



Republic of the Philippines
DEPARTMENT of AGRARIAN REFORM

ELLIPTICAL ROAD, DILIMAN, QUEZON CITY TELS. 928-70-31 TO 39

ADMINISTRATIVE ORDER No. 09
Series of 1997

SUBJECT: REVISED RULES AND REGULATIONS ON A.O. NO. 3, SERIES OF 1996, RE: RECONVEYANCE OF PROPERTIES TURNED-OVER TO DAR PURSUANT TO E.O. NO. 407, AS AMENDED, AND LANDS VOLUNTARILY OFFERED UNDER SECTION 19 OF R.A. NO. 6657 BUT FOUND TO BE OUTSIDE THE COVERAGE OF CARP

I. PREFATORY STATEMENT

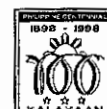
Section 1 of Executive Order (E.O.) No. 407 provides that "all government instrumentalities including but not limited to government agencies, government-owned and controlled corporations or financial institutions such as the Development Bank of the Philippines (DBP), Philippine National Bank (PNB), Republic 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 pertinent ownership documents in their custody, such as the owner's duplicate copy of the certificates 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.



"Tulong-tulong sa pagsulong"



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 any of the following:
 - a. The land, or portions thereof, is/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), as determined by DAR/LBP;
 - b. The property has been determined to be exempted from CARP coverage pursuant to Department of Justice Opinion No. 44; or
 - c. 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 agrarian reform beneficiaries (ARBs). 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 pursuant to Administrative Order No. 2, Series of 1994 prior to the actual, physical reconveyance. The cancellation shall be through either administrative proceedings in cases where the EP/CLOA has not yet been registered with the ROD or through quasi-judicial/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:
 - a. Relocation of ARBs to another site covered by CARP, if available;
 - b. Negotiation with concerned agencies for direct acquisition if the ARBs are interested in buying the land;
 - c. On lands declared as unproductive/not suitable for agriculture by DAR and LBP, the ARBs shall be given a period of one (1) year within which to make the land productive subject to the approval of the landowner. After the lapse of one year, the Municipal Agrarian Reform Officer (MARO) shall conduct a re-investigation of the premises to determine if the land has been made productive. If so, the MARO shall request the Regional Director (RD), through the Provincial Agrarian Reform Officer (PARO), to convene a composite team composed of DAR, LBP, DENR and DA representatives, designated by their respective regional heads of agency, which shall jointly conduct a review and ocular inspection of the property involved, for possible distribution to the concerned ARBs under CARP;
 - d. In the case of lands which have been identified as non-suitable for agriculture by the Land Bank of the Philippines during their ocular inspection, but have subsequently been made productive by the ARBs at the time or prior to the

issuance of this A.O., as determined by the MARO through an investigation, the latter shall likewise request the RD, through the PARO, to convene a composite team for the same aforesaid purpose; and

- e. Under the preceding items c and d, the DAR Secretary may also issue an Order of Coverage over these areas if the Secretary, after proper investigation, finds such areas beneficial for agricultural production; and that such coverage shall redound to the best interest of the ARBs PROVIDED that the ARBs agree, in writing, to purchase the areas at values determined by LBP, subject to the affordability provision.
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, as amended, and lands voluntarily offered by landowners pursuant to 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; or

- c. 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 shall submit all supporting documents and recommend to the Regional Director the issuance of the Order of Reconveyance for the said landholding.

However, in case ARBs occupy such lands, the ARBs may request the MARO or the PARO for availment of the options open to them under Section II-4 (a to e) of this A.O. In such case, the MARO or the PARO shall:

- a. Conduct an investigation/inspection of the land;
 - b. Discuss with concerned ARBs the options they wish to pursue;
 - c. If the ARBs decide to opt for c and d of Section II-4, negotiate with concerned agencies for a moratorium to make the land productive within a year's time; or
 - d. Assist ARBs if they wish to be relocated to another site covered by CARP or negotiate with concerned agencies if the ARBs want to directly buy the land.
5. Upon the issuance of the Order of Reconveyance by the RD, the DARPO shall undertake the following:
 - a. Conduct a segregation survey in case only portions of the land area covered by a title shall be reconveyed.
 - b. 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/judicial proceedings.
 - c. 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 office which previously signed the Deed of Transfer for the subject land and which 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. 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 agrarian reform 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 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 the 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 agrarian reform 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 a decision on reconveyance may file motions for reconsideration with the RD and an 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, 10 December, 1997.



ERNESTO D. GARILAO
Secretary

Published in Two (2) National Newspapers
of general circulation:

1. MANILA BULLETIN
2. PHILIPPINE DAILY INQUIRER

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