



Republic of the Philippines
DEPARTMENT of AGRARIAN REFORM

MEMORANDUM CIRCULAR NO. 20
Series of 2004

TO: The Municipal Agrarian Reform Officers
The Provincial Agrarian Reform Officers
The Regional Centers for Land Use Policy and Planning Institute (RCLUPPIs)
The Center for Land Use Policy and Planning Institute (CLUPPI)
All other concerned DAR Officials and Employees

SUBJECT: ENJOINING STRICT COMPLIANCE WITH THE PERTINENT PROVISIONS OF DAR A.O. NO. 1, S. 2002 IN THE PROCESSING OF APPLICATION FOR EXTENSION OF TIME TO CONDUCT DEVELOPMENT ON LANDS ISSUED WITH CONVERSION ORDER AND MANDATING THE IMMEDIATE ACQUISITION AND DISTRIBUTION OF LANDS NOT DEVELOPED DESPITE THE EXPIRATION OF THE MAXIMUM PERIOD FOR DEVELOPMENT

In view of numerous applications for extension of time to conduct development on lands already issued with conversion order, the Office of the Secretary hereby enjoins all concerned DAR officials and employees to strictly comply with the following provisions of DAR A.O. No. 1, s. 2002 (2002 Comprehensive Rules On Land Use Conversion) in evaluating such applications:

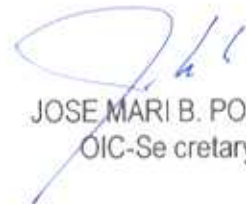
"33.6. Within one (1) year from issuance of the Conversion Order, the landowner and/or developer shall commence development on the property approved for conversion, and shall complete development not later than the deadline(s) set forth in its site development plan schedule, **but in no case shall development extend beyond five (5) years from issuance of the Conversion Order.**" (emphasis supplied)

"34.2. It [the approval of an application for conversion] shall be subject to the schedule indicated in the detailed site development, work and financial plans, **but in no case shall the period of development extend beyond five (5) years from issuance of the Conversion Order except as authorized by the Secretary or the approving official on meritorious grounds**, provided that, **if the development cannot be accomplished within five (5) years, the grantee of the Conversion Order shall submit a written request for extension within the six (6) months before the lapse of the five (5) year period**, and provided further, that **the extended development period shall be one (1) year for every five (5) hectares, but in no case shall the extension exceed five (5) years.**"

Accordingly, the RCLUPPIs and the CLUPPI are hereby directed to strictly monitor compliance with the foregoing provisions and, in case of applicant's failure to comply with the required period or failure to file written request for extension within six (6) months before the lapse of the five (5) year period, initiate the filing of action for total or partial revocation of Conversion Order and the forfeiture of performance bond in favor of Agrarian Reform Fund. Upon revocation of conversion order, the MAROs, PAROs, and RDs are likewise directed to immediately cover, acquire, and distribute landholdings pursuant to R.A. No. 6657; PROVIDED THAT lands not developed despite the extension of the development period for five (5) years from the issuance of Conversion Order shall be immediately subjected to CARP coverage even without the filing of action for revocation of Conversion Order.

For strict compliance.

Diliman, Quezón City, 16 August 2004.



JOSE MARI B. PONCE
OIC-Secretary