Section 30 of R.A. 1199 as

amended, the sharing ratio between the landowner and the tenant-farmer is 80%-20% in favor of the latter. Twenty per centum represents  $1/5$  of the produce, hence, to arrive at the average produce, said rental is multiplied by the constant factor of five (5).

A constant factor of two (2) is used where the consideration for the use of the land is payable in crop shares and the sharing ratio is fifty-fifty (50-50). Fifty per centum represents  $1/2$  of the produce, hence, to arrive at the average produce, said crop share is multiplied by the constant factor of two (2).

## Standard Weights & Measures of Agricultural Products

### Primary Crops:

1 cavan (1 sack) palay	- 50 kilograms, palay net
1 cavan shelled corn	- 57 kilograms

### Auxiliary Crops:

#### Cassava

1 sack No. 1 tubers - 50-70 units	- 45 kilograms (average)
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#### Camote

1 sack No. 2 tubers - 300-400 units	- 40-45 kilograms
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#### Radish

No. of roots per kilogram	- 5-7
1 kaing No. 1 roots	- 36 kilograms, gross
1 Baguio basket No. 3 - 100-150 roots	- 20-25 kilograms, gross
1 Baguio basket No. 2 - 140-200 roots	- 35-40 kilograms, gross

#### Singkamas

1 bungkos (bunch) - bigkis of 5-6 tubers	- 5-7 kilograms
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#### Garlic

No. of heads per kilogram	- 47
1 bag mesh	- 20 kilograms

#### Onions (Bermuda Onion)

1 bag mesh small	- 20 kilograms
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#### Native Onion

1 bungkos (bunch) of onions with tops dry - 60-75 units	- 0.2-0.3 kilograms
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### Dry Beans and Peanut:

#### Lima bean or patani (*phaseolus lenetus*)

1 ganta seed	- 2.5 kilograms
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Mongo (phaseolus aurous)

1 cavan seed - 58.5 kilograms

Soybean (Glycine max)

1 ganta seed - 2.2 kilograms

Peanut (common spanish variety)

1 cavan (unshelled) - 25 kilograms

Cabbage:

Weight per head - 0.3-1.5 kilograms - 625 grams (average)

Ampalaya

Weight per fruit, all sizes (long variety) - 125 grams (average)

Weight per fruit, (short variety) - 80 grams (average)

Eggplant:

No. of fruits per kilogram - 8.14

Weight per fruit - 105 grams (average)

Green Sitao (Singapore string bean)

1 bundle - 20 grams

50 bundles of 15-16 immature pods each - 1 kilogram

White Sitao:

1 bundle composed of 5 smaller units  
of 16-22 pods each - 810 grams

Muskmelon:

Kinalabasa variety - 1.4 kilogram

Baluga - 1.5 kilogram

Valencia - 2.0 kilogram

Kastila - 1.3 kilogram

Imus - 0.96 kilogram

Cantaloupe - 0.7 kilogram

Inalambre - 0.9 kilogram

Tomatoe

No. of fruits per kilogram - 15-20

Watermelon:

Weight per fruit - 1.7 kilograms

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Source:

Bureau of Agricultural Economics  
Ministry of Agriculture

PRICE INDEX FOR 1972

Source: Bureau of Agricultural Economics  
Ministry of Agriculture

<u>REGION</u>	<u>QUANTITY</u>	<u>VALUE</u>	<u>PRICE (PESO VALUE) Per Kilo</u>
<b>I. ILOCOS</b>			
Garlic	12,720,300	49,736,400	3.91
Mongo	1,282,900	2,347,700	1.81
Tobacco (all varieties)	19,944,500	52,382,300	2.63
Cassava	9,739,900	3,798,600	0.39
Red Pepper			
Peanuts (unshelled)	360,800	346,400	0.96
Onion	2,424,700	3,030,900	1.25
Vegetables (except onion & Irish Potato)	50,820,500	81,483,400	1.34
Beans (including Peas)	2,288,100	3,612,100	1.59
Camote	81,154,000	32,461,600	0.40
Squash			
Tomatoes	6,560,000	7,478,400	1.14
Turnips			
Eggplant	6,300,800	2,772,400	0.44
<b>II. CAGAYAN VALLEY</b>			
Peanut	4,893,600	4,697,900	0.96
Mongo	527,400	1,118,100	2.12
Tobacco	17,318,100	38,529,100	2.22
Onion	1,980,500	2,376,600	1.20
Red Creole			
Soy Beans (no data)			
Havechuelas			
<b>III. CENTRAL LUZON</b>			
Mongo	5,501,800	8,692,800	1.58
Vegetables	80,636,900	62,776,200	0.78
Peanuts	3,888,300	3,810,500	0.98
Turnips			
Watermelon	121,129,500	101,748,800	0.84
Camote	16,236,600	6,819,400	0.42
Eggplant	30,108,200	15,054,100	0.50
Tomatoes	37,534,900	36,658,200	0.98

<u>REGION</u>	<u>QUANTITY</u>	<u>VALUE</u>	PRICE (PESO VALUE) Per Kilo
IV. SOUTHERN LUZON			
Cassava	33,744,800	11,428,800	0.34
Patola			
Peanut	1,644,200	1,628,900	0.99
Mongo	1,646,300	3,176,600	1.93
Tomatoes			
Turnips			
Legumes			
Garlic	1,723,400	8,022,900	4.66
Onions	850,200	1,104,300	1.30
V. BICOL			
Camote	144,304,300	57,721,700	0.40
Peanut	2,810,400	3,203,900	1.41
VI. WESTERN VISAYAS			
Mongo	4,214,900	7,249,600	1.72
Peanuts	939,000	1,070,500	1.14
Cadios			
Beans	4,333,100	7,384,500	1.70
Cassava	25,357,700	8,368,000	0.33
Tobacco	492,200	1,265,000	2.57
Tomatoes	5,278,900	5,494,600	1.04
Melon			
Sandia (watermelon)	3,243,800	2,333,500	0.72
Pepper			
Eggplant	10,117,700	5,665,900	0.56
VII. CENTRAL VISAYAS			
Tobacco	1,187,400	2,918,600	2.46
Gabi	18,583,200	6,159,600	0.33
Cassava	39,691,800	10,547,400	0.26
Mongo	967,900	1,727,200	1.78
Peanuts	1,457,900	1,677,500	1.15
Camote	43,771,300	15,824,400	0.36

<u>REGION</u>	<u>QUANTITY</u>	<u>VALUE</u>	PRICE (PESO VALUE) Per Kilo
VIII. EASTERN VISAYAS			
Peanut	855,100	991,900	1.16
Camote	111,479,000	40,132,400	0.36
IX. SOUTHERN MINDANAO			
Mongo	2,839,900	5,481,000	1.91
Cassava	36,566,500	14,260,900	0.93
Tobacco	6,575,300	14,339,700	2.18
Soybeans	159,000	263,800	1.66
Peanut	696,200	793,700	
X. NORTHERN MINDANAO			
Camote	75,907,700	25,808,600	0.34
Soybeans	112,300	178,600	1.59
XI. WESTERN MINDANAO			
Soybeans	51,000	84,800	1.66
Mongo	14,900	28,800	1.93
Peanuts	80,000	91,200	1.14

NATIONAL PRICE INDEX OF VARIOUS CROPS\*

Garlic - - - - -	4.30	Mongo - - - - -	1.85
Onion - - - - -	1.25	Peanuts - - - - -	1.09
Tobacco - - - - -	2.41	Vegetables - - - - -	1.06
Cassava - - - - -	.45	Beans - - - - -	1.60
Camote - - - - -	.38	Tomatoes - - - - -	1.05
Eggplant - - - - -	.50	Watermelon - - - - -	.78

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\* The National Price Index of the above crops was taken by getting the average of the regional price index for such crops.