

EXECUTIVE ORDER NO. 405

(June 14, 1990)

VESTING IN THE LAND BANK OF THE PHILIPPINES THE PRIMARY RESPONSIBILITY TO DETERMINE THE LAND VALUATION AND COMPENSATION FOR ALL LANDS COVERED UNDER REPUBLIC ACT NO. 6657, KNOWN AS THE COMPREHENSIVE AGRARIAN REFORM LAW OF 1988

WHEREAS, Republic Act No. 6657, Chapter VI, provides in part that:

"Sec. 17. *Determination of Just Compensation.* — In determining just compensation, the cost of acquisition of the land, the current value of like properties, its nature, actual use and income, the sworn valuation by the owner, the tax declarations and the assessment made by the government assessors shall be considered. The social and economic benefits contributed by the farmers and the farm-workers and by the Government to the property as well as the non-payment of taxes or loans secured from any government financing institution on the said land shall be considered as additional factors to determine its valuation.

Sec. 18. *Valuation and Mode of Compensation.* — The LBP shall compensate the landowner in such amount as may be agreed upon by the landowner and the DAR and the LBP, in accordance with the criteria provided for in Sections 16, and 17, and other pertinent provisions hereof, or as may be finally determined by the court, as the just compensation for the land."

WHEREAS, the Land Bank of the Philippines employs commercial banking personnel whose professional expertise includes appraisal of agricultural properties for purposes of granting loans;

WHEREAS, the implementation of the Comprehensive Agrarian Reform Program, particularly on the matter of acquisition and distribution of private agricultural lands, may be accelerated by streamlining certain administrative procedures in land valuation and compensation;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. The Land Bank of the Philippines shall be primarily responsible for the determination of the land valuation and compensation for all private lands suitable for agriculture under either the Voluntary Offer to Sell (VOS) or Compulsory Acquisition (CA) arrangement as governed by Republic Act No. 6657. The Department of Agrarian Reform shall make use of the determination of the land valuation and compensation by the Land Bank of the Philippines, in the performance of its functions.

After effecting the transfer of titles from the landowner to the Republic of the Philippines, the Land Bank of the Philippines shall inform the Department of Agrarian Reform of such fact in order that the latter may proceed with the distribution of the lands to the qualified agrarian reform beneficiaries within the time specified by law.

SECTION 2. The Department of Agrarian Reform shall continue to perform its functions under Republic Act No. 6657, particularly in the identification of the priority landholdings for coverage under the Comprehensive Agrarian Reform Program.

SECTION 3. The Land Bank of the Philippines is hereby authorized to augment its manpower resources for the purpose of implementing this Executive Order.

SECTION 4. This Executive Order shall not be construed to diminish the rights and remedies of the landowners and agrarian reform beneficiaries under Republic Act No. 6657.

SECTION 5. This Executive Order shall take effect immediately.

DONE in the City of Manila, this 14th day of June, in the year of Our Lord, nineteen hundred and ninety.