

**SUBJECT: RULES AND PROCEDURES GOVERNING TITLING AND DISTRIBUTION OF LOTS IN DAR SETTLEMENT PROJECTS**

**I. MANDATE**

Section 2 of R.A. 6657 provides that "the state shall apply the principle of agrarian reform or stewardship, whenever applicable, in accordance with law in the disposition or utilization of other natural resources, including lands of the public domain . . . ."

Likewise, pursuant to Section 49 of R.A. 6657, the PARC and the DAR are empowered to issue rules and regulations, whether substantive or procedural, to carry out the objects and purposes of this Act.

In furtherance of this authority and in order to accelerate the issuance of Certificate of Land Ownership Awards (CLOA) to qualified beneficiaries in settlement projects administered by the DAR, these new Rules and Procedures are hereby adopted.

**II. COVERAGE**

These new Rules and Procedures shall cover the titling and distribution of agricultural lands within proclaimed settlement projects under the administration of the DAR as provided for by existing laws.

**III. STATEMENT OF POLICIES**

- A. All settlement areas are declared open to access of qualified beneficiaries.
- B. Land has a social function and there is a social responsibility in its ownership. Hence, land shall be distributed to the actual tiller.
- C. Only those that satisfy all of the following characteristics shall qualify as beneficiaries:
  - 1. Landless
  - 2. Filipino citizen
  - 3. At least fifteen (15) years of age or head of family at the time of filing of application
  - 4. Has the willingness, ability and aptitude to cultivate and make the land productive.

- D. Preferential assistance shall be extended to:
1. Qualified women members of the agricultural labor force
  2. War veterans and veterans of military campaign
  3. Retirees of AFP and INP
  4. Returnees/surrenderees
  5. Graduates of agricultural school
- E. All lots (agricultural and non-agricultural) shall be distributed free of cost. No survey fees or other costs relative to the distribution of the land pursuant to this order shall be charged against the beneficiary.
- F. Abandoned, unallocated or otherwise vacant lots shall be distributed to qualified beneficiaries pursuant to Section 22 of R.A. 6657.
- G. The award limit shall not be more than three (3) hectares. However, qualified beneficiaries who have occupied and cultivated the land prior to June 15, 1988, in accordance with the Public Land law and other existing laws, shall be awarded the legal limits as established by said laws. Processing procedures shall be in the manner then prescribed or under this new procedure whichever shall be more expedient and advantageous to the beneficiary.
- H. In general, land shall be distributed directly to individual qualified beneficiaries. In cases however, where the physical characteristics of the land are such that subdividing it shall limit its economic viability, or when the existing socio-cultural customs and traditions of the beneficiaries, e.g. tribal Filipinos, dictate otherwise, then the beneficiaries may opt for collective ownership, such as co-ownership or farmers cooperative or some other form of collective organization. Provided that the total area that may be awarded shall not exceed the total number of co-owners or members of the cooperative or collective organization multiplied by the award limit of three (3) hectares. And provided further that all the members shall agree on the mechanisms for dividing the land individually in case the majority decides to do so.

#### IV. OPERATING PROCEDURES

These operating procedures shall apply in settlement areas whose subdivision survey plans have already been approved by LMB-DENR.

In settlement areas without approved subdivision survey plans, the Regional Director shall effect the conduct and approval of said subdivision survey plans within one and a half (1 1/2) years from the issuance of this order.

Ownership of land awarded to qualified beneficiaries shall be evidenced by a Certificate of Land Ownership Award (CLOA) or Homestead Patent, which shall contain the conditions and restrictions as provided for in R.A. 6657.

**A. The MARO** (tasked with the administration of the entire settlement area) shall -

1. Conduct a physical inventory and perform the following:
  - a) Review and evaluate the list of allocatees and conduct lot verification to determine whether the FB allocatee still occupies and tills the lot covered by his Certificate of Allocation:
  - b) Require the occupant/tiller to accomplish the FB Application Form. (SP Form No. 1)
2. Evaluate the application form and recommend appropriate action on the basis of the following:

**Applicants With Certificate of Allocation (C.A.)**

**Recommended Action**

- |   |  |
|---|--|
| a) C.A. holder (living)   | : Issue CLOA   |
| b) C.A. holder (deceased)   | : Issue CLOA to qualified heirs  |
| c) C.A. holder but not cultivator (those who employ tenants, land speculators, etc., except those physically incapacitated) | : Cancel C.A. and issue CLOA to qualified beneficiary.   |
| d) C.A. holder but occupying the wrong lot  | : Issue CLOA for lot occupied and cancel C.A. for corresponding lot  |
| e) Absentee C.A. holder   | : Consider land covered by C.A. abandoned and apply procedures for cancellation of allocation as provided for in this order. |

**Applicants Without Certificate of Allocation**

**Recommended Action**

- |   |  |
|---|--|
| a) Qualified actual occupant/transferee | : Issue CLOA for not more than 3 hectares of his own choice and preference. Area in excess shall be distributed with preference to his qualified children. |
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3. Consolidate the SP Form No. 1 and prepare Summary FB Data Sheet (SP Form No. 2) for those applicants recommended for issuance of CLOA. These shall constitute the Land Distribution Folder (LDF).
4. Endorse the LDF to the Provincial Agrarian Reform Officer (PARO) for review and preparation of CLOA.

5. Prepare a separate summary list of vacant and unallocated lots and those considered for cancellation of allocation.

Grounds for Cancellation of Allocation:

- (i) Absence of the settler-allocatee from the resettlement project for more than six (6) months without the written permission of the DAR;
  - (ii) Transfer of rights by transferor without written consent and approval of the DAR Regional Director concerned;
  - (iii) Voluntary renunciation or waiver of rights in writing;
  - (iv) Failure to cultivate the lot for a period of more than six (6) consecutive months from the date of allocation of said lot; and
  - (v) Death of settler-allocatee if he has no compulsory heir.
- a) Prepare a report on lots considered for cancellation. The report shall include:
- 1) Identification of the farmlot and/or homelot, i.e., number, survey number, area and location;
  - 2) Name and address of allocatee and spouse;
  - 3) Date of allocation of the lot;
  - 4) Improvements introduced by allocatee, if any, and estimated value;
  - 5) Sales Application or CA Number, if any;
  - 6) A brief narration of the circumstances which constitute the grounds for cancellation of allocation of the lot; and
  - 7) Adverse claimant, if any, and basis of claim.
- b) Recommend to the PARO the cancellation of allocation.

6. Post the summary list of vacant and unallocated lots in the MARO Office and in other conspicuous locations within the settlement. Include also an announcement that appeals on lots declared as vacant and unallocated should be forwarded to the PARO within fifteen (15) days from date of posting. Failure to do so shall mean waiver of whatever rights the claimant may have to subject land or lot.
7. Identify and prioritize the beneficiaries pursuant to DAR Administrative Order, on identification and registration of beneficiaries, with the assistance of BARC, for consideration in the distribution of available lots.
8. Consolidate Application Form 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. Act on, and in proper cases order, the cancellation of lots as recommended by the MARO within fifteen (15) days from submission;
2. Provide copies of the Order of Cancellation to the allocatee at his last known address, to the MARO and to the Regional Director. The order shall indicate that appeals should be forwarded to the Regional Director within a specified period of time as the PARO shall deem appropriate. Failure to do so shall mean waiver of whatever rights the claimant may have on subject land or lot.
3. Review and consolidate the LDF of the province;
4. Prepare CLOAs in the PARO Office; and
5. Endorse the LDF and the CLOAs to the DAR Secretary through the BLAD (copy furnished the Regional Director) for approval.

**C. The Regional Director shall -**

1. Act on appeals from order of cancellation of allocation within fifteen (15) days from receipt of copy thereof.

**D. The BLAD shall -**

1. Review and evaluate the LDF and CLOAs;
2. Cause the approval and signature of the Secretary and affix the DAR seal on each CLOA; and
3. Transmit the signed CLOA to the PARO (copy furnished MIS and Regional Director) for registration with the Register of Deeds (ROD).

**E. The Register of Deeds (ROD) shall -**

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

**F. The PARO shall -**

1. Record the CLOAs registered and transmit same to the MARO for distribution.

**V. MONITORING/REPORTING**

**A. The MARO shall -**

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

**B. The PARO shall -**

1. Cross check the CLOAs distributed against the records of CLOAs registered; and
2. Submit a report to BLAD (copy furnished the R.D.).

**C. The BLAD shall -**

1. Review the report and enter the data into the computer;
2. Generate a monthly summary report on the status and number of CLOAs issued; and
3. Distribute the summary status report to OSEC, BARBD and MIS.

**D. The MIS shall -**

1. Incorporate the summary status report on CLOA issuances with other DAR statistical reports; and
2. Distribute the report to other DAR units.

**E. The BARBD shall -**

1. Conduct quarterly field verification and validation of reports; and
2. Assess the program on the basis of the above and prepare pertinent recommendations to the Inter-Bureau/Office Review Committee on Settlements/Management Committee.

**VI. EFFECTIVITY AND REPEALING CLAUSE**

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

Quezon City, May 5, 1989

  
PHILIP ELIA JUICO  
Secretary

PUBLISHED : \_\_\_\_\_

DATE OF EFFECTIVITY : \_\_\_\_\_