



Republic of the Philippines

DEPARTMENT of AGRARIAN REFORM

ELLIPTICAL ROAD, DILIMAN, QUEZON CITY TELS. 997-031 TO 39

ADMINISTRATIVE ORDER No. 03

Series of 1996

SUBJECT: RECONVEYANCE OF PROPERTIES TURNED-OVER TO DAR PURSUANT TO E.O. NO. 407/448 AND LANDS VOLUNTARILY OFFERED UNDER SECTION 19 OF R.A. NO. 6657 BUT FOUND TO BE OUTSIDE THE COVERAGE OF CARP

I. PREFATORY STATEMENT

Section 1 of Executive Order (E.O.) No. 407 provides that "all government instrumentalities including but not limited to government agencies, government-owned and controlled corporations or financial institutions such as the Development Bank of the Philippines (DBP), Philippine National Bank (PNB), Republic Planters Bank (RPB), Asset Privatization Trust (APT), Presidential Commission on Good Government (PCGG), Department of Agriculture (DA), State Colleges and Universities and the Department of National Defense (DND), shall immediately execute Deeds of Transfer (DOTs) in favor of the Republic of the Philippines (R.P.), as represented by the Department of Agrarian Reform (DAR), and surrender to the latter Department all landholdings suitable for agriculture including all pertinent ownership documents in their custody such as the owner's duplicate copy of the certificate of title, tax declarations and other documents necessary to effect transfer of ownership."

Furthermore, Section 1 of E.O. No. 448 which amends E.O. No. 407, provides that "all lands or portions thereof reserved by virtue of Presidential proclamations for specific public uses by the government, its agencies and its instrumentalities, including government-owned or controlled corporations suitable for agriculture and no longer actually, directly and exclusively used or necessary for the purposes for which they have been reserved, as determined by the Department of Agrarian Reform in coordination with the government agency or instrumentality concerned in whose favor the reservation was established, shall be segregated from the reservation and transferred to the Department of Agrarian Reform for distribution to qualified beneficiaries under the Comprehensive Agrarian Reform Program (CARP)."

Section 19 of Republic Act (R.A.) No. 6657 further allows landowners, other than banks and other financial institutions, to voluntarily offer their lands for sale to the government under the CARP.

However, in the course of program implementation, some areas or portions of the subject lands which have been transferred to the DAR through the execution of DOTs have been found to be outside the coverage of R.A. No. 6657.

II. POLICY STATEMENT

1. All lands turned-over by government instrumentalities and landowner-offerors, pursuant to E.O. No. 407, as amended by E.O. No. 448 and Section 19 of R.A. No. 6657, where certain portions thereof are later found to be outside the coverage of CARP shall be reconveyed to the original transferors. Non-coverage of landholdings shall be determined on the basis of either of the following:
 - a. The land, or portions thereof, are found to be no longer suitable for agriculture and, therefore, could not be given appropriate valuation by the Land Bank of the Philippines (LBP);
 - b. A Conversion Order has already been issued by the DAR allowing the use of the landholding other than for agricultural purposes in accordance with Section 65 of R.A. No. 6657 and Administrative Order No. 12, Series of 1994;
 - c. The property has been determined to be exempted from CARP coverage pursuant to Department of Justice Opinion Nos. 44 and 181; or
 - d. A Presidential Proclamation has been issued declaring the subject property for certain uses other than agricultural.
2. The manner of reconveyance shall be determined by any of the following situations:
 - a. If the entire landholding is not coverable and an R.P. title or Certificate of Land Ownership Award (CLOA) has been issued, reconvey the whole landholding to the concerned government instrumentality or to the landowner-offeror through the execution of a Deed of Reconveyance.

However, in case no title has been issued in the name of R.P., then the DOT has to be rescinded by way of the DAR issuing a Letter of Rescission to the concerned agency.

- b. If the landholding is partially covered but an R.P. title or CLOA has been issued for the whole property, a segregation survey of the landholding shall be conducted. The DOT shall be amended to include only the CARP covered area. The portion not covered shall be reconveyed to the concerned government instrumentality or landowner-offeror through the execution of a Deed of Reconveyance.

However, in case no R.P. title/CLOA has yet been issued, the DOT has to be amended through the execution of an amended DOT by both parties to reflect the transfer of the agricultural portion to DAR for distribution to qualified farmer beneficiaries. A regular title shall be issued by the Register of Deeds (ROD) on the segregated area not covered by CARP to the concerned instrumentality or landowner-offeror.

3. The Emancipation Patents (EPs) or Certificates of Land Ownership Award (CLOAs) already generated for landholdings to be reconveyed shall have to be cancelled first pursuant to Administrative Order No. 2, Series of 1994 prior to the actual reconveyance. The cancellation shall either be through administrative proceedings in cases where the EP/CLOA has not yet been registered with the ROD or through quasi-judicial proceedings in cases where the said EP/CLOA has already been registered.
4. In case landholdings for reconveyance are occupied by ARBs, they shall be assisted by the DAR through either of the following:
 - a. Relocation of FBs to another site covered by CARP;
 - b. Negotiation with concerned agencies for direct acquisition, if the FBs are interested in buying the land.
5. Any amortization payments made by the farmer beneficiaries to the LBP for landholdings which need to be reconveyed shall be refunded to the concerned amortizing farmers.

III. COVERAGE

These guidelines shall cover all lands turned-over to DAR pursuant to E.O. No. 407/448 and Section 19 of R.A. No. 6657 but later found to be outside the coverage of the CARP.

IV. PROCEDURE

1. Any party in interest shall file a petition for reconveyance of a particular landholding, or portions thereof, with either the provincial, regional or national offices of the DAR citing their specific reasons for their request for reconveyance.
2. The DAR Provincial Office (DARPO) shall conduct an investigation and determine whether the landholding, or portions thereof, sought for reconveyance are outside the coverage of CARP.
3. The DARPO, through its designated E.O. No. 407/448 Provincial Action Officer and Chief of Operations for CARP, shall secure all necessary supporting documents to justify the reconveyance. These shall include, among others, the following:

- a. Certification from the Department of Agriculture that the subject landholding is no longer suitable for agriculture;
 - b. Certification from the Housing and Land Use Regulatory Board (HLURB) that the subject landholding is already classified as non-agricultural;
 - c. Conversion Order issued in accordance with A.O. No. 12, Series of 1994; or
 - d. Presidential Proclamations declaring certain areas for use other than agricultural.
4. Once the subject landholding has been determined to be outside the coverage of CARP, the concerned Provincial Agrarian Reform Officer (PARO) shall submit all supporting documents and recommend to the Regional Director (RD) the issuance of an Order of Reconveyance for the said landholding.
 5. Upon the issuance of the Order of Reconveyance by the RD, the DARPO shall undertake the following:
 - a. Inform the affected farmers of the intended reconveyance and discuss alternative arrangements to be pursued, e.g., relocation to another site or assistance in negotiating with concerned agencies for direct acquisition if they are interested in buying the land.
 - b. Conduct segregation survey, in case only portions of the land area covered by a title shall be reconveyed.
 - c. In case EPs and CLOAs have been generated but are not yet registered, cancel these through administrative proceedings. If EPs or CLOAs are already registered, these shall be cancelled through quasi-judicial proceedings.
 - d. Draft the Deed of Reconveyance, the amendment to the Deed of Transfer or the Letter of Rescission, as the case may be, and submit the same together with all the supporting documents to the official authorized to sign the reconveyance instrument.

The DAR official, either the PARO, the RD or the Secretary, who previously signed the Deed of Transfer for the subject landholding and who is up to the present vested with the said authority shall be the one authorized to sign the Deed of Reconveyance, amendment to the Deed of Transfer, or Letter of Rescission. Otherwise, his successor will undertake the same. In the case of lands under Voluntary Offer to Sell (VOS), the PARO will sign the reconveyance instrument.

6. In case the titles of the subject landholdings have already been transferred in the name of the R.P. or to the farmer beneficiaries, the DARPO shall submit and register the corresponding Deed of Reconveyance or amended

DOT together with the print copy of the approved subdivision plan as well as the technical description of the lands, with the ROD in order to effect the transfer of ownership of the subject landholdings back to the concerned agency/landowner-offeror.

7. The DARPO shall, likewise, furnish the concerned government instrumentalities and/or landowner-offeror, the Bureau of Land Acquisition and Distribution (BLAD) and DAR Regional Office (DARRO), a copy of the Deed of Reconveyance, Letter of Rescission or amended DOT.
8. The DARPO shall duly notify the LBP about any reconveyance requiring the refund of amortization payments to the farmer beneficiaries and shall submit all supporting documents to the bank. The LBP, in turn, shall initiate the necessary refund of amortization payments following its existing rules and regulations.

All the necessary procedures and actions for the reconveyance of lands to concerned agencies and landowner-offerors shall be completed within ninety (90) days from receipt of the petition for reconveyance.

V. FILING/RESOLUTION OF MOTIONS AND APPEALS

Any party in interest who disagrees with the decision of the RD on the issuance of the Order of Reconveyance may file motions for reconsideration with the RD and appeal to the Secretary in accordance with Section III of Administrative Order No. 9, Series of 1994 regarding the authority of all RDs to hear and decide all protests involving coverage of land under R.A. No. 6657 or P.D. No. 27 and defining the appeal process from the RDs to the Secretary.

VI. MONITORING

The Bureau of Land Acquisition and Distribution of the DAR shall monitor the implementation of these guidelines.

VII. EFFECTIVITY

This Order shall take effect ten (10) days after its publication in two (2) newspapers of general circulation pursuant to Section 49 of R.A. No. 6657. All orders, circulars, rules and regulations inconsistent herewith are hereby revoked, amended or modified accordingly.

Diliman, Quezon City, 08 AUGUST, 1996.


ERNESTO D. GARILAO
Secretary

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of general circulation:

Date of Publication

1. TODAY - - - - - August 20, 1996

2. ⁵ISSUE - - - - - August 21, 1996