



Republic of the Philippines  
**DEPARTMENT of AGRARIAN REFORM**

**MEMORANDUM CIRCULAR**

No. 06  
Series of 2011

**TO : ALL REGIONAL DIRECTORS  
ALL PROVINCIAL AGRARIAN REFORM OFFICERS  
ALL MUNICIPAL AGRARIAN REFORM OFFICERS  
ALL CONCERNED**

**SUBJECT : CLARIFICATORY GUIDELINES ON THE  
IMPLEMENTATION OF THE LAND ACQUISITION AND  
DISTRIBUTION PHASING UNDER REPUBLIC ACT 9700**

---

Section 5 of the CARPER Law (Republic Act No. 9700)<sup>1</sup> revised the phasing schedule of land acquisition and distribution (LAD) provided under Republic Act No. 6657. This Memorandum Circular is issued to guide field implementers in the proper application of the phasing schedule under Section 5, R.A. No. 9700, amending Section 7 of R.A. No. 6657, as it applies to titled private agricultural lands, as well as untitled private agricultural lands (UPALs).

**I. STATEMENT OF POLICY**

Agrarian reform is a constitutional mandate to distribute ownership of land to landless tillers and farmers. This constitutional duty of the government subsists as long as the fundamental law of the land is in force and remains unchanged. In relation to this mandate, it is the policy of the Department of Agrarian Reform (DAR) to complete at the earliest possible time the acquisition and distribution of all remaining unacquired and undistributed agricultural lands prioritizing the large and/or aggregate landholdings on or before June 30, 2014.

**II. COVERAGE**

These rules shall apply to any and all land acquisition and distribution activities by the DAR beginning on July 1, 2009.

---

<sup>1</sup>Specific provisions of Section 5, RA 9700 are shown in Annex A.

### III. PHASING SCHEDULE

The phasing schedule of LAD under Section 7 of RA 6657, as amended, is as follows:

SCHEDULE	PHASES
Starting July 1, 2009 to June 30, 2012	<p><b>Phase 1 includes:</b></p> <ul style="list-style-type: none"> <li>• All large <b>single</b> private agricultural lands above fifty (50) hectares, with or without Notice of Coverage</li> <li>• All large <b>aggregate</b> private agricultural lands of landowners with a total area greater than 50 hectares with Notice of Coverage (NOC) as of Dec.10, 2008</li> <li>• All P.D. 27 lands (rice and corn lands), regardless of size</li> <li>• All idle or abandoned agricultural lands, regardless of size</li> <li>• All lands offered under Voluntary Offer to Sell (VOS), regardless of size</li> <li>• Lands covered by Voluntary Land Transfer (VLT) submitted as of June 30, 2009</li> <li>• Government Financial Institutions (GFI) - foreclosed lands, regardless of size</li> <li>• PCGG-acquired lands, regardless of size</li> <li>• All other government-owned alienable and disposable public agricultural lands, regardless of size</li> </ul>
	<p><b>Phase 2-A</b></p> <ul style="list-style-type: none"> <li>• All remaining large <b>single</b> private agricultural lands with an area of 24 to 50 hectares, with or without NOC</li> <li>• All large <b>aggregate</b> private agricultural lands with a total area of above 24 to 50 hectares, with NOC as of December 10, 2008</li> <li>• All alienable and disposable public agricultural lands, regardless of size</li> </ul>
Starting July 1, 2012 to June 30, 2013	<p><b>Phase 2-B</b></p> <ul style="list-style-type: none"> <li>• All remaining PALs of landowners with an <b>aggregate</b> area in excess of 24 hectares, with or without NOC;</li> <li>• All alienable and disposable public agricultural lands, regardless of size</li> </ul>
	<p><b>Phase 3-A</b></p> <ul style="list-style-type: none"> <li>• All PALs with an aggregate area of above 10 hectares up to 24 hectares, with respect to the excess above 10 hectares;</li> <li>• All alienable and disposable public agricultural lands, regardless of size</li> </ul>

Starting July 1, 2013 up to June 30, 2014	<p style="text-align: center;"><b>Phase 3-B</b></p> <ul style="list-style-type: none"> <li>• All PALs with an aggregate area from above 5 hectares up to 10 hectares, with respect to the excess above 5 hectares</li> <li>• All alienable and disposable public agricultural lands, regardless of size</li> </ul>
---	--

For purposes of this Memorandum Circular, the term “large single lands” cover those with an area of twenty-four (24) hectares or more, whether titled or untitled. On the other hand, the term “aggregate landholdings” refer to several parcels of land, whether titled or untitled, that are owned by one landowner or co-owned by the same group of landowners.

The first batch (Phase 1 and Phase 2-A) of large **single** lands, whether titled or untitled, with an area of twenty-four (24) hectares and above, with or without an NOC, shall be covered immediately upon effectivity of R.A. No. 9700 (July 1, 2009), the implementation of which should be completed by June 30, 2012. *The principal consideration in determining the phase for large single lands, whether titled or untitled, is the area or hectarage thereof, and not the issuance of NOC.* Thus a single titled or untitled land with an area of above 50 hectares shall be under Phase 1, while a single titled or untitled parcel of land with an area of 24 to 50 hectares shall be under Phase 2-A.

On the other hand, in the case of the first batch of large aggregate landholdings, where the total area thereof is greater than 24 hectares, *the issuance or non-issuance of the NOC on or before December 10, 2008 shall serve as the basis to determine under which phase they will fall.* As a general rule, in order for the aggregate landholding to be covered under a particular phase, all of the lands comprising said landholding must have been subjected to NOCs, except when one of the component single lands thereof will nevertheless qualify on its own under Phase 1 or Phase 2-A, as the case may be, in which case, said component single land shall be covered under that particular phase to the exclusion of all the other “non-qualifying” component lands of the aggregate landholding.

#### IV. SPECIAL CASES

- A. In the event a landowner has an **aggregate** landholding with a total area in excess of twenty –four (24) hectares, but where only some of the lands were subjected to NOCs, and where one of the lands has an area of above twenty-four (24) hectares, said land need not be combined with the other parcels as it can qualify on its own under Phase I or Phase 2-A depending on its size, whether with or without an NOC issued as of December 10, 2008.
- B. In cases where one or more co-owners of an aggregate landholding have not been subjected to an NOC, but the other co-owner/s have been issued such NOCs, and assuming the total area of each co-owner’s share is more than twenty-four (24) hectares, the said landholding shall likewise fall under Phase I and/or Phase 2-A, as the case maybe.

## **V. NOTICE OF COVERAGE**

As a general rule, all private and public agricultural lands are considered covered under the Comprehensive Agrarian Reform Program (CARP) starting on June 15, 1988. Hence, the issuance of an NOC is a formal notice to the landowner that the land acquisition process of his/her/its particular agricultural landholding has commenced.

Agricultural landholdings which have not yet been issued NOCs can be issued NOCs at any time, even for Phase 2-B and Phase 3-A, starting July 1, 2009.

## **VI. ISSUANCE OF NOCs**

The concerned Provincial Agrarian Reform Officer (PARO) is hereby directed to issue NOCs to owners of private agricultural lands, as well as to all claimants, if any, of all private (including UPALs) agricultural lands with an area above 5 hectares.

In the event that the title of a particular parcel of land as of June 15, 1988 covers an area above 5 hectares but was subsequently divided into several titles without the approval by the DAR, the subject parcel of land to be covered by the CARP shall be subjected to an NOC in the name of not only the owner indicated in the title as of June 15, 1988, but also of all the subsequent transferees, assignees, or substitutes thereof.

## **VII. DECLARATION OF PRIORITY LAND REFORM AREAS**

The Provincial Agrarian Reform Coordinating Council (PARCCOM) may recommend that a declaration be issued that its province is a 'priority land reform area'. Such recommendation shall be approved either by Presidential Agrarian Reform Council (PARC) or the PARC Executive Committee, conformably with PARC Executive Committee Order No. 1, Series of 2009. If a province is declared as a 'priority land reform area', the province may proceed to the next phase except for Phase 3B, which must commence only on July 1, 2013.

## **VIII. EFFECT OF FAILURE TO FINISH LAD FOR PARTICULAR PHASE**

Notwithstanding the failure to complete the acquisition and distribution (LAD) of all the lands covered or falling under a particular phase and to meet the LAD target thereof, the PARO may nevertheless continue the process and expedite the completion of all pending LAD activities for the said Phase simultaneously with those for the current and previous ones.

In cases of co-ownership of a large single parcel of land or of an aggregate landholding, where the share therein of one co-owner is less than twenty-four (24) hectares, said share shall be segregated for proper phasing, which shall be undertaken simultaneously with the conduct of the CARP subdivision and segregation survey, subject to the submission of the co-owners' Deed of Partition.

- C. Failure of an **aggregate** landholding to meet the **total area** of above twenty-four (24) hectares due to the non-issuance of NOCs to some parcels of land shall result in its being categorized as falling under Phase 2B, provided the size of any component parcel of land thereof subjected to NOCs do not already qualify said component parcel as a **large single land** under Phase I or Phase 2-A.

To illustrate, where a portion of a landowners' aggregate landholding with a total area of twenty (20) hectares was subjected to NOCs on the one hand, while the other aggregate portion thereof with a total area of forty (40) hectares on the other hand has not been subjected to an NOC, his entire aggregate landholding of sixty (60) hectares will obviously not qualify under Phase I (as not all of the component lands thereof have been subjected to NOCs), but shall fall under Phase 2-B considering that 40 hectare portion thereof without any NOC outrightly qualifies therefor. (The same conclusion may be actually be reached by first taking into account the other 20 hectare portion subjected to NOCs, as the same, taken together with the 40 hectare portion without NOCs, satisfy the criteria of Phase 2-B of "aggregate landholdings in excess of twenty-four (24) hectares").

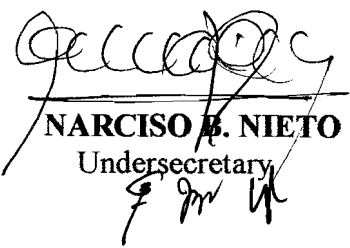
In the above example, if the aggregate landholding consists of several parcels of land with a total area of twenty (20) hectares subjected to NOCs on the one hand, and a single parcel of 40 hectares without an NOC on the other, the 20 hectare portion of said aggregate landholding will fall under Phase 3A due to their combined size, but the 40 hectare land will immediately fall under Phase 2-A.

- D. The law does not make a distinction for Phase 3-A as to whether or not a single land or an aggregate landholding has been subjected to an NOC. Hence, all remaining private agricultural lands, with or without NOCs, shall be combined or aggregated, and those totaling more than ten (10) hectares but less than twenty-four (24) hectares shall fall under this phase. The documentation of the excess of ten (10) hectares shall begin on July 1, 2012 and end on June 30, 2013.
- E. The coverage under the agrarian reform program of all alienable and disposable untitled private agricultural lands (UPALs) in excess of five (5) hectares, which are deemed private agricultural lands under the Free Patent Law, are under the jurisdiction of the DAR pursuant to Joint DENR-DAR Memorandum Circular No. 2003-01, Series of 2003, and can likewise be covered subject to the phasing schedule and priorities provided by Section 5 of R.A. No. 9700.

**IX. EFFECT OF FAILURE TO FINISH LAD BY JUNE 30, 2014**

The process of acquisition and distribution for landholdings which were issued or subjected to NOCs on or before June 30, 2014 shall continue even after the said date until said lands have been awarded to qualified farmer-beneficiaries.

Diliman, Quezon City. 15 July 2011

  
**NARCISO B. NIETO**  
Undersecretary

  
**ATTY. ANTHONY M. PARUNGAO**  
Undersecretary

## ANNEX "A"

### SECTION 5, R.A. 9700

SECTION 5. Section 7 of Republic Act No. 6657, as amended, is hereby further amended to read as follows:

"Section 7. *Priorities.* – The DAR, in coordination with the Presidential Agrarian Reform Council (PARC) shall plan and program the final acquisition and distribution of all remaining unacquired and undistributed agricultural lands from the effectivity of this Act until June 30, 2014. Lands shall be acquired and distributed as follows:

"Phase One: During the five (5)-year extension period hereafter all remaining lands above fifty (50) hectares shall be covered for purposes of agrarian reform upon the effectivity of this Act. All private agricultural lands of landowners with aggregate landholdings in excess of fifty (50) hectares which have already been subjected to a notice of coverage issued on or before December 10, 2008; rice and corn lands under Presidential Decree No. 27; all idle or abandoned lands; all private lands voluntarily offered by the owners for agrarian reform: *Provided*, that with respect to voluntary land transfer, only those submitted by June 30, 2009 shall be allowed: *Provided, further*, that after June 30, 2009, the modes of acquisition shall be limited to voluntary offer to sell and compulsory acquisition: *Provided, furthermore*, that all previously acquired lands wherein valuation is subject to challenge by landowners shall be completed and finally resolved pursuant to Section 17 of Republic Act No. 6657, as amended: *Provided, finally*, as mandated by the Constitution, Republic Act No. 6657, as amended, and Republic Act No. 3844, as amended, only tenants and regular farmworkers actually tilling the lands, as certified under oath by the Barangay Agrarian Reform Council (BARC) and attested under oath by the landowners, are the qualified beneficiaries. The intended beneficiary shall state under oath before the judge of the city or municipal court that he/she is willing to work on the land to make it productive and to assume the obligation of paying the amortization for the compensation of the land and the land taxes thereon; all lands foreclosed by government financial institutions; all lands acquired by the Presidential Commission on Good Government (PCGG); and all other lands owned by the government devoted to or suitable for agriculture, which shall be acquired and distributed immediately upon the effectivity of this Act, with the implementation to be completed by June 30, 2012;

"Phase Two: (a) Lands twenty-four (24) hectares up to fifty (50) hectares shall likewise be covered for purposes of agrarian reform upon the effectivity of this act. all alienable and disposable public agricultural lands; all arable public agricultural lands under agro-forest, pasture and agricultural leases already cultivated and planted to crops in accordance with Section 6, Article XIII of the Constitution; all public agricultural lands which are to be opened for new development and resettlement; and all private agricultural lands of landowners with aggregate landholdings above twenty-four (24) hectares up to fifty (50) hectares which have already been subjected to a notice of coverage issued on or before December 10, 2008, to implement principally the rights of farmers and regular farmworkers, who are landless, to own directly or collectively the lands they till, which shall be distributed immediately upon the effectivity of this Act, with the implementation to be completed by June 30, 2012; and

"(b) All remaining private agricultural lands of landowners with aggregate landholdings in excess of twenty-four (24) hectares, regardless as to whether these have been subjected to notices of coverage or not, with the implementation to begin on July 1, 2012 and to be completed by June 30, 2013";

"Phase Three: All other private agricultural lands commencing with large landholdings and proceeding to medium and small landholdings under the following schedule:

"(a) Lands of landowners with aggregate landholdings above ten (10) [twenty-four (24)] hectares up to twenty-four (24) [fifty (50)] hectares, insofar as the excess hectarage above ten (10) hectares is concerned, to begin on July 1, 2012 and to be completed by June 30, 2013"; and

"(b) Lands of landowners with aggregate landholdings from the retention limit up to ten (10) hectares, to begin on July 1, 2013 and to be completed by June 30, 2014; to implement principally the right of farmers and regular farmworkers who are landless, to own directly or collectively the lands they till.

"The schedule of acquisition and redistribution of all agricultural lands covered by this program shall be made in accordance with the above order of priority, which shall be provided in the implementing rules to be prepared by the PARC, taking into consideration the following: the landholdings wherein the farmers are organized and understand the meaning and obligations of farmland ownership; the distribution of lands to the tillers at the earliest practicable time; the enhancement of agricultural productivity; and the availability of funds and resources to implement and support the program: *Provided*, that the PARC shall design and conduct seminars, symposia, information campaigns, and other similar programs for farmers who are not organized or not covered by any landholdings. completion by these farmers of the aforementioned seminars, symposia, and other similar programs shall be encouraged in the implementation of this act particularly the provisions of this section.

"Land acquisition and distribution shall be completed by June 30, 2014 on a province-by-province basis. in any case, the PARC or the PARC Executive Committee (PARC Excom), upon recommendation by the Provincial Agrarian Reform Coordinating Committee (PARCCOM), may declare certain provinces [or regions] as priority land reform areas, in which case the acquisition and distribution of private agricultural lands therein under advanced phases may be implemented ahead of the above schedules on the condition that prior phases in these provinces have been completed: *provided*, that notwithstanding the above schedules, phase three (b) shall not be implemented in a particular province until at least ninety percent (90%) of the provincial balance of that particular province as of January 1, 2009 under phase one, phase two (a), phase two (b), and phase three (a), excluding lands under the jurisdiction of the Department of Environment and Natural Resources (DENR), have been successfully completed.

"The PARC shall establish guidelines to implement the above priorities and distribution scheme, including the determination of who are qualified beneficiaries: *provided*, that an owner-tiller may be a beneficiary of the land he/she does not own but is actually cultivating to the extent of the difference between the area of the land he/she owns and the award ceiling of three (3) hectares: *provided, further*, that collective ownership by the farmer beneficiaries shall be subject to section 25 of republic act no. 6657, as amended: *provided, furthermore*, that rural women shall be given the opportunity to participate in the development planning and implementation of this act: *provided, finally*, that in no case should the agrarian reform beneficiaries' sex, economic, religious, social, cultural and political attributes adversely affect the distribution of lands."