



REPUBLIC OF THE PHILIPPINES

# DEPARTMENT OF AGRARIAN REFORM

Tunay na Pagbabago sa Repormang Agraryo



## MEMORANDUM CIRCULAR NO. 02 SERIES OF 2024

To: **The CHAIRPERSON of the Land Use Cases Committee (LUCC)**  
**All MEMBERS of the LUCC**  
**All REGIONAL DIRECTORS**  
**All MEMBERS of the Regional Land Use Cases Committee (RLUCC)**  
**All Others Concerned**

Subject: **Centralizing the Processing of Applications for Conversion or Exemption/Exclusion Involving Lands Covered Under the Pambansang Pabahay Para sa Pilipino (4PH) Program**

### *Prefatory Statement*

On July 17, 2023, Executive Order (E.O.) No. 34, series of 2023,<sup>1</sup> was signed by His Excellency, President Ferdinand “Bongbong” Romualdez Marcos Jr., declaring the *Pambansang Pabahay Para sa Pilipino*, or the “4PH” Program, as a *flagship* program of the government aimed at addressing the need for decent housing in the country, which was estimated to have accumulated to 6.8 million according to the Philippine Development Plan 2023-2028. In 2026, the 4PH Program shall have constructed a total of six million housing units.

The Department of Human Settlements and Urban Development (DHSUD), as the lead national government agency to spearhead the implementation of the 4PH Program,<sup>2</sup> is enjoined to identify national and local government lands that are suitable for housing and human settlements, including new townships and estates development, and undertake the required activities to develop the same.<sup>3</sup> This identification process may include agricultural lands under the management of the Department of Agrarian Reform (DAR), which is the primary government agency responsible for the implementation of the Comprehensive Agrarian Reform Program (CARP) under Republic Act (R.A.) No. 6657,<sup>4</sup> as amended.<sup>5</sup>

<sup>1</sup> Declaring the *Pambansang Pabahay Para Sa Pilipino Program* as a Flagship Program of the Government, and Directing all National Government Agencies and Instrumentalities, including Government-Owned or Controlled Corporations, and Local Government Units, to Submit a Detailed Inventory of All Available and Suitable Lands for the Implementation of the Program, Executive Order (E.O.) No. 34, s. 2023 (July 17, 2023).

<sup>2</sup> *Id.*, §1.

<sup>3</sup> *Id.*, §2.

<sup>4</sup> An Act Instituting a Comprehensive Agrarian Reform Program to promote Social Justice and Industrialization, providing the mechanism for its implementation, and for other purposes [COMPREHENSIVE AGRARIAN REFORM LAW], Republic Act (RA) No. 6657 (June 10, 1988) (amended).

<sup>5</sup> An Act Strengthening the Comprehensive Agrarian Reform Program (CARP), extending the acquisition and distribution of all agricultural lands, instituting necessary reforms, amending for the purpose certain provisions of Republic Act No. 6657, Otherwise Known as the Comprehensive Agrarian Reform Law of 1988, as amended, and appropriating funds therefor, Republic Act No. 9700 (August 7, 2009) (amended).



Conversion of agricultural lands to non-agricultural uses, such as for residential, commercial, or industrial purposes, is strictly regulated by the State to ensure food security,<sup>6</sup> among others, and the exclusive authority to process applications for Land Use Conversion has been vested with the DAR.<sup>7</sup> Section 3, Article II, of DAR Administrative Order (A.O.) No. 1, Series of 2002,<sup>8</sup> as amended by DAR A.O. No. 3, Series of 2021<sup>9</sup> and DAR A.O. No. 3-A, Series of 2021,<sup>10</sup> includes the development of lands which are undertaken for purposes of *Special Project Undertakings which are Critically Important* in the scope and coverage of land use conversion of agricultural lands to non-agricultural uses or to another agricultural use.<sup>11</sup>

*Special Project Undertakings which are Critically Important* 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 those which would alleviate the lacking needs of the community where the project is intended to be had.<sup>12</sup> These include *socialized housing projects* undertaken by government agencies, among others.<sup>13</sup>

In compliance with R.A. No. 11032,<sup>14</sup> the processing time for regular applications for Land Use Conversion of agricultural lands is presently estimated under the 2022 DAR Citizen's Charter, thus:

- a. For lands above five (5) hectares – 50 days, 3 hours, and 35 minutes
- b. For lands five (5) hectares and below – 19 days, 5 hours, and 27 minutes<sup>15</sup>

Nonetheless, to further streamline the processing of all applications for land use conversion, the DAR Land Use Cases Committee (LUCC) is enjoined to process and resolve all applications for land use conversion within a period of thirty (30) days from the date of submission for resolution.<sup>16</sup>

<sup>6</sup> COMPREHENSIVE AGRARIAN REFORM LAW (1988) (amended) §2.

<sup>7</sup> *Id.*, §65.

<sup>8</sup> Department of Agrarian Reform (DAR), The 2002 Comprehensive Rules on Land Use Conversion, DAR A.O. No. 1, Series of 2002 (February 28, 2002) (amended).

<sup>9</sup> DAR, 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 (DAR A.O. No. 3, Series of 2021) (May 17, 2021) (amended).

<sup>10</sup> DAR, 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. 6, Series of 2019 to Update the Rules to Adapt to the New Normal, DAR A.O. No. 03-A, Series of 2021, (September 1, 2021).

<sup>11</sup> 2002 COMPREHENSIVE RULES ON LAND USE CONVERSION (2002) (amended) sub-§3.5.

<sup>12</sup> DAR A.O. No. 1, Series of 2002 (amended) Sub-§ 11.2.

<sup>13</sup> DAR A.O. 3, s. of 2021 (amended) Sub-§ 11.8.3.

<sup>14</sup> An Act Promoting Ease Of Doing Business And Efficient Delivery Of Government Services, Amending For The Purpose Republic Act No. 9485, Otherwise Known As The Anti-Red Tape Act Of 2007, And For Other Purposes [EASE OF DOING BUSINESS AND EFFICIENT GOVERNMENT SERVICE DELIVERY ACT] R.A. No. 11032 (May 28, 2018).

<sup>15</sup> DAR Citizen's Charter (1<sup>st</sup> Ed.) available at <https://media.dar.gov.ph/source/2022/10/01/2022-dar-citizen-s-charter.pdf> (last accessed on January 15, 2024 at 11:04 am).

<sup>16</sup> DAR, Streamlining the Processing of Applications for Land Use Conversion under DAR Administrative Order No. 1, Series of 2002, DAR A.O. No. 1, s. 2019 (January 14, 2019) (amended) §14.



Hence, in view of the directive for all concerned National Government Agencies and instrumentalities, including Government Owned and Controlled Corporations (GOCCs) and partner Local Government Units (LGUs) to provide the necessary assistance and support to the DHSUD in its implementation of the 4PH Program,<sup>17</sup> and pursuant to Section 6<sup>18</sup> Executive Order No. 292, Series of 1987,<sup>19</sup> which gives the DAR Secretary the authority and responsibility to exercise the mandate of the Department and discharge its powers and functions, as well as Section 49<sup>20</sup> of R.A. No. 6657, as amended, which gives the DAR Secretary the authority to promulgate rules and regulations to carry out the objects and purposes of the CARP, the DAR hereby prescribes, promulgates, and adopts the following guidelines:

**Section 1. Coverage.** This Memorandum Circular shall embrace all Applications for Land Use Conversion of agricultural lands identified as covered under the 4PH Program of the DHSUD under E.O. 34, s. 2023.<sup>21</sup> Lands previously reclassified and/or converted by government agencies, other than the DAR, including GOCCs and LGUs, to non-agricultural uses prior to the effectivity of R.A. No. 6657 on June 15, 1988 need not undergo the process of conversion.<sup>22</sup> For this purpose, an exemption clearance from the DAR shall be necessary to confirm or declare the exempt status of the land<sup>23</sup> pursuant to DAR A.O. No. 4, series of 2003.<sup>24</sup>

**Section 2. Declaration of Policy.** It is hereby declared the policy of the DAR that every Application for Land Use Conversion and Exemption/Exclusion that is sufficient in form and substance involving agricultural lands identified as covered under the 4PH Program shall be processed and disposed of within a period of thirty (30) days from the date of its submission for resolution,<sup>25</sup> in strict compliance with R.A. No. 11032.<sup>26</sup>

**Section 3. 4PH Program Certification.** A certification by the DHSUD classifying the project as “4PH Program” shall accord to it utmost priority by the DAR in processing the same for land use conversion or exemption/exclusion, strictly within a period of thirty (30) days from the date of its submission for resolution. For this purpose, the DAR shall accept and process only complete applications involving lands certified as

<sup>17</sup> Executive Order (E.O.) No. 34 (2023) §6.

<sup>18</sup> Section 6 [Chapter 2, Book IV, of Executive Order (E.O.) No. 292]. Authority and Responsibility of the Secretary. —The authority and responsibility for the exercise of the mandate of the Department and for the discharge of its powers and functions shall be vested in the Secretary, who shall have supervision and control of the Department.

<sup>19</sup> Instituting the Administrative Code of 1987, E.O. No. 292, s. 1987 (July 25, 1987).

<sup>20</sup> Sec. 49 [of R.A. No. 6657]. Rules and Regulations. – The PARC and the DAR shall have the power to issue rules and regulations, whether substantive or procedural, to carry out the objects and purposes of this Act.xxx.

<sup>21</sup> Executive Order (E.O.) No. 34 (2023).

<sup>22</sup> *Natalia Realty Inc. v. DAR*, G.R. No. 103302 (August 12, 1993) [Per *Bellosillo, J., En Banc*].

<sup>23</sup> *Farmer-Beneficiaries belonging to the Samahang Magbubukid ng Bagumbong Jaljala, Rizal v. Heirs of Maronilla*, G.R. No. 229983 (July 29, 2019) [Per *Perlas-Bernabe, J., Second Div.*].

<sup>24</sup> DAR, 2003 Rules on Exemption of Lands from CARP Coverage under Sec. 3(c) of Republic Act No. 6657 and the Department of Justice (DOJ) Opinion No. 44, Series of 1990, DAR A.O. No. 4, s. 2003 (January 16, 2003).

<sup>25</sup> DAR A.O. No. 1, s. 2019 (2019) (amended) §14.

<sup>26</sup> EASE OF DOING BUSINESS AND EFFICIENT GOVERNMENT SERVICE DELIVERY ACT (2018).

“4PH Program” without requiring the submission of any housing-related certification, clearance or permit from another agency.<sup>27</sup>

**Section 4. Implementation.** The provisions of DAR A.O. No. 1, Series of 2002,<sup>28</sup> as amended by DAR A.O. No. 3, Series of 2021<sup>29</sup> and DAR A.O. No. 3-A, Series of 2021,<sup>30</sup> on the processing of applications for land use conversion involving *Special Project Undertakings which are Critically Important*, which are not inconsistent herewith, shall apply.

**Section 5. Centralization of Processing of Applications for Conversion and Exemption/Exclusion involving 4PH Program Certified Lands.** All applications for land use conversion or exemption/exclusion of lands, regardless of area, which are certified as falling under the 4PH Program by the DHSUD, shall be filed with and processed by the LUCC in the DAR Central Office. The LUCC shall strictly not accept incomplete applications for land use conversion or exemption/exclusion.

**Section 6. Transitory.** This Memorandum Circular shall govern all applications for conversion or exemption/exclusion of lands certified as falling under the 4PH Program by the DHSUD filed on or after the effectivity of this Memorandum Circular. Except for applications already submitted for resolution, the concerned DAR Regional Director, upon receipt of the 4PH Program Certification from the DHSUD, shall transmit the subject application, which is pending with the Regional Land Use Cases Committee, to the LUCC of the DAR Central Office, copy furnished the Undersecretary for Legal Affairs Office (LAO).

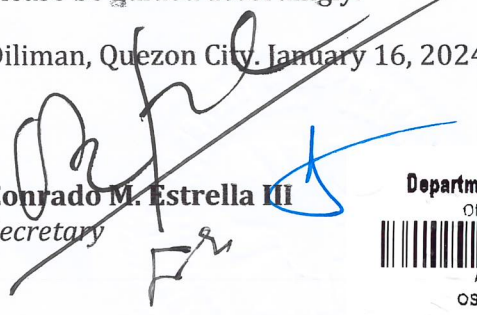
**Section 7. Repeal.** Any circular and/or parts thereof contrary or inconsistent herewith is hereby repealed, modified, or amended accordingly.

**Section 8. Separability.** In the event any of the provisions of this Memorandum Circular is declared void or unenforceable by final judgment of a court of competent jurisdiction, the other provisions unaffected thereby shall remain in full force and effect.

**Section 9. Effectivity.** This Memorandum Circular shall take effect immediately.

Please be guided accordingly.

Diliman, Quezon City, January 16, 2024.

  
**Conrado M. Estrella III**  
Secretary



<sup>27</sup> Prescribing Time Periods for Issuance of Housing-Related Certifications, Clearance and Permits and Imposing Sanctions for Failure to Observe the Same, E.O. No. 45, s. 2001 (October 24, 2001) §2.

<sup>28</sup> The 2002 Comprehensive Rules on Land Use Conversion (2002) (amended).

<sup>29</sup> DAR A.O. No. 3, Series of 2021 (May 17, 2021) (amended).

<sup>30</sup> DAR A.O. No. 03-A, Series of 2021 (September 1, 2021).