



Republic of the Philippines
DEPARTMENT of AGRARIAN REFORM

ADMINISTRATIVE ORDER NO. 3
Series of 1990

**SUBJECT : REVISED RULES AND PROCEDURES GOVERNING
DISTRIBUTION AND/OR TITLING OF LOTS IN LANDED
ESTATES ADMINISTERED BY DAR.**

I PREFATORY STATEMENT:

The distribution and/or titling of lots in favor of qualified beneficiaries in agricultural landed estates is characterized by a long and tedious process resulting in the unnecessary delay in the issuance of titles to deserving farmer-beneficiaries. This situation negates the very purpose of the Comprehensive Agrarian Reform Program. There is need, therefore, to revise existing rules and procedures in order to facilitate the issuance of titles to the beneficiaries in DAR administered landed estates.

II LEGAL BASES:

The primacy of RA 6657 as the Comprehensive Agrarian Reform Law of the government is clearly stated under Section 75 thereof which provides that "x x x other laws not inconsistent with this Act shall have suppletory effect."

Under Section 49 of aforesaid law, the DAR is authorized to issue rules and regulations, whether substantive or procedural, to carry out the objects and purposes of this Act.

On the basis of the aforesaid sections, these Revised Rules and Procedures are hereby adopted.

III COVERAGE:

These Revised Rules and Procedures shall apply to all agricultural landed estates administered by the DAR, not previously covered by "Deeds of Sale" properly issued by the DAR to the beneficiaries of the program as listed in Annex A hereof.

IV STATEMENT OF POLICIES:

- A. Land has a social function, hence, there is a concomitant social responsibility in its ownership and should, therefore, be distributed to the actual tillers/occupants.
- B. All vacant lots, whether abandoned or unallocated, shall be distributed to qualified beneficiaries, pursuant to Section 22 of RA 6657.

- C. Except for the purchase price of the land, and those enumerated under paragraph "E" hereof, no other costs, including survey fees (re: survey of original lots), shall be charged against the beneficiaries.
- D. Pursuant to R A 6657, the award limit shall not be more than three (3) hectares. However, qualified beneficiaries who have occupied and cultivated the land, and established their vested rights prior to June 15, 1988, in accordance with the then existing laws, shall be awarded the legal limits as allowed by said laws. Processing of documents shall be in accordance with this revised procedure. In case of homelots, the award limit shall be 1,000 square meters.
- E. In general, a Certificate of Land Ownership Award (CLOA), shall be immediately issued to the qualified beneficiary including those with Deeds of Sale still pending with the Department, provided that all outstanding accounts of an awardee shall be annotated at the back of the CLOA issued to him and duly registered with the Register of Deeds. (These include amortization payments for the land, farm implements and machineries if these are not covered by separate contracts, other loan assistance, and accrued interests on overdue amortization payments and unpaid rentals from January 1, 1986). Provided further, that other encumbrances, as provided under the laws authorizing the distribution of said landed estates, shall likewise be annotated in the said CLOA, and provided finally, that the beneficiaries/allocatees whose amortization payments and unpaid rentals, as annotated at the back of their respective titles, do not exceed one thousand pesos (P1,000), have three (3) years to pay the same, commencing from the registration of said titles. Beneficiaries/allocatees whose obligations exceed one thousand pesos (P1,000), have five (5) years to pay the same, also commencing from the registration of aforesaid titles.

Failure to pay the obligations as aforesated, will lead to the forfeiture of the lots of said beneficiaries/allocatees in favor of the government to be distributed to qualified beneficiaries/allocatees.

V Qualifications of a beneficiary are as follows:

1. Landless;
2. Filipino citizen;
3. Actual occupant/tiller who is at least 15 years of age or head of the family at the time of filing of application; and
4. Has the willingness, ability and aptitude to cultivate and make the land productive.

VI DEFINITION OF TERMS:

For purposes of this Order, the following definitions shall apply:

1. "Landed Estates" are former haciendas or landholdings of private individuals or corporations which have been acquired by the Government under different laws, for redistribution and resale to deserving tenants and landless farmers.
2. "Order of Award (OA)" refers to the document issued to the allocatee of a lot in a landed estate who is found qualified to acquire said lot under existing laws, rules and regulations at the time of its issuance.
3. "Certificate of Land Transfer (CLT)" is a document issued by DAR, pursuant to DAR Memorandum Circular No. 24, series of 1973, dated October 24, 1973.
4. "Absentee OA/CLT Holder" is an awardee or CLT recipient who left or abandoned the lot awarded to him for more than six (6) months immediately prior to the inventory prescribed under paragraph VII - A - 1.
5. "Rental" refers to the amount of money collected by the Government from the actual occupant of a lot for the use of the said lot, prior to the execution of the Contract to Sell.
6. "Accrued Interest" refers to the total unpaid interests on the unpaid cost of the lot which is 6% per annum from January 1, 1986.
7. "Certificate of Land Ownership Award (CLOA)" is a document evidencing ownership of the land granted or awarded to the beneficiary by DAR, and contains the restrictions and conditions provided for in R.A. 6657 and other applicable laws.
8. "Landless Person," pursuant to Section 25, RA 6657 is one who owns less than three (3) hectares of agricultural land.

VII OPERATING PROCEDURES:

- A. The MARO or the duly designated official covering the area shall:
 1. Conduct a physical inventory and perform the following:
 - 1.1 Identify the areas with approved, incomplete, erroneous and without subdivision surveys. Recommend to the Provincial Agrarian Reform Officer (PARO), the completion/correction of subdivision surveys within a period not

2.1.3 If not actual cultivator/occupant

- a. one who employs tenants prior to full payment of the cost of the lot. : Cancel DA/CLT and issue CLOA to qualified actual cultivator/occupant
- b. permanently incapacitated : Issue CLOA provided that he has immediate members of his farm household who could assist him in farming; otherwise, issue CLOA to qualified beneficiary designated by him.
- c. one who mortgaged or sold his right and left the area : Cancel DA/CLT & issue CLOA to qualified actual occupant/tiller.

2.1.4 If occupying the wrong lot : Issue CLOA for lot actually occupied and cancel DA/CLT for the wrong lot.

2.1.5 Absentee : Cancel DA/CLT and issue CLOA to qualified actual cultivator/occupant

2.2 Actual occupant without DA/CLT

2.2.1 No other supporting document : Issue CLOA, provided occupant is qualified and there is no adverse claimant to the subject lot

2.2.2 With transfer document (waiver of rights of previous awardee)

- a. With DAR approval : Issue CLOA

to exceed one (1) year from the issuance of this Order, so that the lots in the areas concerned can be awarded and subsequently titled in favor of the qualified beneficiaries;

- 1.2 Review and evaluate the list of allocatees/awardees and conduct lot verification to determine whether said awardees/allocatees are still occupying and tilling the lots covered by their Orders of Award/CLTs, and, thereafter, prepare a masterlist of occupants/claimants with corresponding lot numbers, to be posted simultaneously for a period of fifteen (15) days at the Barangay Hall, MARO office and at the Municipal Building;
 - 1.3 Assist the occupant/tiller in accomplishing FB Application Form (L.E. Form No. 1). Where the tiller has already been issued a DS/DA/CLT, his application form shall serve as his information sheet. All actual occupants/tillers who have not been issued DS/DA/CLT shall be assisted to fill up the application form; and
 - 1.4 With the use of the Statement of Account Form, undertake the computation of all the obligations to be paid by the beneficiary as indicated in Section "E" hereof, or otherwise, to be annotated at the back of the title.
2. Evaluate Application Forms and recommend appropriate action on the basis of:

SITUATION	RECOMMENDED ACTION
2.1 Applicant with DA/CLT	
2.1.1 If living and actual cultivator/occupant	Issue CLOA
2.1.2 If deceased, but heirs are actual cultivators/occupants	Issue CLOA to the estate of the decedent or to one of the qualified heirs upon the agreement of the others.

b. Without DAR approval : Issue CLOA, provided occupant is qualified and there is no adverse claimant

3. Consolidate the LE Forms No. 1 and prepare Summary of FB Data Sheet (LE. Form No. 2) for applicants recommended for the issuance of CLOA. These shall constitute the Land Distribution Folder (LDF) for landed estates.
4. Endorse the LDF to the PARO for review and approval as a basis for CLOA preparation.
5. Prepare a list of vacant and unawarded lots and lots with awards recommended for cancellation.

5.1 Grounds for Cancellation of Orders of Awards:

- 5.1.1 Absence of the awardee from the landed estate for more than six (6) months without doing any effort to make the land productive.
- 5.1.2 Willful transfer of rights and is no longer occupying the lot.
- 5.1.3 Voluntary renunciation or waiver of rights in writing.
- 5.1.4 Failure to cultivate the lot for a period of six (6) consecutive months from the date subject lot was awarded.
- 5.1.5 Death of awardee if he has no qualified heir.

6. Post the list of vacant and unallocated lots with the corresponding recommended awardees and lots with awards recommended for cancellation for fifteen (15) days at the MARO office and in other conspicuous places within the landed estate. Posting shall include the grounds for the cancellation of awards, and a notification that affected parties are given fifteen (15) days upon receipt of notice to affirm or protest the recommended action at the MARO office.

6.1 Prepare a report on lots with awards recommended for cancellation. The report shall include:

- 6.1.1 Identification of the farm/lot and/or homelot, i. e. lot number, survey number, area, and location;

- 6.1.2 Names and addresses of previous awardees and spouses;
 - 6.1.3 Date the lot was awarded;
 - 6.1.4 OA or CLT Number, if any;
 - 6.1.5 Enumeration of the grounds for the cancellation of the award; and
 - 6.1.6 Actual occupant, if any, and the basis of occupancy.
- 6.2 Receive all protests/complaints on the posted list, particularly on the cancellation of awards and verify the authenticity of the grounds or bases of the protest and submit recommendation for cancellation to the PARO. Affected parties shall be notified to lodge their protests/appeals if any, to the PARO office within thirty (30) days from receipt of notice.
- 7. Identify and prioritize the list of farmer-beneficiaries, in close coordination with the BARC, for consideration in the distribution of available lots.
 - 8. Consolidate Application Forms and prepare Summary Data Sheet for the new beneficiaries. These shall constitute another Land Distribution Folder (LDF).
 - 9. Endorse the LDF to the PARO for review and consolidation.

B. The PARO shall:

- 1. Categorize all documents received from the MARO office, as to whether the subject lot is under protest or not;
- 2. Review and consolidate the LDF by estate within the province;
- 3. Prepare the CLOAs in the PARO office for those without any protest or appeals;
- 4. Endorse the LDFs and the CLOAs to the DAR Secretary through the BLAD for approval, copy furnished the Regional Director;
- 5. Act on protests/appeals concerning the cancellation of Orders of Award within fifteen (15) days from receipt thereof;

6. Act on, and in proper cases, order the cancellation of awards per recommendation of the MARO within fifteen (15) days upon receipt of the recommendation; and
7. Provide copies of the Order of Cancellation to the awardee at his last known address, the MARO, and the Regional Director. The PARO shall advise affected parties that they have fifteen (15) days from receipt of the Order to appeal the decision to the Regional Director. Copy of the appeal shall be furnished the PARO within the said period.

C. The Regional Director shall:

1. Act on appeals concerning the cancellation of Orders of Award within fifteen (15) days from receipt thereof;
2. Furnish copies of the decisions on the appeals, the parties concerned, the PARO, the MARO, and the Regional Adjudicator/DARAB Adjudicator;
3. Notify the parties concerned that they have fifteen (15) days from receipt of notice to file their appeals to the Regional Adjudicator/DARAB Adjudicator, otherwise, Order becomes final and executory; and
4. Notify the PARO of his decision which has become final and executory.

D. The BLAD shall:

1. In thirty (30) days, review and evaluate the LDFs and CLOAs from receipt thereof;
2. Cause the approval and signature of the Secretary and affix the DAR seal on each CLOA; and
3. Transmit the signed CLOAs to the concerned PARO within fifteen (15) days from the signing of the Secretary, for registration in the Register of Deeds (ROD), and furnish the MIS and the Regional Director, a copy of the list of titles issued.

E. The Register of Deeds shall:

1. Register approved CLOAs; and
2. Return registered CLOAs to the PARO.

F. The PARO shall:

1. Record the CLOAs that had been registered and transmit same within five (5) days upon receipt thereof to the MARO concerned for distribution within five (5) days from receipt thereof.

VIII COLLECTION OF AMORTIZATIONS AND ACTUAL OBLIGATIONS

At the provincial level, a Collection Team shall be organized to be composed of qualified Bill Collectors. The team members shall be given special trainings on the computation of land values, and of all receivables from the beneficiaries, that will be annotated at the back of the title (CLOA). They shall likewise be responsible for the collection and remittance of the same.

IX CANCELLATION OF ANNOTATIONS AT THE BACK OF THE CLOA/TITLE

Upon full payment of the obligations as annotated at the back of the CLOA/title by the beneficiary,

A. The MARO shall:

1. Recommend to the PARO the issuance of a Certificate of Full Payment to the concerned beneficiary.

B. The PARO shall:

1. Based on the recommendation of the MARO, issue and sign a Certificate of Full Payment by the beneficiary; and
2. Advise the concerned beneficiary to present the same to the ROD for the cancellation of all the annotations at the back of his CLOA/title.

C. The ROD shall:

1. Cancel all annotations at the back of the CLOA/title.

X MONITORING/REPORTING

A. The MARO shall:

1. Record and prepare report on CLOAs distributed to the beneficiaries; and
2. Submit report to the PARO.

B. The PARO shall:

1. Cross check the CLOAs distributed as against the CLOAs registered; and
2. Submit progress reports to the BLAD, copy furnished the Regional Director.

C. The BLAD shall:

1. Review the report and enter the data into the computer for updating;
2. Generate a monthly summary report on the status and number of CLOAs issued; and
3. Transmit the summary status report to the MIS for further distribution.

D. The FOG shall:

1. Conduct quarterly field verification and validation of reports;
2. Assess the program on the basis of the above and prepare pertinent recommendations to the DAR Executive Committee; and
3. Upon completion of the CLOA operation, work for the turn-over of the landed estates to the local government.

XI EFFECTIVITY AND REPEALING CLAUSE

This Order shall take effect ten (10) days after publication in two (2) national newspaper of general circulation, pursuant to Section 49 of RA 6657. All other Orders, Circulars, Memoranda, and Rules and Regulations or portions thereof inconsistent herewith are hereby revoked, cancelled, or modified accordingly, otherwise, they shall have suppletory effect.

Quezon City, May _____, 1990.


BENJAMIN T. LEONG
Secretary

PUBLISHED : _____

DATE OF EFFECTIVITY : _____

Republic of the Philippines
DEPARTMENT OF AGRARIAN REFORM

INFORMATION SHEET OF BENEFICIARIES
AND APPLICATION TO PURCHASE LOTS IN LANDED ESTATES

I, _____, hereby apply to
purchase lot/s in _____ Estate, located in
_____.

My personal and related data are:

Age: _____ Place of Birth: _____
Date of Birth: _____ Citizenship: _____
Civil Status: _____ Residence: _____
Occupation: _____ Number of Dependents: _____
Name of Spouse: _____

NAME	AGE	RELATIONSHIP	OCCUPATION
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

LOT/S APPLIED FOR:

Farmlot No. _____ Block No. _____ Plan No. _____
Area: _____ hectares Location: _____
Homelot No. _____ Block No. _____ Plan No. _____
Area: _____ sq. meter Location: _____

INFORMATION AS TENANT/OCCUPANT OF THE ESTATE/HOMESITE

- Are you one of the petitioners for the acquisition by the Government of the subject estate/homesite? _____
- Have you deposited with the Government cash or anything in kind? _____ If so, how much P _____, Official Receipt No. _____, or the amount/volume/quantity of what was deposited in kind _____
- Have you been a tenant/occupant of the estate? _____ If so, state the inclusive dates: _____ to _____
- Are you occupying the lot you are applying for? _____ If yes, what is the nature of occupancy and since when? _____

5. State the improvements you have introduced and the crops planted.

ADDITIONAL INFORMATION REQUIRED:

1. Was there a former tenant/occupant tiller of the lot/s applied for? If yes, fill in the information required.

N A M E	R E S I D E N C E	NATURE AND VALUE OF IMPROVEMENT
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-----	-----	-----
-----	-----	-----

2. Do you know whether the lot/s applied for is/are claimed by another person/s? If yes, fill in the information required.

N A M E	R E S I D E N C E	NATURE AND VALUE OF IMPROVEMENT
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-----	-----	-----
-----	-----	-----

3. Is there a present occupant/tiller of lot/s applied for? If yes, fill in the information required.

N A M E	R E S I D E N C E	NATURE AND VALUE OF IMPROVEMENT
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-----	-----	-----
-----	-----	-----

4. State all your family's landholdings (whether owned jointly or separately by the husband and wife) in the Philippines.

LOT NO.	PLAN NO.	AREA SQ. METER	ASSESSED VALUE	L O C A T I O N
-----	-----	-----	P-----	-----
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----

(Place)

(Date)

Name and signature of witness

Name and signature of applicant

Name and signature of MARO

L.E. FORM NO. 2

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NAME OF FARMER BENEFICIARY : RESTIDENCE :  
LOT NO. : BLOCK NO. :  
FLAN NO. : AREA (SQ.M.) :  
LOCALITY : KENKORSE :
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100

Republic of the Philippines
DEPARTMENT OF AGRARIAN REFORM

INVENTORY REPORT

Date: _____

MEMORANDUM -

F O R : PARO _____

SUBJECT : _____

This is in connection with the application of
Mr./Ms. _____ to purchase Lot No. _____,
Block No. _____, Plan No. _____ of the
_____ Estate. Herewith is the Inventory/
Investigation Report to wit:

INVENTORY/INVESTIGATION REPORT

Name of Applicant : _____

Address : _____

Name of Occupant/Tiller : _____

Address : _____

Inclusive Date of Occupation : _____ to _____

Authority of Occupancy:

/_____/ Tenant of former owner of the estate

/_____/ Bonafide occupant

/_____/ Transfer/Waiver of Rights (copy attached) of the
original awardee in favor of the new actual
occupant/tiller

/_____/ OA/CLT/AS/DS holder

/_____/ Qualified actual occupant/tiller

Other information _____

RECOMMENDATION:

/ ☐ / Issue CLOA to lot/s applied for in favor of the applicant

/ ☐ / Issue CLOA in favor of the new qualified actual cultivator, because OA/CLT of subject lot is recommended for cancellation and there are no adverse claimants.

/ ☐ / Hold the issuance of CLOA because there is a protest/appeal on the subject lot.

MARD

Mun. of -----

Republic of the Philippines
DEPARTMENT OF AGRARIAN REFORM

STATEMENT OF ACCOUNT

Account of: _____ Agreement to Sell No. _____
 Transferred from : _____ Date of Issue _____
 Farmlot: (area) _____ ha. Homelot: (area) _____ sq. meter
 Unit Cost : ₱ _____ /ha. ₱ _____ /sq. meter
 Total Cost ₱ _____ (FL) ₱ _____ (HL) ₱ _____ (FL+HL)
 Lot No. _____ Lot No. _____
 Block No. _____ Block No. _____
 Plan No. _____ Plan No. _____

NATURE OF ACCOUNT	APPLICATION		
	: AMOUNT DUE :	OF PAYMENTS :	BALANCE
Lot Principal	₱ _____		₱ _____
Interest from Principal	_____		_____
Penalty	_____		_____
Rental Principal	_____		_____
Penalty Gap	_____		_____
Rental Gap	_____		_____
Others	_____		_____
	_____		_____
	_____		_____
	_____		_____

Total Amount Applied:

₱ _____

Balance as of: _____

Subject to Audit and adjustment:

₱ _____

Prepared By:

Verified By:

Collecting Agent

M A R O

Certified Correct By:

Verified Correct By:

APPROVED:

P A R O

Republic of the Philippines
DEPARTMENT OF AGRARIAN REFORM

ORDER OF CANCELLATION

IN RE : CANCELLING ORDER OF AWARD/
CLT NO. _____
ISSUED ON: _____
TO: _____
LOT NO. _____
PLS/PSD/PCS NO. _____
_____ ESTATE

X ----- X

O R D E R

This refers to the Order of Award/CLT No. _____ issued
on _____ to Mr./Ms. _____
covering Lot No. _____, Block No. _____,
Pls/Psd/Pcs No. _____, _____ Estate,
located at _____.

Records show that the said awardee/CLT holder of the
abovementioned lot:

- /_____/ Had been absent from the landed estate for more than
six (6) months without doing any effort to make the
land productive.
- /_____/ Had willfully transferred his rights over the subject
lot, and is no longer occupying the lot.
- /_____/ Had voluntarily renounced/waived his/her rights in
writing.
- /_____/ Failed to cultivate the lot for a period of six (6)
consecutive months from the date said lot was awarded
to him/her.
- /_____/ Is now deceased has no qualified heir.

The investigation report dated _____
submitted by MARO _____, also shows
that the said lot is now in the possession of a certain
Mr./Ms. _____ who have subsequently filed
his/her application to purchase the said lot. Evaluation of
his/her application showed that he/she is qualified to acquire
the lot based on existing laws, rules and regulations, relevant
to the distribution of lots in the _____ Estate.

WHEREFORE, premises considered, an Order is hereby issued:

1. Cancelling the Order of Award/CLT No. _____, issued on _____, subject hereof, forfeiting whatever rights and payments made on the account of the lot, in favor of the Government, declaring Lot No. _____, Block No. _____, Pls/Psd/Pcs No. _____, of _____ Estate, located in _____, vacant and disposable to the qualified applicant; and
2. Giving due course to the application of Mr./Ms. _____ to purchase the said lot.

Let a Certificate of Land Ownership Award (CLOA) as the case may be, be issued to the herein new awardee/applicant after fifteen (15) days posting of this Order, if no protest has been filed by affected parties.

SO ORDERED.

P A R O

NOTE: This Order shall be posted in conspicuous places within the barangay in the Landed Estate where the lot is located, and in the Bulletin Board of the MARO office concerned for a period of fifteen (15) days. Posting shall include a notification that affected parties have thirty (30) days upon posting, to lodge their appeals/protests to the PARO office.

Copy furnished:

1. _____
2. _____
3. _____

SKETCH PLAN

OF LOT NO. _____ BLOCK NO. _____

PLAN NO. _____ OF _____ ESTATE

AS PREPARED FOR THE

DEPARTMENT OF AGRARIAN REFORM

SITUATED IN THE

BARRIO OF _____ MUNICIPALITY

OF _____ PROVINCE OF _____

_____ ISLAND OF _____

Containing an area of _____ sq.m.

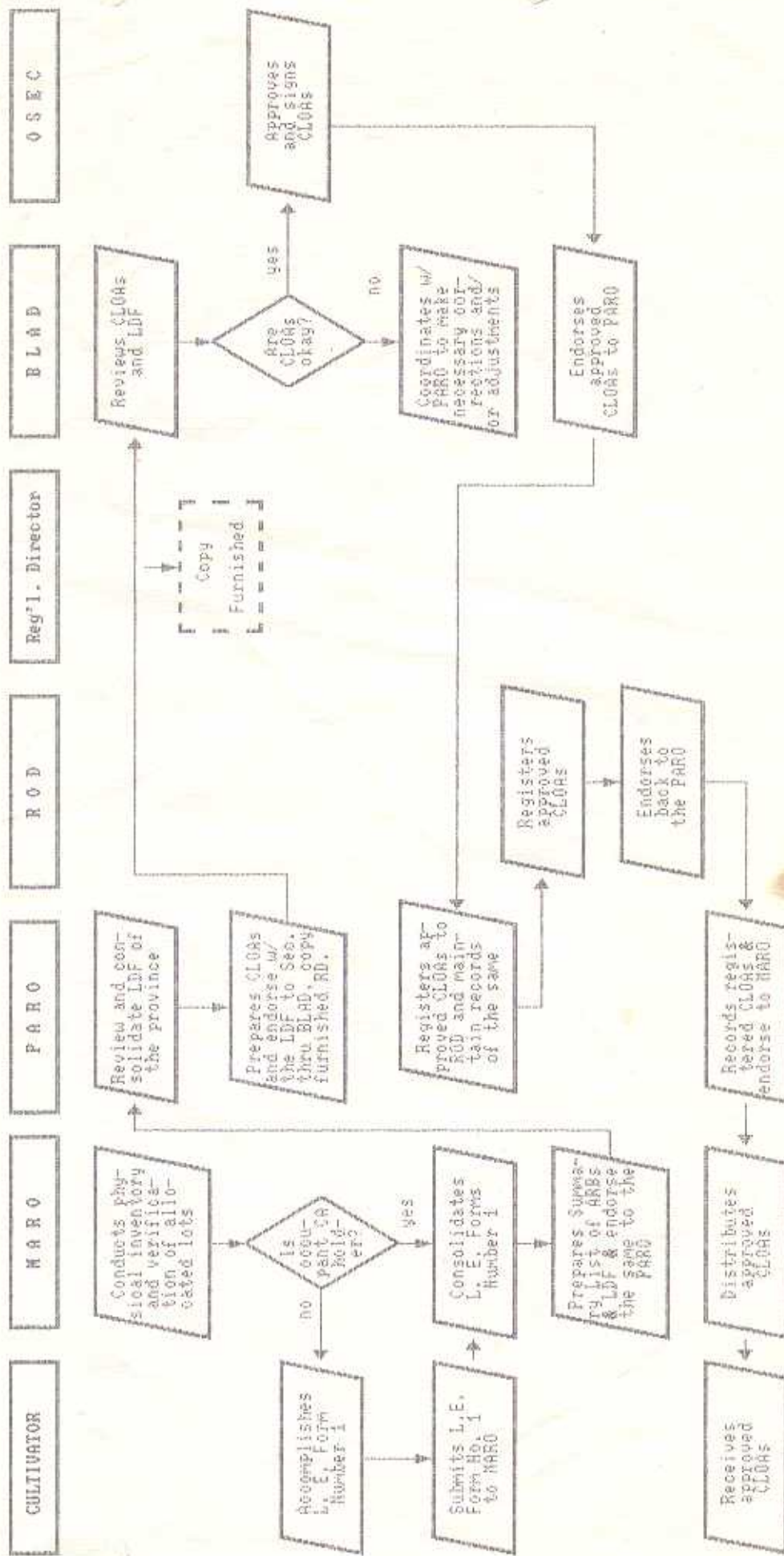
Scale 1 : _____

SHOWING THE ACTUAL IMPROVEMENTS
FOUND THEREIN.

SKETCHED: _____, 19____ BY: _____

ADDITIONAL INFORMATION:

FLOW CHART ON THE DISTRIBUTION AND/OR TITLING OF LOTS IN AGRICULTURAL LANDED ESTATES ADMINISTERED BY THE DAR



Republic of the Philippines
DEPARTMENT OF AGRARIAN REFORM
Diliman, Quezon City

Date _____

The Provincial Treasurer:

Sir:

I have the honor to enclose herewith three (3) copies of the Notice pertaining to the sale of _____ lots of the _____ Settlement Project townsite situated in the Municipality of _____, that province. It is requested that this Notice be posted on or before _____, 19____ in a conspicuous place in the building and the said Notice remain so posted for the period of two (2) weeks thereafter.

Upon expiration of the said period, please return this letter by endorsement giving the inclusive date when the Notice was posted.

Provincial Agrarian Reform Officer

1st Indorsement
_____, 19____

Respectfully returned to the Provincial Agrarian Reform Officer, _____, _____ with the information that the copies of the notice above-mentioned were posted on the bulletin board of the Provincial Capitol on _____, 19____ and remained so posted up to _____, 19____.

Provincial Treasurer