

Republic of the Philippines  
**House of Representatives**  
Quezon City



SEVENTEENTH CONGRESS  
First Regular Session

**HOUSE BILL NO. 3803**

---

Introduced by Hon. Wilfredo S. Caminero and Hon. Tom S. Villarin

---

**EXPLANATORY NOTE**

It is the avowed policy of the State to pursue a Comprehensive Agrarian Reform Program that gives highest consideration to the welfare of the landless farmers and farm-workers as an objective and a strategy to move the nation towards sound rural development and industrialization. In promoting self-reliance among poor farmers, there is a conscious effort to establish owner cultivatorship of economic-size farms as the basis of Philippine agriculture.

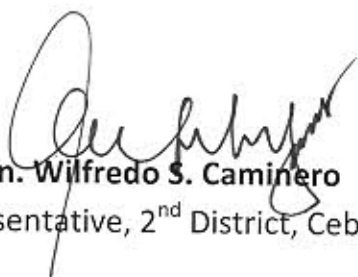
With this end in view, the Agrarian Land Reform Code (RA 3844), which was enacted way back on 08 August 1963, initially abolished tenancy; subsequently, in June 1988, Republic Act No. 6657 was born out of acrimonious debate across the entire socio-political spectrum to wilfully pave the way to a more equitable distribution and ownership of land, with due regard to the rights of landowners to just compensation and to the ecological needs of the nation. It expressly committed government to provide farmers and farm-workers with the opportunity to enhance their dignity and improve the quality of their lives through greater productivity of agricultural lands.

To ensure a major advancement of agrarian reform in the country, RA 3844 also established a financial intermediary mandated to help primarily with the provision of timely and adequate financial support in all phases of the CARP, particularly in the purchase of agricultural estates for division and resale to small landholders, and the purchase of land by the agricultural lessee. This corporate body

is presently known as the Land Bank of the Philippines (LBP), the implementing arm of the CARP in terms of land valuation, compensation to owners of agricultural lands, and collection of amortizations from CARP-farmer beneficiaries. In 1977, to ensure long-term viability as a universal bank, LBP was reorganized to form three major sectors – Agrarian, Banking and Operations. As of December 2010, its reported total assets of 565.72 billion pesos and total net income after tax of 8.108 billion pesos translated to an annual growth of 20%. However, perhaps as an unintended result of its diversified operations, it has been observed that its original role of providing a farmer-centric spur for countryside development may have diminished its focus, and the provision of credit assistance to small farmers and fisherfolks and agrarian reform beneficiaries deprioritized.

Hence, during the Thirty-Fifth Presidential Agrarian Reform Council meeting held on 12 September 2016, the President decided to push for the passage of a legislation renaming the Land Bank of the Philippines to the Farmers Bank of the Philippines, to bring the focus and the services of this Specialized Government Bank back to its original clientele, the small farmers and farm-workers.

It is therefore with fervent hope that this proposed measure will be enacted soonest.



**Hon. Wilfredo S. Caminero**  
Representative, 2<sup>nd</sup> District, Cebu



**Hon. Tom S. Villarin**  
Representative, AKBAYAN Party-List

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City, Metro Manila

**SEVENTEENTH CONGRESS**  
First Regular Session

**HOUSE BILL NO. 3803**

---

Introduction by the Representatives Wilfredo S. Caminero and Tom S. Villarin

---

1 **AN ACT RENAMING THE LAND BANK OF THE PHILIPPINES TO THE FARMERS BANK OF**  
2 **THE PHILIPPINES, AMENDING FOR THE PURPOSE SECTION 74 OF REPUBLIC ACT NO.**  
3 **3844, ENTITLED "AN ACT TO ORDAIN THE AGRICULTURAL LAND REFORM CODE AND**  
4 **TO INSTITUTE LAND REFORMS IN THE PHILIPPINES INCLUDING THE ABOLITION OF**  
5 **TENANCY AND THE CHANNELING OF CAPITAL INTO INDUSTRY, PROVIDE FOR THE**  
6 **NECESSARY IMPLEMENTING AGENCIES, APPROPRIATE FUNDS THEREFOR, AND FOR**  
7 **OTHER PURPOSES"**

8  
9 *Be it enacted by the Senate and the House of Representatives of the Philippines in*  
10 *Congress assembled:*

11  
12 **SECTION 1.** Section 74 of Republic Act No. 3844 is hereby amended to read as  
13 follows:

14  
15 **SEC. 74.** Creation. To finance the acquisition by the Government of landed  
16 estates for division and resale to small landholders, as well as the purchase of the  
17 landholding by the agricultural lessee from the landowner, there is hereby established a  
18 body corporate and government instrumentality to be known as the ["Land Bank of the

Philippines"] **"FARMERS BANK OF THE PHILIPPINES"**, hereinafter called the "Bank", which shall have its principal place of business in Greater Manila. The legal existence of the Bank shall be for a period of fifty (50) years from the expiration of the original term on 08 August 2013, renewable for another fifty (50) years. The Bank shall be subject to such rules and regulation as the Central Bank may from to time promulgate."

**SEC. 2.** All laws, decrees, executive orders, proclamations, rules and regulation, contracts, and other issuances or parts thereof which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

**SEC. 3.** This Act shall take effect upon its publication in at least two (2) national papers of general circulation.

Approved,

###