

Dy, Rolando T., Archimedes Amarra, Raul Montemayor, and Gilberto Llanto. Commercial Farms and Plantations: Issues and Strategic Options for Agribusiness Investments. Department of Agrarian Reform. December 1994.

The main objective of the study was to provide a menu of farm management options for both the investors/landowners and the farmworker-beneficiaries in order that by 1998 both parties would have arrived at a mutually agreeable option. The study covered the review of relevant studies and experiences on management systems of plantations as well as their strengths and weaknesses, field visits to Southern Mindanao and Negros Occidental, preparation of mini-case studies on selected farm management arrangements, and consultation workshops in Manila. The study summarizes the present situation in commercial farms as follows: (a) management of the farms is centralized, from production, finance to marketing; (b) land is either fully owned and/or leased from landowners of various farm sizes in which leases may expire at different dates; and c) FWBs earn wages and other benefits. The study discusses the four key farm management options which could be entered into by the FWBs and the investors, namely: (a) Lease-back; (b) Growership or Contract Growing; (c) Joint Venture; and (d) Coop-owned and Managed. It also presents the basic features as well as the strengths and weaknesses of each farm management option from the perspective of the landowner/investor, the beneficiaries and other stakeholders like the government. Moreover, the study presents the following proposals for efficient utilization of idle and underutilized lands: a) Build-Operate-Transfer (BOT) scheme; b) developer/manager scheme; and c) lease of land to landless investors. It also highlighted several issues and concerns on land valuation and payment of the land, land transfer, and post-land transfer.