

DAR-Policy and Strategic Research Service. Case Study on Lease Agreement Between Sixty Agrarian Reform Beneficiaries (ARBs) and an Investor in Barangay Balabag, La Carlota City, Negros Occidental (Sugarcane). Case Studies on Agribusiness Venture Arrangements (AVAs) Between Investors and Agrarian Reform Beneficiaries (ARBs). November 2006.

This is a case study of 60 agrarian reform beneficiaries (ARBs) from Barangay Balabag, La Carlota City, Negros Occidental who opted to enter into an individual lease agreement with an investor after the lands were awarded to them through the Comprehensive Agrarian Reform Program (CARP). The study aimed to gain insights on the experiences of the ARBs in forging partnership with an investor. This particular lease arrangement was selected on the bases of the following criteria: the type of AVA peculiar to the province; AVA with the most number of ARBs and biggest area in hectares involved; and with the longest duration (in years) of AVA implementation. The findings of the study show that the 60 ARBs who entered into individual lease agreement with an investor experienced difficulty in adjusting to their new role as landowners because they lack knowledge on how to manage and make their farms productive. Moreover, they have low level of education, and have limited knowledge about the CARP and the benefits they can derive from the program. The ARBs' lack of organizational membership made it difficult for them to get a better deal or look for better agribusiness venture arrangements/partnerships and avail of the necessary support services from the government. The findings of the study also show that the 60 ARBs obtain their income from their employment as farms laborers in the sugarcane farms they leased out to the investor and from the payment of lease rental on their awarded lands. Thus, leasing the land has not helped them in developing their technical and managerial capabilities in making their lands productive.

