



REPUBLIC OF THE PHILIPPINES

DEPARTMENT OF AGRARIAN REFORM

Tunay na Pagbabago sa Repormang Agraryo

ADMINISTRATIVE ORDER NO. 03-A

Series of 2021

SUBJECT: AMENDMENT TO ADMINISTRATIVE ORDER NO. 03, SERIES OF 2021 ENTITLED "AMENDING CERTAIN PROVISIONS OF THE COMPREHENSIVE RULES ON LAND USE CONVERSION UNDER DAR ADMINISTRATIVE ORDER NO. 1, SERIES OF 2002 AND CERTAIN PROVISIONS ON DAR ADMINISTRATIVE ORDER NO. 1, SERIES OF 2019 AND DAR ADMINISTRATIVE ORDER NO. 6, SERIES OF 2019 TO UPDATE THE RULES TO ADAPT TO THE NEW NORMAL"

The challenges brought by the national health emergency bring to the fore the need for a whole-of-government approach in avoiding delays in the completion of projects which will ensure the delivery of the necessary services to the people. The conversion of agricultural lands is always subject to the right of tillers and food sufficiency.¹ It is also subject to the requirements for the change of use of an agricultural land to a residential, commercial, or industrial purpose.²

DAR Administrative Order No. 3, Series of 2021³ was issued to streamline the processing of applications for the conversion of agricultural lands for projects critical to the enhancement and the protection of the welfare, well-being, and way of life of the people during the pandemic and as we approach the new normal. The following provisions reiterate, amplify, and clarify certain procedural requirements in this set of rules. These rules are formulated to ensure that the exercise of the conversion authority of the DAR is responsive to the urgent needs under the health emergency as we approach the new normal.

SECTION 1

Section 11.2 of DAR A.O. No. 3, Series of 2021 is amended to read as follows:

Special projects and undertakings which are critically important shall encompass those endeavors which, due to circumstances surrounding a specific community, shall bring more benefits to the public, or which is absolutely necessary in the community, or would bring more opportunities to the residents in the community, or which would promote public use, or which, due to sudden change of events, would help boost the economy, or

¹ Section 2 of RA 9700.

² Section 65 of RA 6657, as amended, DAR A.O. No 1 Series of 2002, and DAR AO No.1 Series of 2019.

³ Amending Certain Provisions of the Comprehensive Rules on Land Use Conversion under DAR Administrative Order No. 1 Series of 2002 and Certain Provisions on DAR Administrative Order No. 1, Series of 2019 and DAR Administrative Order No. 6, Series of 2019 to Update the Rules to Adapt to the New Normal.

those which would alleviate the lacking economic needs of the community where the project is intended to be had, or which would be beneficial to the underprivileged or homeless citizens. Such endeavors also address the urgent needs of the economy under the national health emergency consisting of, but are not limited to, the following projects: agro-industrial, low cost or socialized housing, power generation or distribution, water generation, and telecommunications.

SECTION 2

Section 11.4 of DAR A.O. No. 3, Series of 2021 is amended to read as follows:

The interested landowner(s) or agrarian reform beneficiary(ies) or the duly authorized representative(s) of the said owner(s) must apply for Conversion for Special Project Undertakings which are Critically Important before the concerned Regional Director (RD) if the landholding for conversion is not more than 5 hectares. Such application for conversion for landholdings involving an area of less than 5 hectares shall be acted upon by the said RD. For an application for conversion of agricultural lands with an area of 5 hectares or more, the application must be filed before the LUCD-BALA. Such an application for conversion for landholding involving an area equal to or more than 5 hectares shall be acted upon by the Secretary or a duly authorized office or committee.

In determining total land area under application for conversion, the area of the adjacent land which has been converted for a similar purpose by previous conversion grant regardless of owner shall be considered. Thus, if the land being applied for conversion and the adjacent land shall result to a contiguous area with a similar purpose exceeding five hectares, the application shall be brought to the LUCD BALA for processing and shall be acted upon by the Secretary or the duly authorized office or committee. The same manner of determination of total area shall apply if the new conversion application is to be integrated as part of an existing project.

In any and all instances, the determination of the approving authority for the application for conversion involving special project undertakings which are critically important shall be based on the provisions of Sections 12.2, 12.3, and 2.4 of DAR A.O. No. 1, Series of 2002.

SECTION 3

Section 11.8 of DAR A.O. No. 3, Series of 2021 is amended to read as follows:

- 11.8. For the application for conversion for Special Project Undertakings which are critically important, except those involving agro-industry (agro-industrial) projects, a certification from the proponent agency or the local government unit involved in the project shall be submitted. For purposes of these rules, a

proponent agency is an office, bureau, instrumentality or department of government which has the authority to approve the project, is directly or indirectly involved in project implementation, or is a beneficiary or user of the project.

11.8.1. A conversion application for an energy project (*i.e., power generation, transmission, or distribution*) shall be certified by the Department of Energy if it is the proponent agency, or the National Electrification Administration if it is the proponent agency, or the local government unit involved in the project, or by the agency which is the proponent of the project, that it is a priority energy project based on Section 1 of these Rules;

11.8.2. A conversion application for socialized housing projects as defined under DAR A.O. No. 1, Series of 2002, which include, but is not limited to, *i.e.* those which are undertaken by government entities; or subsidized housing or housing programs of National Housing Authority (NHA), or by the Local Government Units (LGUs), or by a private entity which complies with the low-cost housing standards of the NHA as determined by the Socialized Housing Finance Corporation (SHFC); or those which are under the coverage of the National Home Mortgage Finance Corporation and such other similar projects shall be certified by the Department of Human Settlements and Urban Development (DHSUD) if it is the proponent agency, or the NHA if it is the proponent agency, or the local government unit involved in the project, or by the agency which is the proponent of the project, that it is a priority housing project based on Section 1 of these Rules;

11.8.3. A conversion application for a telecommunication site or areas⁴ shall be certified by the National Telecommunication Commission if it is the proponent agency, or the Department of Information and Communications Technology if it is the proponent agency, or the local government unit involved in the project, or by the agency which is the proponent of the project, that it is a priority telecommunication project based on Section 1 of these Rules;

⁴ Telecommunication Sites or Areas is the geographic area as certified by the NTC to be utilized for construction of cell site towers or facilities of a telecommunications entity which shall be allocated for the processing of relaying and receiving voice, data, electronic messages, written or printed matter, fixed or moving pictures, words, music or visible or audible signals or any control signals of any design and for any purpose by wire, radio or other electromagnetic, spectral, optical or technological means, as provided under Section 3(a) of R.A. No. 7925 or the Public Telecommunications Policy Act of the Philippines.

- 11.8.4. A conversion application for water-related projects⁵ in accordance with the State Policies under Section 1 of R.A. No. 6234 (MWSS Certification) or Infrastructure Flagship Projects⁶ as provided on Water Security under Administrative Order No. 32 of the Office of the President (O.P.) which was passed on 26 August 2020 and such other similar projects shall be certified by the Metropolitan Waterworks and Sewerage System if it is the proponent agency, or the Local Water Utilities Administration if it is the proponent agency, or the local government unit involved in the project, or by the agency which is the proponent of the project, that it is a priority water project based on Section 1 of these Rules;
- 11.8.5. A conversion application for resettlement or relocation sites for disaster-stricken areas for displaced informal settlers shall be certified by the National Disaster Risk Reduction and Management Council (NDRRMC) if it is the proponent agency, or the local government unit involved in the project, or by the agency which is the proponent of the project, that it is a priority resettlement or relocation project based on Section 1 of these Rules;
- 11.8.6. A conversion application for the use of agricultural lands acquired under R.A. No. 10752 (Right of Way Act of 2015) as site for national government infrastructure projects shall be certified by the proponent agency (i.e. DPWH, DOTr, NIA, etc.) or the local government unit involved in the project that it is a priority infrastructure project based on Section 1 of these Rules.
- 11.8.7. A conversion application for an agro-industry (agro-industrial) project shall no longer require any certification from the Department of Agriculture or any agency. It is sufficient that the local government unit, if any, which is involved in the project shall certify that it is a priority project based on Section 1 of these Rules. In the absence of any participating local government unit, the DAR shall evaluate the merits of the application and make the determination.

⁵ Water-Related Projects are those which are to be undertaken in agricultural lands which is intended to insure an uninterrupted and adequate supply and distribution of potable water for domestic and other purposes and the proper operation and maintenance of sewerage systems as provided under Section 1 of R.A. No. 6234.

⁶ Infrastructure Flagship Projects on Water Security refer to the identified water-resource projects in the list of infrastructure flagship projects approved by the National Economic and Development Authority (NEDA) as of 17 February 2020, and shall cover other similar projects that will be approved and identified as such by the National Government pursuant to relevant laws, rules and regulations. (Section 1 of O.P. A.O. No. 26, Series of 2020).

SECTION 4

Section 12.0 of DAR A.O. No. 3, Series of 2021 is amended to read as follows:

Agro-industry or Agro-industrial Undertakings Treated as Critically Important projects in Conversion Applications.

- 12.1 Agro-Industry (or Agro-Industrial) Undertaking is a generic term applied to the industrial processing of raw materials and intermediate products derived from the agricultural sector (defined broadly to include forestry, fishing, crop, and animal husbandry);⁷ It also includes the processing and packaging of food using modern equipment and methods;⁸ relating to both industrial and agricultural purposes.⁹ These activities include but are not limited to the following:
- 12.1.1 Commercial processing of agricultural crops (such as but not limited to coconut, jathropha, sugarcane, cassava, corn, palay, and sweet sorghum).
 - 12.1.2 Growing/Processing/Manufacturing of agricultural animal, and marine products (livestock, piggery and poultry, dairy, fruits and vegetables, aqua-culture products).
 - 12.1.3 Integrated livestock, poultry and related projects involving primary production up to processing of final product¹⁰.
 - 12.1.4 Processing of agricultural inputs such as feeds, veterinary drugs and vaccines, fertilizers, and agri-chemicals.
 - 12.1.5 Processing of agricultural waste materials into commercially valuable products.
 - 12.1.6 Production and packaging of foods such as meat, milk, eggs, fish, aquaculture products and other similar items.
 - 12.1.7 Production or processing of raw materials for agro-industry or agro-industrial projects.
- 12.2. The same procedural rules and requirements as provided in Section 11 of DAR No. A.O. 3, Series of 2021 shall also apply in applications for Land Use Conversion for agro-industry or agro-industrial projects under this Section.

⁷ Agro-Industrial Policy Reviews: Methodological Guidelines, by Keith Marsden, Maurizio Garzia (Food and Agriculture Organization of the United Nations), p. 7, (1998).

⁸ <https://www.dictionary.com/browse/agro-industry>.

⁹ <https://www.merriam-webster.com/dictionary/agro-industrial>.

¹⁰ Based from the definition of Agro-industrial activities in the Philippine Economic Zone Authority RESOLUTION NO. 07-232.

- 12.3. Any and all applications for conversion for agro-industry or agro-industrial undertakings will only be approved if it is determined by the DAR within 30 days that it is a priority project necessary for the increase in yield and income of the farmers which include agrarian reform beneficiaries (ARBs), Agrarian Reform (AR) communities, ARB organizations, and AR cooperatives. It is indispensable that the applicant shall prove that it has the necessary financial, logistical, technological, organizational, and other resources to complete the agro-industry or agro-industrial project within the total area covered in the application within a period of five (5) years.
- 12.4. The receiving office and the office which shall act on the application for conversion for agro-industry or agro-industrial undertakings is based on the provisions of Section 2 of these rules.

Section 5. Repealing Clause

The provisions of DAR A.O. No. 3, Series of 2021 as well as those other issuances or portions thereof that are inconsistent herewith are hereby amended.

Section 6. Separability Clause


Any judicial pronouncement declaring as unconstitutional any provision of these Rules shall have no effect on the validity of the other provisions.

Section 7. Effectivity Clause

This Administrative Order shall take effect ten (10) days after its publication in two (2) newspapers of general circulation.

SEP 01 2021

Diliman, Quezon City.


Atty. JOHN R. CASTRICIONES
Secretary

Department of Agrarian Reform

Office of the Secretary



A21-0901-2000009

COVID19-OSEC-ISU

Handwritten blue ink stamp: 2021053121

Published in two (2) National
Newspapers of General Circulation:

1. Daily Tribune
2. The Manila Times

Date of Publication: December 6, 2021



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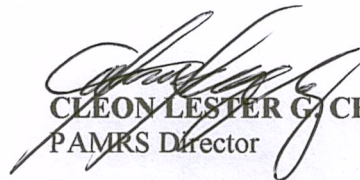
DEPARTMENT OF AGRARIAN REFORM

Tunay na Pagbabago sa Repormang Agraryo

CERTIFICATION

This is to certify that Administrative Order No. 03-A, Series of 2021 entitled **“AMENDING CERTAIN PROVISIONS OF THE COMPREHENSIVE RULES ON LAND USE CONVERSION UNDER DAR ADMINISTRATIVE ORDER NO. 1, SERIES OF 2002 AND CERTAIN PROVISIONS ON DAR ADMINISTRATIVE ORDER NO. 1, SERIES OF 2019 AND DAR ADMINISTRATIVE ORDER NO. 6, SERIES OF 2019 TO UPDATE THE RULES TO ADAPT TO THE NEW NORMAL”** was published today, 06 December 2021, in the Manila Times and Daily Tribune newspapers.

Issued this 6th day of December 2021 for whatever purpose it may serve.


CLEON LESTER G. CHAVEZ
PAMRS Director

REPUBLIC OF THE PHILIPPINES
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The challenges brought by the national health emergency bring to the fore the need for a whole-of-government approach in avoiding delays in the completion of projects which will ensure the delivery of the necessary services to the people. The conversion of agricultural lands is always subject to the right of tillers and food sufficiency.¹ It is also subject to the requirements for the change of use of an agricultural land to a residential, commercial, or industrial purpose.²

DAR Administrative Order No. 3, Series of 2021³ was issued to streamline the processing of applications for the conversion of agricultural lands for projects critical to the enhancement and the protection of the welfare, well-being, and way of life of the people during the pandemic and as we approach the new normal. The following provisions reiterate, amplify, and clarify certain procedural requirements in this set of rules. These rules are formulated to ensure that the exercise of the conversion authority of the DAR is responsive to the urgent needs under the health emergency as we approach the new normal.

SECTION 1

Section 11.2 of DAR A.O. No. 3, Series of 2021 is amended to read as follows:

Special projects and undertakings which are critically important shall encompass those endeavors which, due to circumstances surrounding a specific community, shall bring more benefits to the public, or which is absolutely necessary in the community, or would bring more opportunities to the residents in the community, or which would promote public use, or which, due to sudden change of events, would help boost the economy, or those which would alleviate the lacking economic needs of the community where the project is intended to be had, or which would be beneficial to the underprivileged or homeless citizens. Such endeavors also address the urgent needs of the economy under the national health emergency consisting of, but are not limited to, the following projects: agro-industrial, low cost or socialized housing, power generation or distribution, water generation, and telecommunications.

SECTION 2

Section 11.4 of DAR A.O. No. 3, Series of 2021 is amended to read as follows:

The interested landowner(s) or agrarian reform beneficiary(ies) or the duly authorized representative(s) of the said owner(s) must apply for Conversion for Special Project Undertakings which are Critically Important before the concerned Regional Director (RD) if the landholding for conversion is not more than 5 hectares. Such application for conversion for landholdings involving an area of less than 5 hectares shall be acted upon by the said RD. For an application for conversion of agricultural lands with an area of 5 hectares or more, the application must be filed before the LUCD-BALA. Such an application for conversion for landholding involving an area equal to or more than 5 hectares shall be acted upon by the Secretary or a duly authorized office or committee.

In determining total land area under application for conversion, the area of the adjacent land which has been converted for a similar purpose by previous conversion grant regardless of owner shall be considered. Thus, if the land being applied for conversion and the adjacent land shall result to a contiguous area with a similar purpose exceeding five hectares, the application shall be brought to the LUCD BALA for processing and shall be acted upon by the Secretary or the duly authorized office or committee. The same manner of determination of total area shall apply if the new conversion application is to be integrated as part of an existing project.

In any and all instances, the determination of the approving authority for the application for conversion involving special project undertakings which are critically important shall be based on the provisions of Sections 12.2, 12.3, and 2.4 of DAR A.O. No. 1, Series of 2002.

SECTION 3

Section 11.8 of DAR A.O. No. 3, Series of 2021 is amended to read as follows:

11.8. For the application for conversion for Special Project Undertakings which are critically important, except those involving agro-industry (agro-industrial) projects, a certification from the proponent agency or the local government unit involved in the project shall be submitted. For purposes of these rules, a proponent agency is an office, bureau, instrumentality or department of government which has the authority to approve the project, is directly or indirectly involved in project implementation, or is a beneficiary or user of the project.

11.8.1. A conversion application for an energy project (*i.e.*, power generation, transmission, or distribution) shall be certified by the Department of Energy if it is the proponent agency, or the National Electrification Administration if it is the proponent agency, or the local government unit involved in the project, or by the agency which is the proponent of the project, that it is a priority energy project based on Section 1 of these Rules;

11.8.2. A conversion application for socialized housing projects as defined under DAR A.O. No. 1, Series of 2002, which include, but is not limited to, *i.e.* those which are undertaken by government entities; or subsidized housing or housing programs of National Housing Authority (NHA), or by the Local Government Units (LGUs), or by a private entity which complies with the low-cost housing standards of the NHA as determined by the Socialized Housing Finance Corporation (SHFC); or those which are under the coverage of the National Home Mortgage Finance Corporation and such other similar projects shall be certified by the Department of Human Settlements and Urban Development (DHSUD) if it is the proponent agency, or the NHA if it is the proponent agency, or the local government unit involved in the project, or by the agency which is the proponent of the project, that it is a priority housing project based on Section 1 of these Rules;

11.8.3. A conversion application for a telecommunication site or areas⁴ shall be certified by the National Telecommunication Commission if it is the proponent agency, or the Department of Information and Communications Technology if it is the proponent agency, or the local government unit involved in the project, or by the agency which is the proponent of the project, that it is a priority telecommunication project based on Section 1 of these Rules;

11.8.4. A conversion application for water-related projects⁵ in accordance with the State Policies under Section 1 of R.A. No. 6234 (MWSS Certification) or Infrastructure Flagship Projects⁶ as provided on Water Security under Administrative Order No. 32 of the Office of the President (O.P.) which was passed on 26 August 2020 and such other similar projects shall be certified by the Metropolitan Waterworks and Sewerage System if it is the proponent agency, or the Local Water Utilities Administration if it is the proponent agency, or the local government unit involved in

the project, or by the agency which is the proponent of the project, that it is a priority water project based on Section 1 of these Rules;

11.8.5. A conversion application for resettlement or relocation sites for disaster-stricken areas for displaced informal settlers shall be certified by the National Disaster Risk Reduction and Management Council (NDRRMC) if it is the proponent agency, or the local government unit involved in the project, or by the agency which is the proponent of the project, that it is a priority resettlement or relocation project based on Section 1 of these Rules;

11.8.6. A conversion application for the use of agricultural lands acquired under R.A. No. 10752 (Right of Way Act of 2015) as site for national government infrastructure projects shall be certified by the proponent agency (*i.e.* DPWH, DOTR, NIA, etc.) or the local government unit involved in the project that it is a priority infrastructure project based on Section 1 of these Rules.

11.8.7. A conversion application for an agro-industry (agro-industrial) project shall no longer require any certification from the Department of Agriculture or any agency. It is sufficient that the local government unit, if any, which is involved in the project shall certify that it is a priority project based on Section 1 of these Rules. In the absence of any participating local government unit, the DAR shall evaluate the merits of the application and make the determination.

SECTION 4

Section 12.0 of DAR A.O. No. 3, Series of 2021 is amended to read as follows:

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- 12.1 Agro-Industry (or Agro-Industrial) Undertaking is a generic term applied to the industrial processing of raw materials and intermediate products derived from the agricultural sector (defined broadly to include forestry, fishing, crop, and animal husbandry);⁷ It also includes the processing and packaging of food using modern equipment and methods;⁸ relating to both industrial and agricultural purposes.⁹ These activities include but are not limited to the following:
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 - 12.1.2 Growing/Processing/Manufacturing of agricultural animal, and marine products (livestock, piggery and poultry, dairy, fruits and vegetables, aqua-culture products).
 - 12.1.3 Integrated livestock, poultry and related projects involving primary production up to processing of final product¹⁰.
 - 12.1.4 Processing of agricultural inputs such as feeds, veterinary drugs and vaccines, fertilizers, and agri-chemicals.
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 - 12.1.7 Production or processing of raw materials for agro-industry or agro-industrial projects.
- 12.2. The same procedural rules and requirements as provided in Section 11 of DAR No. A.O. 3, Series of 2021 shall also apply in applications for Land Use Conversion for agro-industry or agro-industrial projects under this Section.
- 12.3. Any and all applications for conversion for agro-industry or agro-industrial undertakings will only be approved if it is determined by the DAR within 30 days that it is a priority project necessary for the increase in yield and income of the farmers which include agrarian reform beneficiaries (ARBs), Agrarian Reform (AR) communities, ARB organizations, and AR cooperatives. It is indispensable that the applicant shall prove that it has the necessary financial, logistical, technological, organizational, and other resources to complete the agro-industry or agro-industrial project within the total area covered in the application within a period of five (5) years.
- 12.4. The receiving office and the office which shall act on the application for conversion for agro-industry or agro-industrial undertakings is based on the provisions of Section 2 of these rules.

Section 5. Repealing Clause

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Department of Agrarian Reform

Office of the Secretary



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² Section 2 of RA 9700.

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Section 11.8 of DAR A.O. No. 3, Series of 2021 is amended to read as follows:

11.8. For the application for conversion for Special Project Undertakings which are critically important, except those involving agro-industry (agro-industrial) projects, a certification from the proponent agency or the local government unit involved in the project shall be submitted. For purposes of these rules, a proponent agency is an office, bureau, instrumentality or department of government which has the authority to approve the project, is directly or indirectly involved in project implementation, or is a beneficiary or user of the project.

11.8.1. A conversion application for an energy project (i.e., power generation, transmission, or distribution) shall be certified by the Department of Energy if it is the proponent agency, or the National Electrification Administration if it is the proponent agency, or the local government unit involved in the project, or by the agency which is the proponent of the project, that it is a priority energy project based on Section 1 of these Rules;

11.8.2. A conversion application for socialized housing projects as defined under DAR A.O. No. 1, Series of 2002, which include, but is not limited to, i.e. those which are undertaken by government entities; or subsidized housing or housing programs of National Housing Authority (NHA), or by the Local Government Units (LGUs), or by a private entity which complies with the low-cost housing standards of the NHA as determined by the Socialized Housing Finance Corporation (SHFC); or those which are under the coverage of the National Home Mortgage Finance Corporation and such other similar projects shall be certified by the Department of Human Settlements and Urban Development (DHSUD) if it is the proponent agency, or the NHA if it is the proponent agency, or the local government unit involved in the project, or by the agency which is the proponent of the project, that it is a priority housing project based on Section 1 of these Rules;

¹ Section 2 of RA 9700.

² Section 85 of RA 6657, as amended, DAR A.O. No. 1 Series of 2002, and DAR AO No. 1 Series of 2019.

³ Amending Certain Provisions of the Comprehensive Rules on Land Use Conversion under DAR Administrative Order No. 1 Series of 2002 and Certain Provisions on DAR Administrative Order No. 1, Series of 2019 and DAR Administrative Order No. 6, Series of 2019 to Update the Rules to Adapt to the New Normal.

11.8.3. A conversion application for a telecommunication site or areas⁴ shall be certified by the National Telecommunication Commission if it is the proponent agency, or the Department of Information and Communications Technology if it is the proponent agency, or the local government unit involved in the project, or by the agency which is the proponent of the project, that it is a priority telecommunication project based on Section 1 of these Rules;

11.8.4. A conversion application for water-related projects⁵ in accordance with the State Policies under Section 1 of R.A. No. 6234 (MWSS Certification) or Infrastructure Flagship Projects⁶ as provided on Water Security under Administrative Order No. 32 of the Office of the President (O.P.) which was passed on 26 August 2020 and such other similar projects shall be certified by the Metropolitan Waterworks and Sewerage System if it is the proponent agency, or the Local Water Utilities Administration if it is the proponent agency, or the local government unit involved in the project, or by the agency which is the proponent of the project, that it is a priority water project based on Section 1 of these Rules;

11.8.5. A conversion application for resettlement or relocation sites for disaster-stricken areas for displaced informal settlers shall be certified by the National Disaster Risk Reduction and Management Council (NDRRMC) if it is the proponent agency, or the local government unit involved in the project, or by the agency which is the proponent of the project, that it is a priority resettlement or relocation project based on Section 1 of these Rules;

11.8.6. A conversion application for the use of agricultural lands acquired under R.A. No. 10752 (Right of Way Act of 2015) as site for national government infrastructure projects shall be certified by the proponent agency (i.e. DPWH, DOTr, NIA, etc.) or the local government unit involved in the project that it is a priority infrastructure project based on Section 1 of these Rules.

11.8.7. A conversion application for an agro-industry (agro-industrial) project shall no longer require any certification from the Department of Agriculture or any agency. It is sufficient that the local government unit, if any, which is involved in the project shall certify that it is a priority project based on Section 1 of these Rules. In the absence of any participating local government unit, the DAR shall evaluate the merits of the application and make the determination.

SECTION 4

Section 12.0 of DAR A.O. No. 3, Series of 2021 is amended to read as follows:

Agro-industry or Agro-industrial Undertakings Treated as Critically Important projects in Conversion Applications.

- 12.1 Agro-Industry (or Agro-Industrial) Undertaking is a generic term applied to the industrial processing of raw materials and intermediate products derived from the agricultural sector (defined broadly to include forestry, fishing, crop, and animal husbandry);⁷ It also includes the processing and packaging of food using modern equipment and methods;⁸ relating to both industrial and agricultural purposes.⁹ These activities include but are not limited to the following:
 - 12.1.1 Commercial processing of agricultural crops (such as but not limited to coconut, jathropha, sugarcane, cassava, corn, palay, and sweet sorghum).
 - 12.1.2 Growing/Processing/Manufacturing of agricultural animal, and marine products (livestock, piggery and poultry, dairy, fruits and vegetables, aqua-culture products).
 - 12.1.3 Integrated livestock, poultry and related projects involving primary production up to processing of final product¹⁰.
 - 12.1.4 Processing of agricultural inputs such as feeds, veterinary drugs and vaccines, fertilizers, and agri-chemicals.
 - 12.1.5 Processing of agricultural waste materials into commercially valuable products.
 - 12.1.6 Production and packaging of foods such as meat, milk, eggs, fish, aquaculture products and other similar items.
 - 12.1.7 Production or processing of raw materials for agro-industry or agro-industrial projects.
- 12.2 The same procedural rules and requirements as provided in Section 11 of DAR No. A.O. 3, Series of 2021 shall also apply in applications for Land Use Conversion for agro-industry or agro-industrial projects under this Section.
- 12.3 Any and all applications for conversion for agro-industry or agro-industrial undertakings will only be approved if it is determined by the DAR within 30 days that it is a priority project necessary for the increase in yield and income of the farmers which include agrarian reform beneficiaries (ARBs), Agrarian Reform (AR) communities, ARB organizations, and AR cooperatives. It is indispensable that the applicant shall prove that it has the necessary financial, logistical, technological, organizational, and other resources to complete the agro-industry or agro-industrial project within the total area covered in the application within a period of five (5) years.
- 12.4 The receiving office and the office which shall act on the application for conversion for agro-industry or agro-industrial undertakings is based on the provisions of Section 2 of these rules.

Section 5. Repealing Clause

The provisions of DARA.O. No. 3, Series of 2021 as well as those other issuances or portions thereof that are inconsistent herewith are hereby amended.


Section 6. Separability Clause

Any judicial pronouncement declaring as unconstitutional any provision of these Rules shall have no effect on the validity of the other provisions.

Section 7. Effectivity Clause

This Administrative Order shall take effect ten (10) days after its publication in two (2) newspapers of general circulation.

September 1, 2021, Diliman, Quezon City.


ATTY. JOHN R. CASTRACIONES
Secretary

Department of Agrarian Reform

Office of the Secretary



ACT 1091 20210909

COVID19-05EC-1517

⁴ Telecommunication Sites or Areas is the geographic area as certified by the NTC to be utilized for construction of cell site towers or facilities of a telecommunications entity which shall be allocated for the processing of relaying and receiving voice, data, electronic messages, written or printed matter, fixed or moving pictures, words, music or visible or audible signals or any control signals of any design and for any purpose by wire, radio or other electromagnetic, spectral, optical or technological means, as provided under Section 3(a) of R.A. No. 7925 or the Public Telecommunications Policy Act of the Philippines.

⁵ Water-Related Projects are those which are to be undertaken in agricultural lands which is intended to insure an uninterrupted and adequate supply and distribution of potable water for domestic and other purposes and the proper operation and maintenance of sewerage systems as provided under Section 1 of R.A. No. 6234.

⁶ Infrastructure Flagship Projects on Water Security refer to the identified water-resource projects in the list of infrastructure flagship projects approved by the National Economic and Development Authority (NEDA) as of 17 February 2020, and shall cover other similar projects that will be approved and identified as such by the National Government pursuant to relevant laws, rules and regulations. (Section 1 of O.P.A.O. No. 26, Series of 2020).

⁷ Agro-Industrial Policy Reviews: Methodological Guidelines, by Keith Marsden, Maurizio Garzia (Food and Agriculture Organization of the United Nations), p. 7, (1998).

⁸ <https://www.dictionary.com/browse/agro-industry>.

⁹ <https://www.merriam-webster.com/dictionary/agro-industrial>.

¹⁰ Based from the definition of Agro-industrial activities in the Philippine Economic Zone Authority RESOLUTION NO. 07-232.