

**Balisacan, Arsenio, M. et al. Study on the Impact of Comprehensive Agrarian Reform Program (CARP) on Poverty Reduction and Prospects for Long-Term Growth. Asia-Pacific Policy Center, Diliman, Quezon City. October 2007.**

The study is part of the second round of CARP impact assessment studies commissioned by the Department of Agrarian Reform (DAR). It aimed to assess the impact and gains of the program and to recommend policies, mechanisms or changes to enhance program implementation, particularly for the remaining balances in land acquisition and distribution and in expanding the reach and impact of the Agrarian Reform Community (ARC) strategy. The study mainly used official government databases of census and surveys of the National Statistics Office (NSO), the ARC database of the Bureau of Agrarian Reform Beneficiaries Development (BARBD) of DAR, and other administrative data from the Bureau of Agricultural Statistics (BAS) and National Statistics Coordination Board (NSCB). These databases were merged with the data on the 2006 Masterlist of the Agrarian Reform Communities, matched and analyzed. A rapid appraisal of five provinces was also done to examine the impact of government interventions on land markets and economic activities related to land (i.e., credit, capital accumulation, and land productivity). Results of the study show that it is the combination of possessing the land, being located in an ARC, and being in an ARC that increases a farmer household's income and expenditure per capita and make them less likely to be poor. Within an ARC, there is no significant difference between ARBs and non-ARBs, thus demonstrating that returns to land ownership is significantly improved with the provision of support services. Furthermore, ARBs do better than non-ARBs in ARCs but both ARBs and non-ARBs in non-ARCs would have the same probability of being non-poor and they do worse than the respondents in ARCs. The benefit-cost analysis of the ARC strategy yielded a positive net present value showing that the benefits reaped from the ARC support services outweigh the cost of financing such services. Through the ARC strategy, poverty incidence decreased from 39.8% to 24.2% over the period 1990 and 2000. This reduction is slightly higher than that experienced by those in the non-ARC barangays, i.e., from 39.0% to 24.8% for the same period.