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LEGISLATIVE LIBRARY SERVICES
 SENATE OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 0
Series of 1993

SUBJECT: AN ORDER AMENDING CERTAIN PROVISIONS OF ADMINISTRATIVE ORDER NO. 9, SERIES OF 1990, ENTITLED "REVISED RULES AND PROCEDURES GOVERNING THE ACQUISITION OF AGRICULTURAL LANDS SUBJECT OF VOLUNTARY OFFER TO SELL AND COMPULSORY ACQUISITION PURSUANT TO RA 6657"

I. PREFATORY STATEMENT

For a more effective and expeditious documentation and processing of claims of landowners whose properties are covered under the Comprehensive Agrarian Reform Program (CARP) pursuant to Republic Act No. 6657, these rules are hereby prescribed.

II. COVERAGE

These rules shall cover Voluntary Offer to Sell (VOS) and Compulsory Acquisition (CA) transactions involving lands enumerated under Section 7 of RA 6657, and those acquired under Executive Order No. 407 dated June 14, 1990, as amended.

A. Voluntary Offer to Sell (VOS)

- All private agricultural lands voluntarily offered by landowners for sale to the government.

B. Compulsory Acquisition (CA)

- All idle and/or abandoned agricultural lands regardless of size.
- All other private agricultural lands falling under the coverage of the Compulsory Acquisition mode according to the schedule and priorities defined in Section 7 of RA 6657.

C. E.O. 407 Acquisition

- All other agricultural lands transferred to the DAR pursuant to Executive Order No. 407 dated June 14, 1990, as amended.

III. POLICY

A. All landowners whose lands are subject for coverage under RA 6657 may voluntarily offer their lands for sale to the government. However, lands upon which notices of coverage have already been sent by the government and received by the landowner shall no longer be considered as voluntary offered lands.

B. If the land is tenanted, the ARBs shall continue to pay lease rentals based on existing guidelines on leasehold operation until such time as the landowner signs the Deed of Transfer, or the Land Bank of the Philippines establishes a Trust Account in the landowner's name, as the case may be. In case, there is any standing crop on the land at the time of its acquisition, the landowner shall retain his share of the harvest thereof pursuant to Section 28 of RA 6657 and other related laws.

C. The compensation for the land shall be the amount agreed upon by the

Steps	Responsible Agency/Unit	Activity	Forms/ Documents (Requirements)	Responsible Agency/Unit	Activity	Forms/ Documents (Requirements)
		difference or variance between the findings of the DAR and the LBP as to the propriety of covering the land under CARP, whether in whole or in part, on the issue of suitability to agriculture, degree of development or slope, and on issues affecting idle lands, the conflict shall be resolved by a composite team of DAR, LBP, DENR and DA which shall jointly conduct further investigation thereon. The team shall submit its report of findings which shall be binding to both DAR and LBP, pursuant to Joint Memorandum Circular of the DAR, LBP, DENR and DA dated 27 January 1992.			account. Thereafter, the DAR shall request ROD to transfer the certificate of title covering subject property in favor of the RP.	
		Screens prospective ARBs and causes the signing of the Application to Purchase and Farmers' Undertaking (APFU). Furnishes a copy of the duly accomplished FIR to the landowner by personal delivery with proof of service or registered mail with return card and posts a copy thereof for at least one week on the bulletin board of the municipal and barangay halls where the property is located.	CARP Form No. 5	LBP-LVO LBP-HO	Prepares and executes DOT together with LO and transmits the same to the ROD, including the owner's duplicate certificate of title, approved segregation plan, if partially, covered.	CARP Form No. 12
				ROD	Registers DOT and issues Transfer Certificate of Title in the name of the Republic of the Philippines.	Registered DOT and TCT in the name of the RP
				ROD	Forwards owner's duplicate copy of title issued in the name of RP to LBP-LVO/LBP-HO.	Owner's duplicate certificate of title/RP
8	DARMO BARC			LBP-LVO LBP-HO	Prepares payment release order for the payment to the LO of the value of the compensation. In case the land is encumbered, pays the mortgagee-bank/creditor upon the LO's request, and the balance of the proceeds payable to the LO.	Claims Processing & Payment Release Form (LBP) Statement of Account
9	DARMO		CARP Form No. 4		After the LO's compensation is paid, forwards to PARO a certified copy of the new TCT in the name of RP together with a certified copy of the DOT.	Certified Copy each of TCT in the name of RP and DOT
		LGU office concerned notifies DAR about compliance with	CARP Form No. 17			

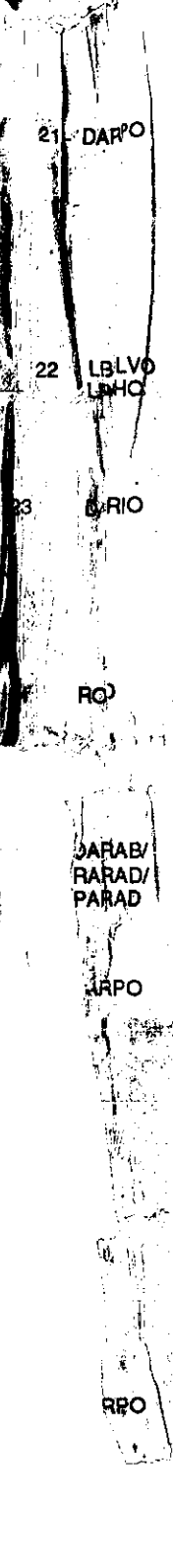
and the DAR Adjudication Board Revised Rules of Procedures, or as may be finally determined by a competent court.

D. Landowners, other than banks and financial institutions, who voluntarily offer their lands for sale shall be entitled to an additional five percent (5%) cash payment pursuant to Section 19 of RA 6657.

IV. OPERATING PROCEDURES

Steps	Responsible Agency/Unit	Activity	Forms/Documents (Requirements)
A. Identification and Documentation			
1	LO DARMO	Accomplishes letter offer and files same together with the basic ownership documents in any office of DAR (For VOS only). The DAR office which received the aforesaid documents forwards same to DAR Municipal Office where the subject property is located.	CARP Form No. 1 Certified copy of OCT/TCT Certified copy of Tax Declaration Copy of the approved survey plan or sketch plan of the property
2	DARMO	Receives and reviews duly accomplished CARP Form No. 1 with the attached documents; gathers and completes the documents required as may be applicable to a particular situation.	Refer to List of Documents Required Pursuant to RA 6657 Under Different Situations (Annex "A")
3	DARMO	Refers to LO on how his claim will be routed and processed and furnishes him with checklist of requirements under applicable situation.	Refer to Annex "A"
4	DARMO	Prepares the corresponding VOCF/CACF per landowner/landholding.	
5	DARMO	Issues Notice of Coverage to LO by personal delivery with proof of service or by registered mail with return receipt informing him under CARP coverage and for LO to select his retention area, if he desires to avail of his right of retention; and at the same time invites him to join the field investigation to be conducted on his property which should be scheduled at least two weeks in advance of said notice. A copy of said Notice shall be posted for at least one week on the bulletin board of the municipal and barangay halls where the property is located. LGU office concerned notifies DAR about compliance with posting requirement thru return indorsement on CARP Form No. 17.	CARP Form No. 2
6	DARMO	Sends notice to the LBP, BARC, DENR representatives and prospective ARBs of the schedule of the field investigation to be conducted	CARP Form No. 3

10	DARMO and/or DENR Local Office	Conducts perimeter or segregation survey delineating areas covered by OLT, "uncarpable" areas such as 18% slope and above, unproductive/unsuitable to agriculture, retention, infrastructure, etc. In case of segregation or subdivision survey, the plan shall be approved by DENR-LMS.	Perimeter or Segregation Survey Plan
11	DARMO	Forwards VOCF/CACF to DARPO.	CARP Form No. 6
C. Review and Completion of Data/Documents			
12	DARPO	Reviews and evaluates the pertinent forms and documents contained in the VOCF/CACF for completeness and consistency, otherwise, gathers lacking basic documents to complete the requirements for processing as may be applicable to a particular situation.	VOCF/CACF containing supporting documents needed in claim processing (See Annex "B")
13	DARPO	Forwards the VOCF/CACF to LBP-LVO using the DAR Memorandum Request to Value the subject land including any improvements and/or facilities thereon.	VOCF / CACF CARP Form No. 7
D. Land Valuation and Compensation			
14	LBP-LVO	Receives and evaluates the VOCF/CACF for completeness, consistency and document sufficiency.	
15	LBP-LVO	Gathers data and inputs needed for a more appropriate determination of valuation of subject land.	Comparable Sales Mortgage Loan Value Appraisal Report Others
16	LBP-LVO	Determines the land valuation in accordance with existing guidelines and prepares the Claim Folder Profile and Valuation Summary specifying therein lacking documents to be submitted by the LO which are required in the payment of his claim.	CF Profile & Valuation Summary (Attachment to CARP Form No. 8)
17	LBP-LVO LBP-HO	Note: VOCF/CACF where the land valuation amounts to more than P3 million shall be forwarded to LBP Head Office. Notifies the DAR through the PARO of the computed land valuation using the Memorandum of Valuation Form.	CARP Form No. 8
18	DARPO	Prepares/Issues the Notice of Land Valuation and Acquisition to the LO attaching a copy of the LBP's Memorandum of Valuation, Claim Folder Profile and Valuation Summary.	CARP Form No. 9
19	DARPO	Posts a copy of the Notice of Land Valuation and Acquisition	CARP Form No. 9



of Land Valuation and Acquisition, sends Memorandum to LBP to open a trust account in the name of the LO. Requests the DARAB/PARAD/PARAD to conduct administrative proceedings pursuant to DARAB guidelines, as the case may be, furnishing therein a copy of each of the LO's letter of rejection, Notice of Land Valuation and Acquisition, and LBP's Memorandum of Valuation. Opens trust account in the name of LO and sends proof of the opening of a trust account or certification to the DAR through the PARO, copy furnished the LO. Upon receipt of the proof of the opening of a trust account or certification by LBP, transmits the same to the ROD concerned, including the approved segregation/subdivision plan of subject property, if partially covered. Issues new TCT in the name of RP and forwards owner's duplicate certificate of title in the name of RP to LBP-LVO which furnishes the PARO a certified xerox copy of the same. Simultaneously with Activity Nos. 22 to 24 above, the DARAB conducts summary administrative proceedings; renders decision and informs parties concerned of the same. Within fifteen (15) days after receipt of the decision of the DARAB, requests the LBP to prepare DOT for the signature of the LO if he so accepts, otherwise, requests the LBP to adjust the trust account in accordance with the DARAB decision and accordingly informs the LO. In the event the LO signs the DOT, the LBP shall transmit a copy of the same to the ROD as additional support to the transfer of title in favor of the RP and follows Step 25 under D.1.

E. Land Distribution

Forwards to DARMO the certified copy of the TCT in the name of RP with the instruction to take over physical session of the land and proceed with the distribution of same in favor of qualified

CARP Form No. 15

CARP Form No. 16
Approved segregation/subdivision plan

New TCT in the name of RP and owner's duplicate of title in the name of RP

CARP Form No. 11

CARP Form No. 12

Certified copy of TCT in the name of RP

... invites him to join the field investigation to be conducted on his property which should be scheduled at least two weeks in advance of said notice.

A copy of said Notice shall be posted for at least one week on the bulletin board of the municipal and barangay halls where the property is located. LGU office concerned notifies DAR about compliance with posting requirement thru return indorsement on CARP Form No. 17.

6. DARMO Sends notice to the LBP, BARC, DENR representatives and prospective ARBs of the schedule of the field investigation to be conducted on the subject property.

7. DARMO BARC LBP DENR Local Office With the participation of the LO, representatives of the LBP, BARC, DENR and prospective ARBs, conducts the field investigation on subject property to identify the landholding, determines its suitability and productivity; and jointly prepares the Field Investigation Report (FIR) and Land Use Map. However, the field investigation shall proceed even if the LO, the representatives of DENR or prospective ARBs are not available provided, they were given due notice of the time and date of the investigation to be conducted. Similarly, if the LBP representative is not available or could not come on the scheduled date, the field investigation shall also be conducted, after which the duly accomplished Part I of CARP Form No. 4 shall be forwarded to the LBP representative for validation. If he agrees to the ocular inspection report of DAR, he signs the FIR (Part I) and accomplishes Part II thereof. In the event that there is a

CARP Form No. 17

CARP Form No. 3

CARP Form No. 4
Land Use Map

17 LBP-LVO
LBP-HO

18 DARPO

19 DARPO

20 DARPO
LO

21 LBP-LVO
LBP-HO

... summary specifying therein lacking documents to be submitted by the LO which are required in the payment of his claim.

Note: VOCC/CACF where the land valuation amounts to more than P3 million shall be forwarded to LBP Head Office.

Notifies the DAR through the PARO of the computed land valuation using the Memorandum of Valuation Form.

Prepares/issues the Notice of Land Valuation and Acquisition to the LO attaching a copy of the LBP's Memorandum of Valuation, Claim Folder Profile and Valuation Summary.

Posts a copy of the Notice of Land Valuation and Acquisition for at least one week on the bulletin board at the provincial capitol, municipal hall and barangay hall where the property is located.

LGU office concerned notifies DAR about compliance with posting requirement thru return indorsement on CARP Form No. 17.

D. 1 Where LO Accepts the Land Valuation

If the LO accepts the offered price, sends Memorandum to LBP to prepare the Deed of Transfer (DOT) and to Pay the Landowner attaching thereto the LO's letter of acceptance including the submitted documents necessary in LO's compensation.

Opens trust account in the name of LO. However, the actual release of full payment shall be effected upon LO's compliance of all the requirements. If the LO fails to submit the required documents within 30 days of receipt of the Letter of Acceptance of the offered price, notification of such failure by the LC is issued to DAR the certified proof of the opening

CARP Form No. 8

CARP Form No. 9
attaching Memo of
Land Valuation of
CF Profile and
Valuation Summary

CARP Form No. 2

CARP Form No. 1

CARP Form No. 1

otherwise, requests the LBP to adjust the trust account in accordance with the DARAB decision and accordingly informs the LO. In the event the LO signs the DOT, the LBP shall transmit a copy of the same to the ROD as additional support to the transfer of title in favor of the RP and follows Step 25 under D.1.

CARP Form No. 12

E. Land Distribution

Forwards to DARMO the certified copy of the TCT in the name of RP with the instruction to take over physical possession of the land and proceed with the distribution of same in favor of qualified

Certified copy of TCT in the name of RP

... proposes, monthly report on the status of submitted to the Office of the Undersecretary through the Regional Office, copy furnished BLAD and owners concerned shall be periodically advised on the status of

TRANSITORY PROVISIONS

In order to prevent delays in the processing of claim folders, all VOCCs/CACFs already forwarded to or pending in the DARRO shall continue to be processed under the old procedure. However, all VOCCs/CACFs still pending in the DARROs and DARMOs concerned shall be governed by this Administrative Order.

REPEALING CLAUSE

All orders, circulars and other issuances inconsistent herewith are hereby repealed, amended and/or modified accordingly.

EFFECTIVITY

This Order shall take effect ten (10) days after its publication in two (2) newspapers of general circulation pursuant to Section 49 of RA 6657.

Manila, Metro Manila, March 18, 1993

(Sgd.) ERNESTO D. GARILAO
Secretary