



Republic of the Philippines
DEPARTMENT of AGRARIAN REFORM

ELLIPTICAL ROAD, DILIMAN, QUEZON CITY • TELS. 928-7031 TO 39

ADMINISTRATIVE ORDER No. Q3
Series of 2016

**SUBJECT: GUIDELINES AND PROCEDURES TO STABILIZE OWNERSHIP
AND TENURESHIP OF AGRARIAN REFORM BENEFICIARIES
WITH COLLECTIVE CERTIFICATES OF LAND OWNERSHIP
AWARD (CLOA)**

PREFATORY STATEMENT


Under the Comprehensive Agrarian Reform Program (CARP), public and private agricultural landholdings are acquired by the government to be distributed to tenants, farmers, farmworkers, and/or other tillers who are qualified to become agrarian reform beneficiaries (ARBs), in the form of an individual CLOA covering one (1) contiguous tract or several parcels of land cumulated up to a maximum of three (3) hectares. However, qualified beneficiaries may opt for collective ownership, through a farmers' cooperative/association or some other form of collective organization, for the issuance of collective CLOA. In all cases the total area shall not exceed the award ceiling of three (3) hectares per ARB.

In the past decades, many landholdings were awarded to ARBs under a collective and un-subdivided form of ownership, with common-use areas that are not delineated. In some cases, there will be a need to segregate portions of the land which may not be the subject of alienation or disposal by the government. Pursuant to Section 25 of Republic Act (R.A.) No. 6657, as amended by Section 10 of R.A. No. 9700, the Department of Agrarian Reform (DAR) is mandated to immediately undertake the parcelization of collective CLOAs over lands that are not collectively farmed or operated in an integrated manner.

In view hereof, the DAR treats these landholdings covered with Collective CLOAs as part of the land acquisition and distribution process and shall therefore endeavor to clearly subdivide the land covered by collective titles and stabilize ownership of the ARBs.

**CHAPTER 1
PRELIMINARY PROVISIONS**

Section 1. Coverage – This Administrative Order (AO) shall govern the process by which ownership and tenure of farmer beneficiaries in collective CLOAs are stabilized by ensuring clear and defined ownership of these parcels of land. This AO shall cover all collective CLOAs issued by the DAR to farmers' cooperative, farmers' association, organized group of ARBs, or several ARBs not organized. It shall also govern the settlement of disputes and the transfer of rights as a result of the process of stabilizing the ownership of collective CLOAs.



Section 2. Definition of Terms. – For purposes of this AO, the following terms are defined:

- 2.1. **Annotation of Names of ARBs** – refers to the process of inscribing the names of the ARBs in the registered collective CLOA.
- 2.2. **Collective CLOA** – refers to an existing registered CLOA issued by the DAR to farmers' cooperative, farmers' association, group of ARBs, or several ARBs not organized. CLOAs in the name of spouses or in the name of heirs of a deceased farmer beneficiary are not considered as collective CLOA for purposes of this A.O.
- 2.3. **Collective Owners** – refers to all the individual qualified ARBs to whom the land covered by a Collective CLOA is awarded.
- 2.4. **Collective Tillage** – refers to an awarded land covered by a Collective CLOA, or a portion thereof, which is controlled by a group or entity, such as an ARB Cooperative.
- 2.5. **Individual Tillage** – refers to an awarded land covered by a Collective CLOA, or a portion thereof, which is formally or informally subdivided into individual lots each being regularly tilled by a specific person, whether or not with his/her family
- 2.6. **Parcelization of Collective CLOAs** – refers to the process of subdividing and determining the exact metes and bounds of the assigned/allotted lots to an ARB included in a collective CLOA, determination of common-use areas, clear establishment of areas capable of being alienated and disposed of by the government, and the subsequent issuance of CLOA/s to the ARB/s in accordance with these rules, and/or subsequent retention of the title in the name of the Republic of the Philippines (for common-use areas), and/or cancellation of the title covering land which may not be the subject of alienation or disposal.

Section 3. Statement of Policies. –

- 3.1. Pursuant to Section 25 of Republic Act (R.A.) No. 6657, as amended by Section 10 of R.A. No. 9700, it shall be the policy of the DAR to parcelize/subdivide Collective CLOAs not exhibiting any of the following four conditions:
 - (i) The current farm management system of the land covered by CARP will not be appropriate for individual farming of farm parcels;
 - (ii) The farm labor system is specialized, where the farmworkers are organized by function such as spraying, weeding, packing and other similar functions and not by specific parcel;
 - (iii) The potential beneficiaries are currently not farming individual parcels but collectively work on large contiguous areas; and
 - (iv) The farm consists of multiple crops being farmed in an integrated manner or includes non-crop production areas that are necessary for the viability of farm operations, such as packing plants, storage areas, dikes, and other similar facilities that cannot be subdivided or assigned to individual farmers.
- 3.2. The DAR recognizes the individual ARBs as the collective owners of the awarded land, even if the Collective CLOA names in its face a cooperative, group, or organization. As a

matter of policy, the names of all the collective owners should be inscribed in the face or annotated in the dorsal portion of the Collective CLOA.

CHAPTER 2 INVENTORY AND VALIDATION OF COLLECTIVE CLOAS

Section 4. Immediate Inventory and Classification. – Upon the effectivity of this A.O., the DAR Provincial Offices (DARPOs) shall immediately undertake the inventory of all Collective CLOAs existing within their respective provinces.

The DARPOs shall classify the Collective CLOAs with respect to:

- (a) Those which have the names of the ARBs listed as collective owners vis-à-vis those which are listed in the name of cooperatives, groups, or organizations;
- (b) Those in the name of groups or organizations, those which have the names of the ARBs annotated thereon vis-à-vis those which do not have such annotation;
- (c) Those already with existing subdivision plans among the collective owners vis-à-vis those which do not; and
- (d) Manner of coverage, particularly whether or not the land was acquired and distributed as:
 - LBP-compensable land;
 - Government-owned land (such as DAR settlement project, and KKK land, among others);
 - DAR landed estate; or
 - Under Voluntary Land Transfer (VLT) scheme

Section 5. Validation with Land Classification Map. – During the conduct of the inventory and classification, the DARPO shall also validate with the land classification maps of the Department of the Environment and Natural Resources (DENR) whether the land covered by the Collective CLOA, or a portion thereof, is:

- (a) alienable and disposable (A&D);
- (b) not alienable and disposable (Non-A&D); or
- (c) unclassified.

In case a landholding, or a portion thereof, covered by a Collective CLOA is determined to be non-A&D or unclassified, the DAR shall coordinate with the pertinent government agencies and make a recommendation as to whether or not the said land or portion should be classified as A&D, and, if not, what possible tenurial set-up may be granted to affected occupants. In the meantime, such portions will be segregated from the rest of the landholding so that the remaining process may proceed.

CHAPTER 3
ORDER OF PRIORITY LIST OF
COLLECTIVE CLOAS TO BE PROCESSED

Section 6. Order List. – Upon completion of the inventory, the DARPO shall thereafter organize into a list the order/sequence of priority of which Collective CLOAs shall be processed first.

The said Collective CLOAs shall be listed in the following order of priority:

1. Collective CLOAs which are over ten (10) hectares that were distributed from:
 - a. LBP-Compensable private agricultural lands (PAL) distributed under the Compulsory Acquisition or Voluntary Offer to Sell (VOS) mode; or
 - b. Government-Owned Lands (GOLs) which include the following:
 - lands within DAR Settlement Projects;
 - lands turned-over to the DAR by other government agencies and institutions pursuant to Executive Orders (E.O.) Nos.407 and 448; and
 - lands distributed pursuant to Presidential Proclamation No. 2282.
 - c. DAR landed estates;
2. Two or more Collective CLOAs with a combined aggregate area of more than ten (10) hectares, all of which came from the same LBP-compensable private agricultural land of the same landowner which were acquired and distributed pursuant to the CA or VOS mode;
3. Collective CLOAs which are less than ten (10) hectares which were acquired and distributed through any of the lands classified under Section 6.1 hereof; and
4. Collective CLOAs which were distributed through the voluntary land transfer (VLT) scheme.

In all cases, big landholdings, following the above order of priority, shall be given preference in the processing of existing collective CLOAs.

Whenever necessary, the Undersecretary for Field Operations shall have the authority to amend or revise the list of order of priority for processing in particular areas.



CHAPTER 4
PRIMARY CONSULTATION AND COMMUNITY PROCESSES ON THE
DETERMINATION ON THE STATUS OF LISTED ARBs AND OCCUPANTS

Section 7. Purpose of the Primary Community Consultation. — Following the order/sequence of priority made through Chapter 3 hereof, the DARPO shall call a conference all collective owners, other possessors, and any other interested party of the Collective CLOA.

At the beginning of the consultation, the DARPO shall explain to the participants:

- (1) The flow of the conference and the stabilization process; and
- (2) Who are considered as agrarian reform beneficiaries pursuant to the law and the rules of the DAR.

The discussion shall be called in order for the participants to be consulted as to the following matters:

- (1) Current possession of the landholding and commonly-agreed common-use areas
- (2) Whether individual tillers cultivate particular lots (whether in a formal or informal sense) or the land is collectively controlled (such as, among others, through a cooperative) by the ARBs
- (3) Who are the individual ARBs under the Collective CLOA, are they still alive, and are they still occupying portions of the Collective CLOA or active in the organization who collectively possesses the land
- (4) Are there tillers of individual lots who are not Collective Owners of the land? Are they related to any of the Collective Owners? With respect to those who are not, what was the nature of their entry into occupation? Does the Collective Owners (all or most) recognize the possession of the non-ARBs?
- (5) What is the relationship of the ARBs to the former landowner, if private agricultural land?
- (6) What is the current production system among the ARBs and/or tillers? Does the community want a change of this system?

In case individual tillers (whether ARBs or non-ARBs) cultivates particular lots of the landholding, the DARPO shall sketch a map showing which portions are occupied by which person and facility (a survey-grade plan is not necessary; an illustration easily understandable by the participants as to the metes and bounds of the lands in possession of individuals will suffice). This sketch map will be shown to the community in order for them to verify the information therein. The map will not be binding, but will simply serve as a tool to illustrate how the community understands which person and facility is within the Collective CLOA.

As a general rule, for purposes of the matters to be discussed, the names of individual beneficiaries provided in the face of the CLOA or annotated on its dorsal portion are considered the collective owners. In case of those Collective CLOAs which do not state the names of the collective owners, the process under Sections 11.1 and 12 hereof shall apply.

The PARPO may decide to have several conferences with the community and/or call the individual ARBs or possessors to determine the issues described in this section.

Section 8. Venue and Notice of Consultation. – The consultation is to be conducted by the DARPO in a location accessible to the ARBs and tillers, preferably in the area itself with the accompanying sketch maps for reference.

The Notice for the Consultation shall be addressed to “the collective owners, possessors, and other interested persons over the Collective CLOA”, to be issued by the DARPO, written in both English and the local dialect and sent to all of the collective owners and known possessors of the land through personal service.

The cooperative/organization/association named in the existing collective CLOAs, if applicable, shall also be furnished a copy.

The same Notice shall be posted in more than one conspicuous areas in or around the landholding at issue. It shall also be posted in the barangay and town hall.

Section 9. Record of the Consultation. – As far as practicable, the conference shall be recorded through one or more video cameras. The video, in addition to the official report of the DAR officials/personnel who conducted the conference, shall form part of the records of the process. These records shall be open for viewing by any of the participants of the conference, subject to the DAR’s rules on transparency.

Section 10. Consensus and Reports. – The PARPO shall report to the ARBs and the possessors the summary of response and the issues that need to be determined. This report shall in no way be binding, but it shall simply advice the ARBs and the possessors of the next steps in the process.

CHAPTER 5 FIRMING UP THE LIST OF COLLECTIVE OWNERS OF THE AWARDED LANDS

ARTICLE 5-A GENERAL RULES AND PRINCIPLES IN FIRMING UP THE LIST OF COLLECTIVE OWNERS OF THE AWARDED LANDS

Section 11. Principles in Firming Up The List of Collective Owners of the Awarded Lands
– In arriving at the Final Masterlist of Collective Owners, the DARPO shall consider the listed general principles and rules below.

- 11.1. After the primary consultation as provided for in Chapter 4 herein, the DARPO shall check whether or not the names of individual ARBs are stated on the face or annotated in the dorsal portion of the Collective CLOA/s covering the landholding subject of the stabilization process. If the names are stated thereon, those individual beneficiaries duly listed shall be considered as the collective owners for purposes of the other provisions of this Section. Otherwise, the DARPO shall immediately verify if the Masterlist of the individual beneficiaries are intact in the Claim Folder; if it is, those individual beneficiaries shall be considered as the collective owners for purposes of the other provisions of this Section.

In case such Masterlist is not available, the provision under Section 12 hereof shall apply instead of the rules and principles hereunder.

11.2. It should have been established during the Primary Community Consultation whether or not the land in issue is under individual tillage or collective tillage. If individual tillage, the rules under 11.3 hereof shall apply, while if collective tillage, the rules under 11.4 hereof shall apply.

11.3. If the landholding is under **Individual Tillage**, the following principles shall govern:

11.3.1. A collective owner who is tilling¹ a particular lot shall be listed in the Preliminary List of Collective Owners as "To be included";

11.3.2. If any of the heirs of a deceased collective owner is tilling² a particular lot, the heirs of the deceased collective owner shall collectively be listed in the Preliminary List of Collective Owners as "To be included" (to be listed as "Heirs of [name of deceased collective owner]").

11.3.3. If there are individual tillers³ who are not collective owners (regardless of how they gained possession), then two factors must concur:

- i. The tiller is qualified under Section 22 of R.A. No. 6657, as amended, as verified by the DAR pursuant to the pertinent laws and rules; and
- ii. The community of collective owners still presently tilling the awarded land, in a plenary meeting which shall include the tiller(s) in question, unanimously consent to such tiller being included as an additional collective owner.

If both factors are present, then the individual tiller shall be listed in the Preliminary List of Collective Owners as "To be included".

If the first factor is missing, then the individual tiller shall be listed in the Preliminary List of Collective Owners as "To be excluded".

If the second factor is missing, then the DARPO shall conduct a mediation/conciliation proceeding. If after the said mediation/conciliation proceeding there is still no unanimous consent from the community of collective owners, then the individual tiller shall be listed in the Preliminary List of Collective Owners as "To be excluded".

11.3.4. As to collective owners not occupying⁴ lots, a written Notice shall be posted in several conspicuous area within and outside the landholding, and in the barangay hall for at least seven (7) days stating that collective owners who are not occupying lots are required to inform the DARPO in writing the reasons for their absence. The PARPO, should he finds it necessary, may also have the Notice published in a newspaper of general or local circulation.

¹ Based on the sketch map drawn during the Primary Community Consultation

² Ibid.

³ Ibid.

⁴ Ibid.

Those who responded shall be listed in the Preliminary List of Collective Owners as "To be determined".

Those who did not respond shall be listed in the Preliminary List of Collective Owners as "To be excluded".

- 11.3.5. If the total area of land covered by the Collective CLOA in hectares divided by the number of tillers therein is more than three (3) hectares, then those who will qualify pursuant to Section 13 hereof shall be listed as "To be included" in the Preliminary List, Provided, That for purposes of this provision such three (3) hectare rule shall not apply to lands distributed from Landed Estates and Settlement Sites pursuant to Commonwealth Act (C.A.) No. 539 and R.A. No. 1400.
- 11.4. If the landholding is under **Collective Tillage**, the following principles shall govern:
- 11.4.1. A collective owner who is, by him/herself or through a representative, active⁵ in the group/entity controlling the land shall be listed in the Preliminary List of Collective Owners as "To be included";
- 11.4.2. If any of the heirs of a deceased collective owner is active in the group/entity controlling the land, the heirs of the deceased collective owner shall collectively be listed in the Preliminary List of Collective Owners as "To be included" (to be listed as "Heirs of [name of deceased collective owner]").
- 11.4.3. If there are active members of the group/entity controlling the land who are not collective owners (regardless of how they entered the group/entity), then two factors must concur:
- i. The active member is qualified under Section 22 of R.A. No. 6657, as amended, as verified by the DAR pursuant to the pertinent laws and rules.
 - ii. The community of collective owners still active in the group/entity controlling the land, in a plenary meeting which shall include the active member(s) in question, unanimously consent to such member being included as an additional collective owner.

If both factors are present, then the active member shall be listed in the Preliminary List of Collective Owners as "To be included".

If the first factor is missing, then the active member shall be listed in the Preliminary List of Collective Owners as "To be excluded".

If the second factor is missing, then the DARPO shall conduct a mediation/conciliation proceeding. If after the said mediation/conciliation proceeding there is still no unanimous consent from the community of collective owners, then the active member shall be listed in the Preliminary List of Collective Owners as "To be excluded".

- 11.4.4. As to collective owners not active in the group/entity controlling the land, a written Notice shall be posted in several conspicuous area within and outside the landholding, and in the barangay hall for at least seven (7) days stating that

⁵ What is active shall depend on the internal policies/rules of the organization

collective owners who are not active in the group/entity controlling the land are required to inform the DARPO in writing the reasons for their absence. The PARPO, should he finds it necessary, may also have the Notice published in a newspaper of general or local circulation.

Those who responded shall be listed in the Preliminary List of Collective Owners as "To be determined". In making such determination, the disqualification or expulsion of the said collective owner from the group/entity controlling the land for a reason, other than those that disqualifies an ARB from remaining as a beneficiary under R.A. No. 6657 and pertinent jurisprudence, shall not be a ground for the exclusion of the said collective owner from the firmed up Master List should he/she remain interested to work on the land.

Those who did not respond shall be listed in the Preliminary List of Collective Owners as "To be excluded".

- 11.4.5. If the total area of land covered by the Collective CLOA in hectares divided by the number of collective owners therein is more than three (3) hectares, then those who will qualify pursuant to Section 13 hereof shall be listed as "To be included" in the Preliminary List, Provided, That for purposes of this provision such three (3) hectare rule shall not apply to lands distributed from Landed Estates and Settlement Sites pursuant to C.A. No. 539 and R.A. No. 1400.
- 11.5. The Preliminary List shall be posted in several conspicuous area within and outside the landholding, and in the barangay hall for at least seven (7) days. The said Preliminary List shall state that any person who has any objection to what are stated in the list may file their Petition with the DARPO. The address of the DARPO shall be provided in the list.
- 11.6. If there are questions as to the result of those listed in the Preliminary List pursuant to 11.3.1, 11.3.2, 11.3.4, 11.4.1, 11.4.2, and 11.4.4, then the resolution thereof shall be governed by Article 5-B hereof. Such questions, together with issues pursuant to 11.9 hereof, shall be consolidated and resolved together in one case.
- 11.7. If 11.6 or 11.9 hereof applies, and there are any questions as to the result of those listed as "To be included" pursuant to 11.3.3, 11.3.5, 11.4.3, and 11.4.5 or as "To be excluded" under 11.3.3 and 11.4.3, then such issues shall be consolidated as well and resolved in the same case under 11.6 and/or 11.9.
- 11.8. If 11.6 or 11.9 hereof does not apply, but there are any questions as to the result of those listed as "To be included" pursuant to 11.3.3, 11.3.5, 11.4.3, and 11.4.5 or as "To be excluded" under 11.3.3 and 11.4.3, then such issues shall be resolved by the PARPO in a summary proceeding. The PARPO shall rule upon the merits of the objection within fifteen (15) days after the receipt of the last clarificatory affidavits, or the expiration of the period for filing the same.

Judgment shall be rendered on the basis of the written objection, affidavits, or pleadings submitted by the objecting party. The PARPO may, from an examination of the allegations therein and such evidence as maybe attached thereto, dismiss the case outright shall he find the objections groundless, baseless, dilatory and unmeritorious.

The resolution of the PARPO in the said proceeding may be questioned by an aggrieved party by filing the proper Agrarian Law Implementation case with the Regional Director.

Such issues need not reach or be resolved by the Office of the Secretary, unless, an Agrarian Law Implementation decision by the Regional Director, pursuant to the previous paragraph hereof, is appealed thereto.

- 11.9. If any person is listed as "To be determined" or "To be excluded" pursuant to 11.3.4 and 11.4.4, only the Secretary can decide on the sufficiency of the reasons of those who responded or disqualify those who are to be excluded such person as a collective owner, and as such, regardless if an objection is posed or not, the issue as to whether or not such collective owner(s) may be excluded shall be resolved by the Secretary pursuant to Article 5-B hereof.
- 11.10. Once all issues have been resolved, all persons remaining as listed as "To be included" shall be included in the firmed up Masterlist of Collective Owners of the Collective CLOA.

Section 12. No Clear Collective Owners. – If the names of individual beneficiaries are not listed or annotated in the Collective CLOA, and the Claim Folder does not contain a masterlist of individual beneficiaries, then the DARPO must make a determination as to who are the qualified beneficiaries as of the time of the distribution of the landholding.

A Notice stating that the DAR shall make the abovementioned determination shall be posted by the DARPO. It shall be posted in several conspicuous area within and outside the landholding, and in the barangay hall for at least seven (7) days. The said Notice shall state that any person who believes that he/she is a qualified beneficiary as of the time of the distribution of the landholding (the date must be stated in the Notice) must submit any proof of his/her qualification at the time of the distribution to the DARPO. At the same time, the same person should also strive to submit:

- (1) Any proof of his/her qualification at present date; and
- (2) Consent of the individual tillers of the landholding (in case it is individually possessed) or of the active members of the group/entity occupying the land (in case it is collectively possessed)

so that in case he/she fails to prove his/her qualification at the time of distribution, he/she may still qualify pursuant to the next paragraph hereto.

The said Notice shall also state that any individual tiller⁶ of the landholding (in case of individual tillage) or active member of the group/entity occupying the land (in case of collective tillage) may apply to be a Collective Owner by submitting the following to the DARPO:

- (1) Any proof of his/her qualification at present date; and
- (2) Consent of the individual tillers of the landholding (in case it is individually possessed) or of the active members of the group/entity occupying the land (in case it is collectively possessed)

The address of the DARPO shall be provided in the abovementioned Notice.

⁶ See footnote number 1

The PARPO shall thereafter determine who are the qualified beneficiaries as of the time of the distribution. He may avail of the following measures, if applicable and practicable:

- (a) Review of pertinent official documents, such as:
 - (i) DAR pertinent records in the claim folder/s (CFs) such as List of ARBs, Application to Purchase and Farmer's Undertaking (APFU), and CLOA Information Sheet (CLOA/s), Co-ownership Agreement, Application Form, Affidavits/Sworn Statements (collective or individual), and/or BARC Certification;
 - (ii) Government documents such as Social Security System (SSS) records (for plantation-based farmworkers), Voter's ID, Identification Card/s may be used as evidence to prove that the person identified as ARB is qualified; and
 - (iii) Other documents that have probative value in determining the qualified ARBs of a particular landholding at the time of its acquisition and distribution; and
- (b) Conduct of interview of concerned ARBs and other tillers. This may be done simultaneous with or a series of interviews after the initial consultation process.

A person who have both of these qualifying factors shall be listed in the Preliminary List as "To be included":

- (1) tiller⁷ or active member of the group/entity occupying the land; and
- (2) any of the following:
 - (i) has proven his/her qualification as of the time of distribution; or
 - (ii) has proven his/her qualification as of present date and has the unanimous consent of those tillers/active members who have proven their qualification as of the time of distribution

The Preliminary List shall be posted in several conspicuous area within and outside the landholding, and in the barangay hall for at least seven (7) days. The said Preliminary List shall state that any person who has any objection to what are stated in the list may file their Petition with the DARPO. The address of the DARPO shall be provided in the list.

In case there is any objection to the Preliminary List, the PARPO shall rule upon the merits thereof within fifteen (15) days after the receipt of the last clarificatory affidavits, or the expiration of the period for filing the same. Judgment shall be rendered on the basis of the written objection, affidavits, or pleadings submitted by the objecting party. The PARPO may, from an examination of the allegations therein and such evidence as maybe attached thereto, dismiss the case outright shall he find the objections groundless, baseless, dilatory and unmeritorious. The resolution of the PARPO in the said proceeding may be questioned by an aggrieved party by filing the proper Agrarian Law Implementation case with the Regional Director.

⁷ Ibid.

Once all issues have been resolved, all persons remaining as listed as "To be included" shall be included in the firmed up Masterlist of Collective Owners of the Collective CLOA.

Section 13. Inclusion of Additional Collective Owners. – As a general rule, each Collective Owner must be an owner of an inchoate share of three (3) hectares of the net area covered by the Collective CLOA. This rule does not apply, however, for purposes of this A.O., to lands distributed from Landed Estates and Settlement Sites pursuant to C.A. No. 539 and R.A. No. 1400.

Should the net area divided by the number of Collective Owners exceed a three (3) hectare per Collective Owner ratio, then the DARPO shall post in the vicinity a Notice for application of qualified beneficiaries. The Notice shall also contain clearly a caveat that there is no guarantee or certainty that the applicants shall be awarded as beneficiaries of the CARP, and that such award of land shall be granted to qualified applicants only if there are still excess portions of the subject landholding that are left to be distributed. It shall also state clearly the date all submission must be submitted.

The list of applicants shall be posted for seven (7) days at the subject landholding and the barangay hall. The DARPO shall issue a report stating the fact and date and time of the posting. Within seven (7) days from the last date of posting, all applicants must submit essential documents to prove his/her qualification as an ARB as provided in Section 22 of R.A. 6657, as amended. The applicants are as responsible as the DARPO in proving their own qualification. The preliminary list of applicants must also state instructions as to the submission of written requests and other documentary proof.

The process of selection of the qualified beneficiaries under this Section shall follow the pertinent procedures under A.O. No. 7, Series of 2011, as amended.

Any applicant deemed qualified shall only be included as a Collective Owner if after the process under Section 11 or 12 hereof, the area size of the landholding in hectares divided by the number of those deemed qualified pursuant to Section 11 or 12 is more than three (3) hectares. Otherwise, they shall not be included as a Collective Owner.

ARTICLE 5-B DETERMINATION AND EXCLUSION OF COLLECTIVE OWNERS

Section 14. Necessity of Procedures Under Article 5-B. – The procedures under this Article shall only be necessary in such situations where there is a collective owner sought to be excluded or whose qualification needed to be determined, pursuant to Section 11.9 hereof. Otherwise, the procedure need not reach the Office of the Secretary.

Section 15. Notice to Comment. – Within three (3) days therefrom, the PARPO shall direct the DARPO Legal Division to issue Notices to Comment on the said Petition to the affected ARBs.

The Chief (Attorney V) of the Legal Division shall thereafter issue Notices to Comment addressed to the affected ARBs. Copies of the Petition/Protest certified as true shall be attached to the Notices. The Notice shall state that the verified comments must be submitted within fifteen (15) days to the DARPO.

The Notices to Comment shall be served in the same manner as that provided in Section 14 of A.O. No. 7, Series of 2014. The DAR personnel effecting the service must issue a written report stating the following:

1. The date the Notice was served;
2. The time the Notice was served or attempted to be served, through personal or substituted service;
3. The mode of service (whether personal, substituted, registered mail [case the respondent is residing abroad], and/or publication);
4. The name of the person who received the Notice and the proof of identification shown by the person who received the same, in case through personal or substituted service;
5. In case through substituted service, the age of the person receiving the Notice, if received in the residence, or the position of the person in the office, if received in the place of business; and
6. The fact of failure of personal or substituted service.

Section 16. DARPO to Investigate and Recommend. – It shall be the responsibility of the DARPO to thoroughly investigate the issues of the case. It may conduct hearings and on-site inspections to make a thorough determination.

Upon the completion of its investigation, the PARPO shall make a recommendation to the Regional Director transmitting the recommendation to the DAR Regional Office together with all the documents, videos, photographs, and reports it has collected during the conduct of the investigation.

Section 17. DARRO to Review. – The DARRO shall review the recommendation of the PARPO. It shall also review the manner the Notices to Comment was served. The DARRO shall, as far as practicable, limit its review on the documents submitted, and therefore shall only conduct its own investigation if the Regional Director, in writing, finds the recommendation of the PARPO, or a portion thereof, patently erroneous.

Upon the completion of its review process, the Regional Director shall make a recommendation to the Secretary transmitting the recommendation to the DAR Regional Office together with all the documents, videos, photographs, and reports submitted to it by the DARPO.

Section 18. BALA and Legal Affairs to Review. – The Bureau of Agrarian Legal Assistance of the DAR Central Office shall review the recommendation of the DARRO and analyze the same. It shall also review the manner the Notices to Comment was served.

The BALA shall then make a recommendation to the DAR Secretary through the Undersecretary/Assistant Secretary for Legal Affairs.

Section 19. Decision. — The DAR Secretary shall render a Decision by issuing an Order and furnishing a copy thereof to all parties by registered mail

In case a copy of the Order sent by registered mail is unclaimed and is returned to the DAR Secretary, the caption and the dispositive portion thereof shall be published in a newspaper of general circulation. The date of the publication shall be deemed as the time the Order is received by the party who failed to receive it by registered mail.

The aggrieved party may seek for a reconsideration of the Order.

The Decision of the Secretary may be appealed to the Office of the President (OP).

If in the Secretary's sound discretion, there are just and valid grounds to believe he/she might be induced to act in favor of one party or with bias or prejudice against a party arising out of circumstances reasonably capable of inciting such a state of mind, he/she must recuse from deciding the ALI component of the case by putting such fact and reason into writing and incorporating it in the case folder.

Thereafter, the Secretary shall inform the OP of the reasons of his recusal and shall request for the OP to designate one of DAR's Undersecretaries to resolve the case. This is pursuant to Department of Justice (DOJ) Opinion dated 15 May 2013 (Office Document Number LML-L-15E13-609).

Section 20. Administrative Order No. 7, Series of 2014 as Suppletory Rules. – A.O. No. 7, Series of 2014, as amended, shall apply suppletorily for matters not covered by this Article.

CHAPTER 6 CONFERENCE WITH THE COLLECTIVE OWNERS

Section 21. Purpose of the Secondary Community Consultation. –Once the list of Collective Owners has been firmed up, the DARPO shall call all of them to a conference.

Similar to the primary consultation, at the beginning of the conference, the DARPO shall explain to the Collective Owners:

- (1) The flow of the conference and the stabilization process;
- (2) As a general rule, the decision whether to keep the Title collective or to parcelize it shall be decided by them;
- (3) The four conditions required by the law to keep a collective CLOA intact; and
- (4) The possible implications of their decision.

The discussion shall be called in order for the participants to be consulted as to the following matters:

- (1) Preference of each of the ARBs and tillers on the nature of the title: collective or individual, and the reasons for such preference including the different groups that may emerge based on their preferences, plans and previous arrangements
- (2) Current tillage of the landholding and commonly-agreed common-use areas
- (3) Sketching a map and ground validation of the actual portions of the land in their tillage (a survey-grade plan is not necessary; an illustration easily understandable by the participants [i.e., the DAR and the Collective Owners] as to the metes and bounds of the lands in possession of individuals will suffice)
- (4) Determination whether or not the collective Owners want to transfer the ownership of their land to an ARB Cooperative⁸
- (5) Determination of the current production system among the ARBs and possessors

⁸ Must be compliant with the Rules on Transfers of Awarded Lands

(6) Determination of the proposed production system among the ARBs and possessors

The PARPO may decide to have several conferences with the community and/or call the individual ARBs or possessors to determine the issues described in this section.

Section 22. Disagreements during the Conference. — Should there be disagreements among the Collective Owners during the Conference as to whether or not to maintain the Collective CLOA, the Collective CLOA may be parcelized with those deciding in favor of maintaining the Collective CLOA being reckoned as a sub-group who wishes for the issuance of a Collective CLOA, subject to Section 25 and other pertinent provisions hereof.

Individual collective owners who want individual Title shall be allowed to have their portions parcelized pursuant to Chapter 8 hereof.

CHAPTER 7
DETERMINATION OF COLLECTIVE CLOAS
TO BE MAINTAINED, PARTIALLY SUBDIVIDED OR SUBDIVIDED INTO
INDIVIDUAL LOTS

Section 23. Determination of Existence of Mandatory Characteristics. —If during the conference under Chapter 6 hereof, the Collective Owners agree to maintain the Collective CLOA, the DARPO shall investigate if the landholding exhibit any of the following characteristics provided under Section 25 of R.A. No. 6657, as amended, namely:

- (i) The current farm management system of the land covered by CARP will not be appropriate for individual farming of farm parcels;
- (ii) The farm labor system is specialized, where the farmworkers are organized by function and not by specific parcel such as spraying, weeding, packing and other similar functions;
- (iii) The potential beneficiaries are currently not farming individual parcels but collectively work on large contiguous areas; and
- (iv) The farm consists of multiple crops being farmed in an integrated manner or includes non-crop production areas that are necessary for the viability of farm operations, such as packing plants, storage areas, dikes, and other similar facilities that cannot be subdivided or assigned to individual farmers.

In the investigation if the Collective CLOAs exhibit the four conditions, it is imperative that the DARPO consult with the Collective Owners of the land at issue.

Should any of the characteristics be deemed inexistent, the PARPO shall deny the maintenance of the Collective CLOAs.

The decision of the PARPO shall be written and shall be furnished to all the participants of the conference. The said decision may be questioned by filing an original ALI case in the DAR Regional Office.

Section 24. Minimum Area Size for Collective CLOAs. – In determining whether or not to allow maintenance of the Collective CLOA (or the approval of sub-groups to be covered by Collective CLOA under Section 25 hereof), the DARPO shall also put into consideration the minimum land size required for collective farming. The maintenance or request of the sub-group shall be denied if the proposed area covered by the collective Title is smaller than the minimum land size.

The minimum land size shall be on a per crop basis. The determination of the minimum area size per crop (which shall be uniformly adopted to all landholdings affected within the province) shall be determined by the Provincial Agrarian Reform Coordinating Committee (PARCCOM) upon consultation with the Department of Agriculture and experts with respect to the said crop.

Section 25. Request by Sub-Groups for Collective CLOAs. – The DARPO shall investigate thoroughly any request by a sub-group or sub-groups of the Collective Owners for the issuance of a Collective CLOA in accordance with Sections 23 and 24 hereof. Such requests must be in writing and signed by all members of the sub-group.

Should the PARPO determine that the four conditions, with respect to the sub-groups, are present, then he/she shall issue an Order approving the Request. Any denial may be questioned through an ALI case.

CHAPTER 8 SUBDIVISION SCHEME

Section 26. Execution of Lot Allocation Agreement. – If they agree to subsidize, as a general rule, the ARBs in an existing collective CLOA may choose to agree among themselves as to how the land shall be allocated to each of them. The corresponding Lot Allocation Agreement shall be executed and signed by all the ARBs and shall be under oath administered before the PARPO concerned.

In case no unanimous agreement is made, then the rules under Sections 27 and 28 hereof shall apply.

Section 27. No Agreement, Basis of Subdivision for Actual Occupancy. – With respect to landholdings, or portions thereof, which actual tillage/occupancy is already instituted at the time of CARP acquisition and distribution, such as, among others, those formerly under agricultural leasehold or tenancy or those formerly government-owned lands, the subdivision scheme shall be based on the area under the actual tillage/occupancy.

Section 28. No Agreement, Basis of Subdivision for No Actual Occupancy. – With respect to landholdings, or portions thereof, which do not have actual tillage/occupancy instituted at the time of CARP acquisition and distribution, such as, among others, those formerly under a plantation system, the land shall be subdivided into equal sized lots and distributed via raffle.

Under this process, sub-groups who are qualified to be issued Collective CLOAs shall be raffled as a bloc, and the lots of their members shall be adjacent to each other.

Section 29. General Mandatory Rule, 3 Hectare Limit. – During the subdivision scheme, no ARB shall be allocated more than an aggregate of three hectare lot except for those lands

distributed from Landed Estates and Settlement Sites pursuant to C.A. No. 539 and R.A. No. 1400.

Section 30. Mandatory Rule, Access Road. – There shall be included in the Subdivision Scheme access roads to all individual lots.

In case of a Subdivision Scheme based on actual tillage/occupancy, should it be necessary to cut portions of a plot already under actual tillage/occupancy of a particular ARB in order to ensure that another lot shall be connected to the access road, then it shall be done so with the DAR making sure that (a) the shortest distance to the general access road to the lot served and (b) the area which is least prejudicial to the lot being cut shall be chosen.

The width of the access road shall be in accordance with the standard of the Department of Public Works and Highways (DPWH) on types of roads necessary to bring out the crops and to bring in the necessary farm implements. The road network shall be connected to an already existing public access road, should there exist one in the immediately adjacent vicinity. Otherwise, strategic exit points shall be made in the road network which the government may subsequently connect to a public access road.

The road lots for the access roads shall be titled in the name of the Republic of the Philippines (RP). These portions of the land shall not be subjected to the amortization under Section 26 of R.A. No. 6657.

Section 31. Existing Common Service Facilities, Structures, and Other Improvements. Portions of a landholding covered by a collective CLOA with existing common service facilities, structures, and other improvements, and those found to be unsuitable for agricultural purposes shall be segregated and titled as follows:

- a. Common service facilities, infrastructure and/or improvements considered necessary for and beneficial to the operations of the farm/plantation, it shall be retained under the collective CLOA and amortized by the ARBs.
- b. On the other hand, roads, irrigation system, recreation areas/parks, and the like shall be titled in the name of the RP.

Section 32. Posting of Subdivision Scheme. Once the Subdivision Scheme has been completed, it shall be posted in conspicuous areas within and/or around the landholding being parcelized. Each posted scheme shall state that any Protest against the same must be filed with the DARPO within thirty (30) days from the said posting.

In order not to unduly delay the parcelization process, areas or portions where no dispute/controversy over the tillage or area of the ARBs that would result to a change in the size/area, shall continue until the issuance of the subsequent individual CLOAs.

Section 33. Subdivision Plan. – Based on the Subdivision Scheme, the DARPO shall conduct a Field Survey, placing the necessary monuments, after which a Subdivision Plan shall be crafted and certified by a Geodetic Engineer.

In case a portion of the land is still at dispute but does not affect the other portions thereof, the Subdivision Plan shall state that the disputed portion is still retained under Collective CLOA but shall also state that it is "With Dispute/Issue".

The Subdivision Plan shall be transmitted to the pertinent government agency for its approval.

CHAPTER 9 GENERATION AND REGISTRATION OF INDIVIDUAL CLOAS

Section 34. Generation of CLOAs. – Upon receipt of the Approved Survey Plan (ASP) from the DENR-Technical Service, the Individual CLOAs (and Collective CLOAs of sub-groups, should the PARPO approve the request) shall be generated.

Section 35. Request for Subdivision of Collective CLOA and Registration of Individual CLOAs. – The PARPO shall thereafter issue a Request for Subdivision of Collective CLOA and Registration of Individual CLOAs (and RP Titles, if applicable) addressed to the Register of Deeds.

The said Request together with the ASP and the Generated CLOAs shall be transmitted to the Register of Deeds.

Section 36. Updating of LDIS. – The DARPO shall coordinate with the Land Bank of the Philippines in order for the latter to update the LDIS.

CHAPTER 10 AWARDED LANDS THAT SHALL REMAIN UNDER A COLLECTIVE TITLE

Section 37. Farm Plan. – Should the participants in the conference under Chapter 6 decide to maintain the Collective CLOA, and if the DARPO determines under Chapter 7 that the four conditions exist and is compliant with the minimum area size with respect to a particular Collective CLOA (or a portion thereof, in case a subgroup opts and is deemed qualified to remain as collective owners), the participants shall be encouraged to develop a farm plan.

A farm plan shall involve the following:

- a. *Physical plan* indicating the physical resource and allocations bounding the land area:
 - Geographical presentation of land use with the soil types identified with the appropriate crops and other non-crop products to be developed.
 - Infrastructures to support the production activities.
- b. *Agribusiness plan* to present the feasibility of the identified agriculture production venture for the area, production level for marketing purposes and the projected financial/ income returns.
- c. *Management plan* which outline how the production for the area can be sustained under an integrated and collective farming activity arrangement.

The farm plan itself should ideally involve institutional development or organizational strengthening. This is to acknowledge that even the best-laid plan is only as good as the organization that will carry out the execution of the plan. Social Infrastructure and Local Capacity Building can assist the organization in providing trainings on organizational building and strengthening, enterprise development, product development and other similar capacity building seminars.

The process of crafting the farm plan, should be a participatory process. It entails a comprehensive participatory bottom-up planning processes in identifying the priority needs of ARBs and adopting appropriate measures to meet these needs.

Upon the express request of the Collective Owners, the DAR, by itself or through an external outfit it may engage, shall assist the former in crafting the said Farm Plan.

Section 38. Area Scheme and Road Network. – The DARPO shall also coordinate with the collective owners, together with other pertinent government agencies, in developing an area scheme and road network within the landholding covered by the collective CLOA.

As far as practicable, homelots shall be concentrated in particular areas in order to efficiently deliver therein general utilities, such as electricity and water.

The road network shall take into consideration the farm plan to be developed, the location of the homelot area, and the area of common service facilities. The width of the access road shall be in accordance with the standard of the Department of Public Works and Highways (DPWH) on types of roads necessary to bring out the crops and to bring in the necessary farm implements. The road network shall be connected to an already existing public access road, should there exist one in the immediately adjacent vicinity. Otherwise, strategic exit points shall be made in the road network which the government may subsequently connect to a public access road.

Section 39. Updating of LDIS. – In case there is a change in the composition of the Collective Owners pursuant to Chapter 5 hereof, or in case there is no LDIS covering the Collective CLOA to date, the DARPO shall coordinate with the Land Bank of the Philippines regarding the new Masterlist of Collective Owners in order for the latter to update the LDIS.

CHAPTER 11 MISCELLANEOUS PROVISIONS

Section 40. Collective CLOAs Covered by Agribusiness Venture Agreements (AVAs). – The Stabilization process shall be without prejudice to all existing valid contracts and obligations entered into by the ARBs, ARBs' Cooperative, association, groups of ARBs or some other form of organizations.

CHAPTER 12 FINAL PROVISIONS

Section 41. Transitory Clause. – Any pending parcelization of existing collective CLOA including all approved survey plans shall be governed by this AO.

Pending cases pertaining to collective CLOAs shall be subsumed to these rules.

Section 42. Repealing Clause. - The provisions of A.O. No. 03, Series of 1993 and all other orders, circulars, rules and regulations, and issuances or portions thereof that are inconsistent herewith are hereby repealed.

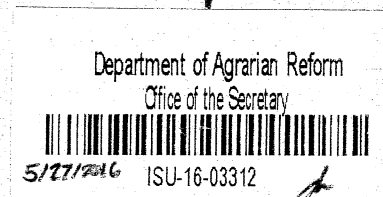
Section 43. Separability Clause. - Any judicial pronouncement declaring as unconstitutional any provision of these Rules shall have no effect on the validity of the other provisions not affected thereby.

Section 44. Effectivity Clause. - These Rules shall take effect ten (10) days after its publication in two (2) newspapers of general circulation.

Diliman, Quezon City,

27 MAY 2016.


VIRGILIO R. DE LOS REYES
Secretary



Published in two (2) National Newspaper
Of General Circulation:
1. Business Mirror
2. Malaya Business Insight
Date of Publication June 6, 2016



Republic of the Philippines
DEPARTMENT of AGRARIAN REFORM

CERTIFICATION

This is to certify that Administrative Order No. 3, Series of 2016 entitled **“GUIDELINES AND PROCEDURES TO STABILIZE OWNERSHIP AND TENURESHIP OF AGRARIAN REFORM BENEFICIARIES WITH COLLECTIVE CERTIFICATES OF LAND OWNERSHIP AWARD (CLOA)”** was published today, 06 June 2016 in the Business Mirror and Malaya Business Insight newspapers.

Issued this 6th day of June 2016 for whatever purpose it may serve.

ERLINDA M. MANLUCTAO
Director IV
Public Assistance and Media
Relations Service