



ADMINISTRATIVE ORDER NO. 04
Series of 1995

SUBJECT: Supplemental Guidelines to Administrative Order (A.O.) No. 12, Series of 1994, on Conversion of Agricultural Lands to Non-agricultural Uses, pursuant to Republic Act (R.A.) No. 7881

I. PREFATORY STATEMENT

Section 5 of R.A. No. 7881 incorporates a new provision in Section 65 of R.A. No. 6657. Section 65-A provides that no conversion of more than five (5) hectares of private lands to fishponds and prawn farms shall be allowed after the passage of this Act, except when the use of the land is more economically feasible and sound for fishpond and/or prawn farm as certified by the Bureau of Fisheries and Aquatic Resources (BFAR), and a simple and absolute majority of the regular farmworkers or tenants agree to the conversion.

To implement the intent and purpose of the aforecited provisions, these rules and regulations are hereby prescribed.

II. POLICY STATEMENT

A. As a general rule, no conversion of more than five (5) hectares of private lands to fishponds and prawn farms shall be allowed after the passage of this Act.

Conversion of more than five (5) hectares may, however, be allowed subject to the following conditions: (1) when the use of the land is more economically feasible and sound for fishpond and/or prawn farm, to be certified by the BFAR, Department of Agriculture (DA); and (2) that a simple and absolute majority of the regular farmworkers or tenants agree to the conversion.

Conversion of agricultural lands of five (5) hectares and below shall no longer be subject to the conditions abovementioned.

B. Piecemeal conversion to circumvent the provisions of this Act shall not be allowed.

C. The Order of Conversion shall be subject to the provisions of Section 32-A of R.A. No. 6657 (as amended by R.A. No. 7881) on the incentive plan of seven-and-a-half (7.5%) percent of net profit before tax.

III. ADDITIONAL DOCUMENTS TO BE REQUIRED FROM THE APPLICANT

In addition to the common documentary requirements listed under A.O. No. 12, Series of 1994, the applicant shall be required to submit the following documents:

1. Certification from the BFAR that the use of the land is more economically feasible and sound for fishponds and prawn farms (in lieu of the certification from the Department of Agriculture);
2. List of all the regular farmworkers or tenants of the land which will be converted to fishponds or prawn farms, and the written consent of a simple and absolute majority of these workers or tenants; and
3. Incentive Plan pursuant to Item IV-A (7) of A.O. No. 03, Series of 1995.

A list of the common documentary requirements is attached herein as Annex A.

IV. PROCEDURE

- A. The procedures under A.O. No. 12, Series of 1994, shall be followed in the processing of the application for conversion. Since all the areas involved in the conversion application are all above five (5) hectares, the Under-secretary for Planning and Policy shall approve or disapprove all applications up to fifty (50) hectares in aggregate. All applications above 50 hectares shall be approved by the Secretary.
- B. In addition to the procedures enumerated in A.O. No. 12, Series of 1994, the composite team that will investigate the property is required to ascertain the following:
 1. completeness of the list of the regular farmworkers or tenants that will be affected by the conversion; and
 2. authenticity of the written consent of a simple and absolute majority of the affected workers or tenants.
- C. The verification may be undertaken through community surveys, verification from reliable third parties like the Barangay Agrarian Reform Committee (BARC), the Barangay Captain and other responsible persons, actual voting or reaffirmation of their signature and others.
- D. The results of this verification shall be contained in their report to be sent to the Regional Director who shall incorporate the same in the conversion folder for the action of the DAR Central Office.

E. Any dispute or controversy related to the conversion application shall be resolved in accordance with A.O. No. 12, Series of 1994. Any dispute or conflict in the processing and implementation of the Incentive Plan in accordance with Section 32-A of R.A. No. 6657, shall be resolved in accordance with A.O. No. 03, Series of 1995.

V. TRANSITORY PROVISION

This Administrative Order supplements A.O. No. 12, Series of 1994.

VI. EFFECTIVITY

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

Diliman, Quezon City, 16 May, 1995.


ERNESTO D. GARILAO
Secretary

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fn:SGCON320
17.IV.95

List of common documentary requirements for land use conversion application:

1. Application for Conversion [Land Use Conversion (LUC) Form No. 1, Series of 1994]
2. Special Power of Attorney, if the petitioner is other than the owner of the land
3. True Copy of the Original Certificate of Title (OCT) or Transfer Certificate Title (TCT) certified by the Register of Deeds
4. Location Plan, Vicinity Map of the land and Area Development Plan including Work and Financial Plan, statement of Justification of economic and social benefit of the project and recent photographs of the property being applied for conversion
5. Proof of financial and organizational capability to develop the land, such as:
 - a. Profile of the developer, including details of past or current development projects
 - b. Financial Statements duly authenticated by a certified public accountant
 - c. Articles of Incorporation or Partnership, if the applicant/developer is a corporation or partnership
6. Zoning certification from the HLRB Regional Officer when the subject land is within a city/municipality with a land use plan/zoning ordinance approved and certified by the HLRB (LUC Form No. 2, Series of 1994); or
Certification of the Provincial Planning and Development Coordinator that the proposed use conforms with the approved land use plan when the subject land is within a city/municipality with a land use plan/ zoning ordinance approved by the Sangguniang Panlalawigan (SP). The certification should specify the SP Resolution Number and the date of the approval of the land use plan. (LUC Form No. 3, Series of 1994)
7. Certification from the Regional Irrigation Manager of the National Irrigation Administration (NIA) (LUC Form No. 4, Series of 1994) or the president of the cooperative or irrigator's association, if the system is administered by a cooperative or association (LUC Form No. 4-A, Series of 1994) on whether or not the area is covered under A.O. No. 20, Series of 1992, of the Office of the President

8. Certificate from the DENR Regional Executive Director concerned, that the proposed conversion is ecologically sound (LUC Form No. 5, Series of 1994)

