Republic Act No. 6657

(As amended by RA 7881, 7905, 8532 and 9700)

AN ACT INSTITUTING A COMPREHENSIVE AGRARIAN REFORM PROGRAM TO PROMOTE SOCIAL JUSTICE AND INDUSTRIALIZATION, PROVIDING THE MECHANISM FOR ITS IMPLEMENTATION, AND FOR OTHER PURPOSES

<table>
<thead>
<tr>
<th>CHAPTER</th>
<th>TITLE</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Preliminary Chapter</td>
<td>2</td>
</tr>
<tr>
<td>II</td>
<td>Coverage</td>
<td>8</td>
</tr>
<tr>
<td>III</td>
<td>Improvement of Tenurial and Labor Relations</td>
<td>18</td>
</tr>
<tr>
<td>IV</td>
<td>Registration</td>
<td>18</td>
</tr>
<tr>
<td>V</td>
<td>Land Acquisition</td>
<td>19</td>
</tr>
<tr>
<td>VI</td>
<td>Compensation</td>
<td>20</td>
</tr>
<tr>
<td>VII</td>
<td>Land Redistribution</td>
<td>23</td>
</tr>
<tr>
<td>VIII</td>
<td>Corporate Farms</td>
<td>29</td>
</tr>
<tr>
<td>IX</td>
<td>Support Services</td>
<td>32</td>
</tr>
<tr>
<td>X</td>
<td>Special Areas of Concern</td>
<td>40</td>
</tr>
<tr>
<td>XI</td>
<td>Program Implementation</td>
<td>41</td>
</tr>
<tr>
<td>XII</td>
<td>Administrative Adjudication</td>
<td>45</td>
</tr>
<tr>
<td>XIII</td>
<td>Judicial Review</td>
<td>47</td>
</tr>
<tr>
<td>XIV</td>
<td>Financing</td>
<td>48</td>
</tr>
<tr>
<td>XV</td>
<td>General Provisions</td>
<td>51</td>
</tr>
</tbody>
</table>

DATES OF APPROVAL OF RELEVANT AGRARIAN REFORM LAWS

- 1 -
Republic Act No. 6657
(As amended by RA 7881, 7905, 8532 and 9700)

AN ACT INSTITUTING A COMPREHENSIVE AGRARIAN REFORM PROGRAM TO PROMOTE SOCIAL JUSTICE AND INDUSTRIALIZATION, PROVIDING THE MECHANISM FOR ITS IMPLEMENTATION, AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

CHAPTER I
Preliminary Chapter

Section 1. Title. — This Act shall be known as the Comprehensive Agrarian Reform Law of 1988.

Section 2. Declaration of Principles and Policies.

It is the policy of the State to pursue a Comprehensive Agrarian Reform Program (CARP). The welfare of the landless farmers and farmworkers will receive the highest consideration to promote social justice and to move the nation toward sound rural development and industrialization, and the establishment of owner cultivatorship of economic-size farms as the basis of Philippine agriculture.

To this end, a more equitable distribution and ownership of land, with due regard to the rights of landowners to just compensation and to the ecological needs of the nation, shall be undertaken to provide farmers and farmworkers with the opportunity to enhance their dignity and improve the quality of their lives through greater productivity of agricultural lands.

The State shall promote industrialization and full employment based on sound agricultural development and agrarian reform, through industries that make full and efficient use of human and natural resources, and which are competitive in both domestic and foreign markets:

Provided, That the conversion of agricultural lands into industrial, commercial or residential lands shall take into account, tillers’ rights and national food security. Further, the State shall protect Filipino enterprises against unfair foreign competition and trade practices.
The agrarian reform program is founded on the right of farmers and regular farmworkers, who are landless, to own directly or collectively the lands they till or, in the case of other farm workers, to receive a just share of the fruits thereof. To this end, the State shall encourage and undertake the just distribution of all agricultural lands, subject to the priorities and retention limits set forth in this Act, having taken into account ecological, developmental, and equity considerations, and subject to the payment of just compensation. The State shall respect the right of small landowners, and shall provide incentives for voluntary land-sharing.

The State shall recognize the right of farmers, farmworkers and landowners, as well as cooperatives and other independent farmers' organizations, to participate in the planning, organization, and management of the program, and shall provide support to agriculture through appropriate technology and research, and adequate financial production, marketing and other support services.

The State shall apply the principles of agrarian reform, or stewardship, whenever applicable, in accordance with law, in the disposition or utilization of other natural resources, including lands of the public domain, under lease or concession, suitable to agriculture, subject to prior rights, homestead rights of small settlers and the rights of indigenous communities to their ancestral lands.

The State may resettle landless farmers and farmworkers in its own agricultural estates, which shall be distributed to them in the manner provided by law.

By means of appropriate incentives, the State shall encourage the formation and maintenance of economic-size family farms to be constituted by individual beneficiaries and small landowners.

The State recognizes that there is not enough agricultural land to be divided and distributed to each farmer and regular farmworker so that each one can own his/her economic-size family farm. This being the case, a meaningful agrarian reform program to uplift the lives and economic status of the farmer and his/her children can only be achieved through simultaneous industrialization aimed at developing a self-reliant and independent national economy effectively controlled by Filipinos.

To this end, the State may, in the interest of national welfare or defense, establish and operate vital industries.

A more equitable distribution and ownership of land, with due regard to the rights of landowners to just compensation, retention rights under Section 6 of Republic Act No. 6657, as amended, and to the ecological needs of the nation, shall be undertaken to provide farmers and farmworkers with the opportunity to enhance their dignity and improve the quality of their lives through greater productivity of agricultural lands.

The agrarian reform program is founded on the right of farmers and regular farmworkers, who are landless, to own directly or collectively the lands they till or, in the case of other farm workers, to receive a just share of the fruits thereof. To this end, the State shall encourage and undertake the just distribution of all agricultural lands, subject to the priorities and retention limits set forth in this Act, taking into account ecological, developmental, and equity considerations, and subject to the payment of just compensation. The State shall respect the right of small landowners, and shall provide incentives for voluntary land-sharing.
The State shall protect the rights of subsistence fishermen, especially of local communities, to the preferential use of communal marine and fishing resources, both inland and offshore. It shall provide support to such fishermen through appropriate technology and research, adequate financial, production and marketing assistance and other services. The State shall also protect, develop and conserve such resources. The protection shall extend to offshore fishing grounds of subsistence fishermen against foreign intrusion. Fishworkers shall receive a just share from their labor in the utilization of marine and fishing resources.

The State shall be guided by the principles that land has a social function and land ownership has a social responsibility. Owners of agricultural lands have the obligation to cultivate directly or through labor administration the lands they own and thereby make the land productive.

The State shall provide incentives to landowners to invest the proceeds of the agrarian reform program to promote industrialization, employment and privatization of public sector enterprises. Financial instruments used as payment for lands shall contain features that shall enhance negotiability and acceptability in the marketplace.

The State may lease undeveloped lands of the public domain to qualified entities for the development of capital-intensive farms, and traditional and pioneering crops especially those for exports subject to the prior rights of the beneficiaries under this Act.

As much as practicable, the implementation of the program shall be community-based to assure, among others, that the farmers shall have greater control of farmgate prices, and easier access to credit.

The State shall recognize the right of farmers, farmworkers and landowners, as well as cooperatives and other independent farmers’ organizations, to participate in the planning, organization, and management of the program, and shall provide support to agriculture through appropriate technology and research, and adequate financial, production, marketing and other support services.

The State shall recognize and enforce, consistent with existing laws, the rights of rural women to own and control land, taking into consideration the substantive equality between men and women as qualified beneficiaries, to receive a just share of the fruits thereof, and to be represented in advisory or appropriate decision-making bodies. These rights shall be independent of their male relatives and of their civil status.

The State shall apply the principles of agrarian reform, or stewardship, whenever applicable, in accordance with law, in the disposition or utilization of other natural resources, including lands of the public domain, under lease or concession, suitable to agriculture, subject to prior rights, homestead rights of small settlers and the rights of indigenous communities to their ancestral lands.
The State may resettle landless farmers and farm workers in its own agricultural estates, which shall be distributed to them in the manner provided by law.

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The State may lease undeveloped lands of the public domain to qualified entities for the development of capital-intensive farms, and traditional and pioneering crops especially those for exports subject to the prior rights of the beneficiaries under this Act. *(as amended by Section 1, RA 9700)*
Section 3. Definitions. — For the purpose of this Act, unless the context indicates otherwise:

(a) Agrarian Reform means redistribution of lands, regardless of crops or fruits produced, to farmers and regular farmworkers who are landless, irrespective of tenurial arrangement, to include the totality of factors and support services designed to lift the economic status of the beneficiaries and all other arrangements alternative to the physical redistribution of lands, such as production or profit-sharing, labor administration, and the distribution of shares of stocks, which will allow beneficiaries to receive a just share of the fruits of the lands they work.

(b) Agriculture, Agricultural Enterprise or Agricultural Activity means the cultivation of the soil, planting of crops, growing of fruit trees, raising of livestock, poultry or fish, including the harvesting of such farm products, and other farm activities and practices performed by a farmer in conjunction with such farming operations done by person whether natural or juridical.

(c) Agricultural Land refers to land devoted to agricultural activity as defined in this Act and not classified as mineral, forest, residential, commercial or industrial land.

(d) Agrarian Dispute refers to any controversy relating to tenurial arrangements, whether leasehold, tenancy, stewardship or otherwise, over lands devoted to agriculture, including disputes concerning farmworkers' associations or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of such tenurial arrangements.

It includes any controversy relating to compensation of lands acquired under this Act and other terms and conditions of transfer of ownership from landowners to farmworkers, tenants and other agrarian reform beneficiaries, whether the disputants stand in the proximate relation of farm operator and beneficiary, landowner and tenant, or lessor and lessee.

(e) Idle or Abandoned Land refers to any agricultural land not cultivated, tilled or developed to produce any crop nor devoted to any specific economic purpose continuously for a period of three (3) years immediately prior to the receipt of notice of acquisition by the government as provided under this Act, but does not include land that has become permanently or regularly devoted to non-agricultural purposes. It does not include land which has become unproductive by reason of force majeure or any other fortuitous event: Provided, that prior to such event, such land was previously used for agricultural or other economic purpose.
(f) Farmer refers to a natural person whose primary livelihood is cultivation of land or the production of agricultural crops, either by himself, or primarily with the assistance of his immediate farm household, whether the land is owned by him, or by another person under a leasehold or share tenancy agreement or arrangement with the owner thereof.

(f) Farmer refers to a natural person whose primary livelihood is cultivation of land or the production of agricultural crops *livestock and/or fisheries* either by himself/herself, or primarily with the assistance of his/her immediate farm household, whether the land is owned by him/her, or by another person under a leasehold or share tenancy agreement or arrangement with the owner thereof *(as amended by Section 2, RA 9700)*

(g) Farmworker is a natural person who renders service for value as an employee or laborer in an agricultural enterprise or farm regardless of whether his compensation is paid on a daily, weekly, monthly or "pakyaw" basis. The term includes an individual whose work has ceased as a consequence of, or in connection with, a pending agrarian dispute and who has not obtained a substantially equivalent and regular farm employment.

(h) Regular Farmworker is a natural person who is employed on a permanent basis by an agricultural enterprise or farm.

(i) Seasonal Farmworker is a natural person who is employed on a recurrent, periodic or intermittent basis by an agricultural enterprise or farm, whether as a permanent or a non-permanent laborer, such as "dumaan", "sacada", and the like.

(j) Other Farmworker is a farmworker who does not fall under paragraphs (g), (h) and (i).

(k) Cooperatives shall refer to organizations composed primarily of small agricultural producers, farmers, farmworkers, or other agrarian reform beneficiaries who voluntarily organize themselves for the purpose of pooling land, human, technological, financial or other economic resources, and operated on the principle of one member, one vote. A juridical person may be a member of a cooperative, with the same rights and duties as a natural person.

(l) Rural women refer to women who are engaged directly or indirectly in farming and/or fishing as their source of livelihood, whether paid or unpaid, regular or seasonal, or in food preparation, managing the household, caring for the children, and other similar activities. *(as added by Section 2, RA 9700)*
**CHAPTER II**

**Coverage**

Section 4. **Scope.** —

The Comprehensive Agrarian Reform Law of 1989 shall cover, regardless of tenurial arrangement and commodity produced, all public and private agricultural lands, as provided in Proclamation No. 131 and Executive Order No. 229, including other lands of the public domain suitable for agriculture.

More specifically, the following lands are covered by the Comprehensive Agrarian Reform Program:

(a) All alienable and disposable lands of the public domain devoted to or suitable for agriculture. No reclassification of forest or mineral lands to agricultural lands shall be undertaken after the approval of this Act until Congress, taking into account ecological, developmental and equity considerations, shall have determined by law, the specific limits of the public domain.

(b) All lands of the public domain in excess of the specific limits as determined by Congress in the preceding paragraph;

(c) All other lands owned by the Government devoted to or suitable for agriculture; and

(d) All private lands devoted to or suitable for agriculture regardless of the agricultural products raised or that can be raised thereon.

The Comprehensive Agrarian Reform Law of 1988 shall cover, regardless of tenurial arrangement and commodity produced, all public and private agricultural lands as provided in Proclamation No. 131 and Executive Order No. 229, including other lands of the public domain suitable for agriculture: provided, that landholdings of landowners with a total area of five (5) hectares and below shall not be covered for acquisition and distribution to qualified beneficiaries.

More specifically, the following lands are covered by the CARP:

(a) All alienable and disposable lands of the public domain devoted to or suitable for agriculture. No reclassification of forest or mineral lands to agricultural lands shall be undertaken after the approval of this Act until Congress, taking into account ecological, developmental and equity considerations, shall have determined by law, the specific limits of the public domain;

(b) All lands of the public domain in excess of the specific limits as determined by Congress in the preceding paragraph;

(c) All other lands owned by the Government devoted to or suitable for agriculture; and

(d) All private lands devoted to or suitable for agriculture regardless of the agricultural products raised or that can be raised thereon.
A comprehensive inventory system in consonance with the national land use plan shall be instituted by the Department of Agrarian Reform (DAR), in accordance with the Local Government Code, for the purpose of properly identifying and classifying farmlands within one (1) year from effectivity of this Act, without prejudice to the implementation of the land acquisition and distribution. (as amended by Section 3, RA 9700)

Section 5. Schedule of Implementation. — The distribution of all lands covered by this Act shall be implemented immediately and completed within ten (10) years from the effectivity thereof.

Section 6. Retention Limits. — Except as otherwise provided in this Act, no person may own or retain, directly or indirectly, any public or private agricultural land, the size of which shall vary according to factors governing a viable family-size farm, such as commodity produced, terrain, infrastructure, and soil fertility as determined by the Presidential Agrarian Reform Council (PARC) created hereunder, but in no case shall retention by the landowner exceed five (5) hectares. Three (3) hectares may be awarded to each child of the landowner, subject to the following qualifications: (1) that he is at least fifteen (15) years of age; and (2) that he is actually tilling the land or directly managing the farm: provided, that landowners whose lands have been covered by Presidential Decree No. 27 shall be allowed to keep the areas originally retained by them thereunder: provided, further, that original homestead grantees or their direct compulsory heirs who still own the original homestead at the time of the approval of this Act shall retain the same areas as long as they continue to cultivate said homestead.

The right to choose the area to be retained, which shall be compact or contiguous, shall pertain to the landowner: provided, however, that in case the area selected for retention by the landowner is tenanted, the tenant shall have the option to choose whether to remain therein or be a beneficiary in the same or another agricultural land with similar or comparable features. In case the tenant chooses to remain in the retained area, he shall be considered a leaseholder and shall lose his right to be a beneficiary under this Act. In case the tenant chooses to be a beneficiary in another agricultural land, he loses his right as a leaseholder to the land retained by the landowner. The tenant must exercise this option within a period of one (1) year from the time the landowner manifests his choice of the area for retention.

In all cases, the security of tenure of the farmers or farmworkers on the land prior to the approval of this Act shall be respected.

Upon the effectivity of this Act, any sale, disposition, lease, management, contract or transfer of possession of private lands executed by the original landowner in violation of the Act shall be null and void: provided, however, that those executed prior to this Act shall be valid only when registered with the Register of Deeds within a period of three (3) months after the effectivity of this Act. Thereafter, all Registers of Deeds shall inform the Department of Agrarian Reform (DAR) within thirty (30) days of any transaction involving agricultural lands in excess of five (5) hectares.
Section 6-A. Exception to Retention Limits. – Provincial, city and municipal government, units acquiring private agricultural lands by expropriation or other modes of acquisition to be used for actual, direct and exclusive public purposes, such as roads and bridges, public markets, school sites, resettlement sites, local government facilities, public parks and barangay plazas or squares, consistent with the approved local comprehensive land use plan, shall not be subject to the five (5)-hectare retention limit under this Section and Sections 70 and 73(a) of Republic Act No. 6657, as amended: Provided, That lands subject to CARP shall first undergo the land acquisition and distribution process of the program: Provided, further, That when these lands have been subjected to expropriation, the agrarian reform beneficiaries therein shall be paid just compensation. (as added by Section 4, RA 9700)

Section 6-B. Review of Limits of Land Size. – Within six (6) months from the effectivity of this Act, the DAR shall submit a comprehensive study on the land size appropriate for each type of crop to Congress for a possible review of limits of land sizes provided in this Act. (as added by Section 4, RA 9700)

Section 7. Priorities. —

The Department of Agrarian Reform (DAR) in coordination with the Presidential Agrarian Reform Council (PARC) shall plan and program the acquisition and distribution of all agricultural lands through a period of ten (10) years from the effectivity of this Act. Lands shall be acquired and distributed as follows:

Phase One: 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; all lands foreclosed by the 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 within a period of not more than four (4) years;

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,
Phase Two: 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 in excess of fifty (50) hectares, insofar as the excess hectarage is concerned, to implement principally the rights of farmers and regular farmworkers, who are the 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 within a period of not more than four (4) years.

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;
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;

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<thead>
<tr>
<th>Phase Three: All other private agricultural lands commencing with large landholdings and proceeding to medium and small landholdings under the following schedule:</th>
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</thead>
<tbody>
<tr>
<td>(a) Landholdings above twenty-four (24) hectares up to fifty (50) hectares, to begin on the fourth (4th) year from the effectivity of this Act and to be completed within three (3) years; and</td>
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<tr>
<td>(b) Landholdings from the retention limit up to twenty-four (24) hectares, to begin on the sixth (6th) year from the effectivity of this Act and to be completed within four (4) years; to implement principally the right of farmers and regular farmworkers who are landless, to own directly or collectively the lands they till.</td>
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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 Presidential Agrarian Reform Council (PARC), taking into consideration the following: the need to distribute land to the tillers at the earliest practicable time; the need to enhance agricultural productivity; and the availability of funds and resources to implement and support the program.
In any case, the PARC, upon recommendation by the Provincial Agrarian Reform Coordinating Committee (PARCCOM), may declare certain provinces or region as priority land reform areas, in which the acquisition and distribution of private agricultural lands therein may be implemented ahead of the above schedules.

In effecting the transfer within these guidelines, priority must be given to lands that are tenanted.

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 does not own but is actually cultivating to the extent of the difference between the area of the land he owns and the award ceiling of three (3) hectares.

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 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. (as amended, Section 5, RA 9700)

Section 8. Multinational Corporations. — All lands of the public domain leased, held or possessed by multinational corporations or associations, and other lands owned by the government or by government-owned or controlled corporations, associations, institutions, or entities, devoted to existing and operational agri-business or agro-industrial enterprises, operated by multinational corporations and associations, shall be programmed for acquisition and distribution immediately upon the effectivity of this Act, with the implementation to be completed within three (3) years.

Lands covered by the paragraph immediately preceding, under lease, management, grower or service contracts, and the like, shall be disposed of as follows:

(a) Lease, management, grower or service contracts covering such lands covering an aggregate area in excess of 1,000 hectares, leased or held by foreign individuals in excess of 500 hectares are deemed amended to conform with the limits set forth in Section 3 of Article XII of the Constitution.

(b) Contracts covering areas not in excess of 1,000 hectares in the case of such corporations and associations, and 500 hectares, in the case of such individuals, shall be allowed to continue under their original terms and conditions but not beyond August 29, 1992, or their valid termination, whichever comes sooner, after which, such agreements shall continue only when confirmed by the appropriate government agency. Such contracts shall likewise continue even after the lands has been transferred to beneficiaries or awardees thereof, which transfer shall be immediately commenced and implemented and completed within the period of three (3) years mentioned in the first paragraph hereof.

(c) In no case will such leases and other agreements now being implemented extend beyond August 29, 1992, when all lands subject hereof shall have been distributed completely to qualified beneficiaries or awardees.

Such agreements can continue thereafter only under a new contract between the government or qualified beneficiaries or awardees, on the one hand, and said enterprises, on the other.

Lands leased, held or possessed by multinational corporations, owned by private individuals and private non-governmental corporations, associations, institutions and entities, citizens of the Philippines, shall be subject to immediate compulsory acquisition and distribution upon the expiration of the applicable lease, management, grower or service contract in effect as of August 29, 1987, or otherwise, upon its valid termination, whichever comes sooner, but not later than after ten (10) years following the effectivity of the Act. However during the said period of effectivity, the government shall take steps to acquire these lands for immediate distribution thereafter.

In general, lands shall be distributed directly to the individual worker-beneficiaries. In case it is not economically feasible and sound to divide the land, then they shall form a workers’ cooperative or association which will deal with the corporation or business association or any other proper party for the purpose of entering into a lease or growers agreement and for all other legitimate purposes. Until a new agreement is entered into by and between the workers’ cooperative or association and the corporation or business association or any other proper party, any agreement existing at the time this
Act takes effect between the former and the previous landowner shall be respected by both the workers' cooperative or association and the corporation, business, association or such other proper party. In no case shall the implementation or application of this Act justify or result in the reduction of status or diminution of any benefits received or enjoyed by the worker-beneficiaries, or in which they may have a vested right, at the time this Act becomes effective.

The provisions of Section 32 of this Act, with regard to production and income-sharing shall apply to farms operated by multinational corporations.

During the transition period, the new owners shall be assisted in their efforts to learn modern technology in production. Enterprises which show a willingness and commitment and good-faith efforts to impart voluntarily such advanced technology will be given preferential treatment where feasible.

In no case shall a foreign corporation, association, entity or individual enjoy any rights or privileges better than those enjoyed by a domestic corporation, association, entity or individual.

Section 9. Ancestral Lands. — For purposes of this Act, ancestral lands of each indigenous cultural community shall include, but not be limited to, lands in the actual, continuous and open possession and occupation of the community and its members: provided that the Torrens Systems shall be respected.

The right of these communities to their ancestral lands shall be protected to ensure their economic, social and cultural well-being. In line with the principles of self-determination and autonomy, the systems of land ownership, land use, and the modes of settling land disputes of all these communities must be recognized and respected.

Any provision of law to the contrary notwithstanding, the PARC may suspend the implementation of this Act with respect to ancestral lands for the purpose of identifying and delineating such lands: provided, that in the autonomous regions, the respective legislatures may enact their own laws on ancestral domain subject to the provisions of the Constitution and the principles enunciated in this Act and other national laws.

Section 10. Exemptions and Exclusions. —

| Lands actually, directly and exclusively used and found to be necessary for parks, wildlife, forest reserves, reforestation, fish sanctuaries and breeding grounds, watersheds, and mangroves, national defense, school sites and campuses including experimental farm stations operated by public or private schools for educational purposes, seeds and seedlings research and pilot production centers, church sites and convents appurtenant thereto, mosque sites and Islamic centers appurtenant thereto, communal burial grounds and cemeteries, penal colonies and penal farms actually worked by the inmates, government and private research and quarantine centers and all lands with eighteen percent (18%) | (a) Lands actually, directly and exclusively used for parks, wildlife, forest reserves, reforestation, fish sanctuaries and breeding grounds, watersheds and mangroves shall be exempt from the coverage of this Act. |
slope and over, except those already developed shall be exempt from the coverage of the Act.

(b) Private lands actually, directly and exclusively used for prawn farms and fishponds shall be exempt from the coverage of this Act: Provided, That said prawn farms and fishponds have not been distributed and Certificate of Land Ownership Award (CLOA) issued to agrarian reform beneficiaries under the Comprehensive Agrarian Reform Program.

In cases where the fishponds or prawn farms have been subjected to the Comprehensive Agrarian Reform Law, by voluntary offer to sell, or commercial farms deferment or notices of compulsory acquisition, a simple and absolute majority of the actual regular workers or tenants must consent to the exemption within one (1) year from the effectivity of this Act. When the workers or tenants do not agree to this exemption, the fishponds or prawn farms shall be distributed collectively to the worker-beneficiaries or tenants who shall form a cooperative or association to manage the same.

In cases where the fishponds or prawn farms have not been subjected to the Comprehensive Agrarian Reform Law, the consent of the farm workers shall no longer be necessary, however, the provision of Section 32-A hereof on incentives shall apply.

(c) Lands actually, directly and exclusively used and found to be necessary for national defense, school sites and campuses, including experimental farm stations operated by public or private schools for educational purposes, seeds and seedling research and pilot production center, church sites and convents appurtenant thereto, mosque sites and Islamic centers appurtenant thereto, communal burial grounds and cemeteries, penal colonies and penal farms actually worked by the inmates, government and private research and quarantine centers and all lands with eighteen percent (18%) slope and over, except those already developed, shall be exempt from the coverage of this Act. (as amended by, Section 2, RA 7881)
Section 11. Commercial Farming. —

Commercial farms, which are private agricultural lands devoted to commercial livestock, poultry and swine raising, and aquaculture including saltbeds, fishponds and prawn ponds, fruit farms, orchards, vegetable and cut-flower farms, and cacao, coffee and rubber plantations, shall be subject to immediate compulsory acquisition and distribution after (10) years from the effectivity of the Act. In the case of new farms, the ten-year period shall begin from the first year of commercial production and operation, as determined by the DAR. During the ten-year period, the government shall initiate the steps necessary to acquire these lands, upon payment of just compensation for the land and the improvements thereon, preferably in favor of organized cooperatives or associations, which shall hereafter manage the said lands for the worker-beneficiaries.

If the DAR determines that the purposes for which this deferment is granted no longer exist, such areas shall automatically be subject to redistribution.

The provisions of Section 32 of the Act, with regard to production-and income-sharing, shall apply to commercial farms.

(REMOVES: If the DAR determines that the purposes for which this deferment is granted no longer exist, such areas shall automatically be subject to redistribution.

The provisions of Section 32 of the Act, with regard to production-and income-sharing, shall apply to commercial farms.”) (as amended by Section 3, RA 7881)
CHAPTER III
Improvement of Tenurial and Labor Relations

Section 12. Determination of Lease Rentals. — In order to protect and improve the tenurial and economic status of the farmers in tenanted lands under the retention limit and lands not yet acquired under this Act, the DAR is mandated to determine and fix immediately the lease rentals thereof in accordance with Section 34 of Republic Act No. 3844, as amended: provided, that the DAR shall immediately and periodically review and adjust the rental structure for different crops, including rice and corn, or different regions in order to improve progressively the conditions of the farmer, tenant or lessee.

Section 13. Production-Sharing Plan. — Any enterprise adopting the scheme provided for in Section 32 or operating under a production venture, lease, management contract or other similar arrangement and any farm covered by Sections 8 and 11 hereof is hereby mandated to execute within ninety (90) days from the effectivity of this Act, a production-sharing plan, under guidelines prescribed by the appropriate government agency.

Nothing herein shall be construed to sanction the diminution of any benefits such as salaries, bonuses, leaves and working conditions granted to the employee-beneficiaries under existing laws, agreements, and voluntary practice by the enterprise, nor shall the enterprise and its employee-beneficiaries be prevented from entering into any agreement with terms more favorable to the latter.

CHAPTER IV
Registration

Section 14. Registration of Landowners. — Within one hundred eighty (180) days from the effectivity of this Act, all persons, natural or juridical, including government entities, that own or claim to own agricultural lands, whether in their names or in the name of others, except those who have already registered pursuant to Executive Order No. 229, who shall be entitled to such incentives as may be provided for the PARC, shall file a sworn statement in the proper assessor's office in the form to be prescribed by the DAR, stating the following information:

(a) the description and area of the property;

(b) the average gross income from the property for at least three (3) years;

(c) the names of all tenants and farmworkers therein;

(d) the crops planted in the property and the area covered by each crop as of June 1, 1987;

(e) the terms of mortgages, lease, and management contracts subsisting as of June 1, 1987, and

(f) the latest declared market value of the land as determined by the city or provincial assessor.
Section 15. Registration of Beneficiaries. — The DAR in coordination with the Barangay Agrarian Reform Committee (BARC) as organized in this Act, shall register all agricultural lessees, tenants and farmworkers who are qualified to be beneficiaries of the CARP. These potential beneficiaries with the assistance of the BARC and the DAR shall provide the following data:

1. names and members of their immediate farm household;
2. owners or administrators of the lands they work on and the length of tenurial relationship;
3. location and area of the land they work;
4. crops planted; and
5. their share in the harvest or amount of rental paid or wages received.

A copy of the registry or list of all potential CARP beneficiaries in the barangay shall be posted in the barangay hall, school or other public buildings in the barangay where it shall be open to inspection by the public at all reasonable hours.

CHAPTER V
Land Acquisition

Section 16. Procedure for Acquisition of Private Lands.

Section 16. Procedure for Acquisition and Distribution of Private Lands. (title amended by Section 6, RA 9700)

For purposes of acquisition of private lands, the following procedures shall be followed:

1. After having identified the land, the landowners and the beneficiaries, the DAR shall send its notice to acquire the land to the owners thereof, by personal delivery or registered mail, and post the same in a conspicuous place in the municipal building and barangay hall of the place where the property is located. Said notice shall contain the offer of the DAR to pay a corresponding value in accordance with the valuation set forth in Sections 17, 18, and other pertinent provisions hereof.

2. Within thirty (30) days from the date of receipt of written notice by personal delivery or registered mail, the landowner, his administrator or representative shall inform the DAR of his acceptance or rejection of the offer.

3. If the landowner accepts the offer of the DAR, the Land Bank of the Philippines (LBP) shall pay the landowner the purchase price of the land within thirty (30) days after he executes and delivers a deed of transfer in favor of the government and surrenders the Certificate of Title and other muniments of title.
(d) In case of rejection or failure to reply, the DAR shall conduct summary administrative proceedings to determine the compensation for the land requiring the landowner, the LBP and other interested parties to submit evidence as to the just compensation for the land, within fifteen (15) days from the receipt of the notice. After the expiration of the above period, the matter is deemed submitted for decision. The DAR shall decide the case within thirty (30) days after it is submitted for decision.

(e) Upon receipt by the landowner of the corresponding payment or, in case of rejection or no response from the landowner, upon the deposit with an accessible bank designated by the DAR of the compensation in cash or in LBP bonds in accordance with this Act, the DAR shall take immediate possession of the land and shall request the proper Register of Deeds to issue a Transfer Certificate of Title (TCT) in the name of the Republic of the Philippines. The DAR shall thereafter proceed with the redistribution of the land to the qualified beneficiaries.

(f) Any party who disagrees with the decision may bring the matter to the court of proper jurisdiction for final determination of just compensation.

CHAPTER VI
Compensation

Section 17. Determination of Just Compensation. —

In determining just compensation, the cost of acquisition of the land, the current value of the like properties, its nature, actual use and income, the sworn valuation by the owner, the tax declarations, and the assessment made by government assessors shall be considered. The social and economic benefits contributed by the farmers and the farmworkers 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.

Section 18. Valuation and Mode of Compensation. — The LBP shall compensate the landowner in such amounts 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.
The compensation shall be paid on one of the following modes, at the option of the landowner:

(1) Cash payment, under the following terms and conditions;

(a) For lands above fifty (50) — hectare, insofar as the excess hectarage is concerned. Twenty-five percent (25%) cash, the balance to be paid in government financial instruments negotiable at any time.

(b) For lands above twenty-four (24) hectares and up to fifty (50) hectares. Thirty percent (30%) cash, the balance to be paid in government financial instruments negotiable at any time.

(c) For lands twenty-four (24) — hectares and below. Thirty-five percent (35%) cash, the balance to be paid in government financial instruments negotiable at any time.

(2) Shares of stock in government-owned or controlled corporations, LBP preferred shares, physical assets or other qualified investments in accordance with guidelines set by the PARC;

(3) Tax credits which can be used against any tax liability;

(4) LBP bonds, which shall have the following features:

(a) Market interest rates aligned with 91-day Treasury bill rates. Ten percent (10%) of the face value of the bonds shall mature every year from the date of issuance until the tenth (10th) year: provided, that should the landowner choose to forego the cash portion, whether in full or in part, he shall be paid correspondingly in LBP bonds;

(b) Transferability and negotiability. Such LBP bonds may be used by the landowner, his successors in interest or his assigns, up to the amount of their face value, for any of the following:

(i) Acquisition of land or other real properties of the government, including assets under the Asset Privatization Program and other assets foreclosed by government financial institutions in the same province or region where the lands for which the bonds were paid are situated;

(ii) Acquisition of shares of stock of government-owned or -controlled corporations or shares of stocks owned by the government in private corporations;

(iii) Substitution for surety or bail bonds for the provisional release of accused persons, or performance bonds;
(iv) Security for loans with any government financial institution, provided the proceeds of the loans shall be invested in an economic enterprise, preferably in a small-and medium-scale industry, in the same province or region as the land for which the bonds are paid;

(v) Payment for various taxes and fees to government; provided, that the use of these bonds for these purposes will be limited to a certain percentage of the outstanding balance of the financial instruments: provided, further, that the PARC shall determine the percentage mentioned above;

(vi) Payment for tuition fees of the immediate family of the original bondholder in government universities, colleges, trade schools, and other institutions;

(vii) Payment for fees of the immediate family of the original bondholder in government hospitals; and

(viii) Such other uses as the PARC may from time to time allow.

In case of extraordinary inflation, the PARC shall take appropriate measures to protect the economy.

Section 19. Incentives for Voluntary Offers for Sales. — Landowners, other than banks and other financial institutions, who voluntarily offer their lands for sale shall be entitled to an additional five percent (5%) cash payment.

Section 20. Voluntary Land Transfer. — Landowners of agricultural lands subject to acquisition under this Act may enter into a voluntary arrangement for direct transfer of their lands to qualified beneficiaries subject to the following guidelines:

(a) All notices for voluntary land transfer must be submitted to the DAR within the first year of the implementation of the CARP. Negotiations between the landowners and qualified beneficiaries covering any voluntary land transfer which remain unresolved after one (1) year shall not be recognized and such land shall instead be acquired by the government and transferred pursuant to this Act.

(b) The terms and conditions of such transfer shall not be less favorable to the transferee than those of the government’s standing offer to purchase from the landowner and to resell to the beneficiaries, if such offers have been made and are fully known to both parties.

(c) The voluntary agreement shall include sanctions for non-compliance by either party and shall be duly recorded and its implementation monitored by the DAR.

Section 21. Payment of Compensation by Beneficiaries Under Voluntary Land Transfer. — Direct payments in cash or in kind may be by the farmer-beneficiary to the landowner under terms to be mutually agreed upon by both parties, which shall be binding upon them, upon registration with the approval by the DAR. Said approval shall be considered given, unless notice of disapproval is received by the farmer-beneficiary within thirty (30) days from the date of registration.
In the event they cannot agree on the price of land, the procedure for compulsory acquisition as provided in Section 16 shall apply. The LBP shall extend financing to the beneficiaries for purposes of acquiring the land.

CHAPTER VII
Land Redistribution

Section 22. Qualified Beneficiaries. — The lands covered by the CARP shall be distributed as much as possible to landless residents of the same barangay, or in the absence thereof, landless residents of the same municipality in the following order of priority:

(a) agricultural lessees and share tenants;

(b) regular farmworkers;

(c) seasonal farmworkers;

(d) other farmworkers;

(e) actual tillers or occupants of public lands;

(f) collectives or cooperatives of the above beneficiaries; and

(g) others directly working on the land.

Provided, however, that the children of landowners who are qualified under Section 6 of this Act shall be given preference in the distribution of the land of their parents; and provided, further, that actual tenant-tillers in the landholdings shall not be ejected or removed therefrom.

Beneficiaries under Presidential Decree No. 27 who have culpably sold, disposed of, or abandoned their land are disqualified to become beneficiaries under this Program.

A basic qualification of a beneficiary shall be his willingness, aptitude, and ability to cultivate and make the land as productive as possible. The DAR shall adopt a system of monitoring the record or performance of each beneficiary, so that any beneficiary guilty of negligence or misuse of the land or any support extended to him shall forfeit his right to continue as such beneficiary. The DAR shall submit periodic reports on the performance of the beneficiaries to the PARC.

If, due to the landowner's retention rights or to the number of tenants, lessees, or workers on the land, there is not enough land to accommodate any or some of them, they may be granted ownership of other lands available for distribution under this Act, at the option of the beneficiaries.

Farmers already in place and those not accommodated in the distribution of privately-owned lands will be given preferential rights in the distribution of lands from the public domain.

| Section 22-A. Order of Priority. - A landholding of a landowner shall be distributed first to qualified beneficiaries under Section 22, subparagraphs (a) and (b) of that same landholding up to a maximum of three (3) hectares each. Only when these beneficiaries have all received three (3) hectares each, |
shall the remaining portion of the landholding, if any, be distributed to other beneficiaries under Section 22, subparagraphs (c), (d), (e), (f), and (g). (as added by Section 8, RA 9700)

Section 23. Distribution Limit. — No qualified beneficiary may own more than three (3) hectares of agricultural land.

Section 24. Award to Beneficiaries. —

The rights and responsibilities of the beneficiary shall commence from the time the DAR makes an award of the land to him, which award shall be completed within one hundred eighty (180) days from the time the DAR takes actual possession of the land. Ownership of the beneficiary shall be evidenced by a Certificate of Land Ownership Award, which shall contain the restrictions and conditions provided for in this Act, and shall be recorded in the Register of Deeds concerned and annotated on the Certificate of Title.

The rights and responsibilities of the beneficiaries shall commence from their receipt of a duly registered emancipation patent or certificate of land ownership award and their actual physical possession of the awarded land. Such award shall be completed in not more than one hundred eighty (180) days from the date of registration of the title in the name of the Republic of the Philippines: Provided, That the emancipation patents, the certificates of land ownership award, and other titles issued under any agrarian reform program shall be indefeasible and imprescriptible after one (1) year from its registration with the Office of the Registry of Deeds, subject to the conditions, limitations and qualifications of this Act, the property registration decree, and other pertinent laws. The emancipation patents or the certificates of land ownership award being titles brought under the operation of the Torrens system, are conferred with the same indefeasibility and security afforded to all titles under the said system, as provided for by Presidential Decree No. 1529, as amended by Republic Act No. 6732.

It is the ministerial duty of the Registry of Deeds to register the title of the land in the name of the Republic of the Philippines, after the Land Bank of the Philippines (LBP) has certified that the necessary deposit in the name of the landowner constituting full payment in cash or in bond with due notice to the landowner and the registration of the certificate of land ownership award issued to the beneficiaries, and to cancel previous titles
identified and qualified agrarian reform beneficiaries, based on Section 22 of Republic Act No. 6657, as amended, shall have usufructuary rights over the awarded land as soon as the DAR takes possession of such land, and such right shall not be diminished even pending the awarding of the emancipation patent or the certificate of land ownership award.

All cases involving the cancellation of registered emancipation patents, certificates of land ownership award, and other titles issued under any agrarian reform program are within the exclusive and original jurisdiction of the Secretary of the DAR. (as amended by Section 9, RA 9700)

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<th>Section 25. Award Ceilings for Beneficiaries. —</th>
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Beneficiaries shall be awarded an area not exceeding three (3) hectares which may cover a contiguous tract of land or several parcels of land cumulated up to the prescribed award limits.

For purposes of this Act, a landless beneficiary is one who owns less than three (3) hectares of agricultural land.

The beneficiaries may opt for collective ownership, such as co-ownership or farmers cooperative or some other form of collective organization: provided, that the total area that may be awarded shall not exceed the total number of co-owners or member of the cooperative or collective organization multiplied by the award limit above prescribed, except in meritorious cases as determined by the PARC. Title to the property shall be issued in the name of the co-owners or the cooperative or collective.

Beneficiaries shall be awarded an area not exceeding three (3) hectares, which may cover a contiguous tract of land or several parcels of land cumulated up to the prescribed award limits. The determination of the size of the land for distribution shall consider crop type, soil type, weather patterns and other pertinent variables or factors which are deemed critical for the success of the beneficiaries.

For purposes of this Act, a landless beneficiary is one who owns less than three (3) hectares of agricultural land.

Whenever appropriate, the DAR shall encourage the agrarian reform beneficiaries to form or join farmers' cooperatives for purposes of affiliating with existing cooperative banks in their respective provinces or localities, as well as forming blocs of agrarian reform beneficiaries, corporations, and partnerships and joining other farmers' collective organizations, including irrigators' associations: Provided, That the agrarian reform beneficiaries shall be assured of corresponding shares in the corporation, seats in the board of directors, and
organization as the case may be. an equitable share in the profit.

In general, the land awarded to a farmer-beneficiary should be in the form of an individual title, covering one (1) contiguous tract or several parcels of land cumulated up to a maximum of three (3) hectares.

The beneficiaries may opt for collective ownership, such as co-workers or farmers cooperative or some other form of collective organization and for the issuance of collective ownership titles: Provided, That the total area that may be awarded shall not exceed the total number of co-owners or members of the cooperative or collective organization multiplied by the award limit above prescribed, except in meritorious cases as determined by the PARC.

The conditions for the issuance of collective titles are as follows:

(a) The current farm management system of the land covered by CARP will not be appropriate for individual farming of farm parcels;

(b) The farm labor system is specialized, where the farmworkers are organized by functions and not by specific parcels such as spraying, weeding, packing and other similar functions;

(c) The potential beneficiaries are currently not farming individual parcels but collectively work on large contiguous areas; and

(d) The farm consists of multiple crops being farmed in an integrated manner or includes non-crop production areas that are necessary for the viability of farm operations, such as packing plants, storage areas, dikes, and other similar facilities that cannot be subdivided or assigned to individual farmers.
For idle and abandoned lands or underdeveloped agricultural lands to be covered by CARP, collective ownership shall be allowed only if the beneficiaries opt for it and there is a clear development plan that would require collective farming or integrated farm operations exhibiting the conditions described above. Otherwise, the land awarded to a farmer-beneficiary should be in the form of an individual title, covering one (1) contiguous tract or several parcels of land cumulated up to a maximum of three (3) hectares.

In case of collective ownership, title to the property shall be issued in the name of the co-owners or the cooperative or collective organization as the case may be. If the certificates of land ownership award are given to cooperatives then the names of the beneficiaries must also be listed in the same certificate of land ownership award.

With regard to existing collective certificates of land ownership award, the DAR should immediately undertake the parcelization of said certificates of land ownership award, particularly those that do not exhibit the conditions for collective ownership outlined above. The DAR shall conduct a review and redocumentation of all the collective certificates of land ownership award. The DAR shall prepare a prioritized list of certificates of land ownership award to be parcelized. The parcelization shall commence immediately upon approval of this Act and shall not exceed a period of three (3) years. Only those existing certificates of land ownership award that are collectively farmed or are operated in an integrated manner shall remain as collective. (as amended by Section 10, RA 9700)

Section 26. Payment by Beneficiaries. —

Lands awarded pursuant to this Act shall be paid for by the beneficiaries to the LBP in thirty (30) annual amortizations at six percent (6%) interest per annum. The payments for the first three (3) years shall start immediately upon approval of this Act.
years after the award may be at reduced amounts as established by the PARC: provided, that the first five (5) annual payments may not be more than five percent (5%) of the value of the annual gross production as established by the DAR. Should the scheduled annual payments after the fifth year exceed ten percent (10%) of the annual gross production and the failure to produce accordingly is not due to the beneficiary’s fault, the LBP may reduce the interest rate or reduce the principal obligations to make the repayment affordable.

The LBP shall have a lien by way of mortgage on the land awarded to the beneficiary; and this mortgage may be foreclosed by the LBP for non-payment of an aggregate of three (3) annual amortizations. The LBP shall advise the DAR of such proceedings and the latter shall subsequently award the forfeited landholdings to other qualified beneficiaries. A beneficiary whose land, as provided herein, has been foreclosed shall thereafter be permanently disqualified from becoming a beneficiary under this Act.

**Section 27. Transferability of Awarded Lands.** —

Lands acquired by beneficiaries under this Act may not be sold, transferred or conveyed except through hereditary succession, or to the government, or the LBP, or to other qualified beneficiaries for a period of ten (10) years: provided, however, that the children or the spouse of the transferor shall have a right to repurchase the land from the government or LBP within a period of two (2) years. Due notice of the availability of the land shall be given by the LBP to the Barangay Agrarian Reform Committee (BARC) of the barangay where the land is situated. The Provincial Agrarian Reform Coordinating Committee (PARCCOM) as herein provided, shall, one (1) year from the date of the certificate of land ownership award registration. However, if the occupancy took place after the certificate of land ownership award registration, the amortization shall start one (1) year from actual occupancy. The payments for the first three (3) years after the award shall be at reduced amounts as established by the PARC: Provided, That the first five (5) annual payments may not be more than five percent (5%) of the value of the annual gross production as established by the DAR. Should the scheduled annual payments after the fifth (5th) year exceed ten percent (10%) of the annual gross production and the failure to produce accordingly is not due to the beneficiary’s fault, the LBP shall reduce the interest rate and/or reduce the principal obligation to make the repayment affordable. (As amended by Section 11, RA 9700)

Lands acquired by beneficiaries under this Act or other agrarian reform laws shall not be sold, transferred or conveyed except through hereditary succession, or to the government, or to the LBP, or to other qualified beneficiaries through the DAR for a period of ten (10) years: Provided, however, That the children or the spouse of the transferor shall have a right to repurchase the land from the government or LBP within a period of two (2) years. Due notice of the availability of the land shall be given by the LBP to the BARC of the barangay where the land is situated. The PARCCOM, as herein provided, shall, in turn, be given due notice...
The title of the land awarded under the agrarian reform must indicate that it is an emancipation patent or a certificate of land ownership award and the subsequent transfer title must also indicate that it is an emancipation patent or a certificate of land ownership award.

If the land has not yet been fully paid by the beneficiary, the rights to the land may be transferred or conveyed, with prior approval of the DAR, to any heir of the beneficiary or to any other beneficiary who, as a condition for such transfer or conveyance, shall cultivate the land himself/herself. Failing compliance herewith, the land shall be transferred to the LBP which shall give due notice of the availability of the land in the manner specified in the immediately preceding paragraph.

In the event of such transfer to the LBP, the latter shall compensate the beneficiary in one lump sum for the amounts the latter has already paid, together with the value of improvements he/she has made on the land.

Section 28. Standing Crops at the Time of Acquisition. — The landowner shall retain his share of any standing crops unharvested at the time the DAR shall take possession of the land under Section 16 of the Act, and shall be given a reasonable time to harvest the same.

CHAPTER VIII
Corporate Farms

Section 29. Farms Owned or Operated by Corporations or Other Business Associations. — In the case of farms owned or operated by corporations or other business associations, the following rules shall be observed by the PARC:

In general, lands shall be distributed directly to the individual worker-beneficiaries.

In case it is not economically feasible and sound to divide the land, then it shall be owned collectively by the workers' cooperative or association which will deal with the corporation or business association. Until a new agreement is entered into by and between the workers' cooperative or association and the corporation or business association, any agreement existing at the time this Act
takes effect between the former and the previous landowner shall be respected by both the workers' cooperative or association and the corporation or business association.

**Section 30. Homelots and Farmlots for Members of Cooperatives.** — The individual members of the cooperatives or corporations mentioned in the preceding section shall be provided with homelots and small farmlots for their family use, to be taken from the land owned by the cooperative or corporation.

**Section 31. Corporate Landowners.** — Corporate landowners may voluntarily transfer ownership over their agricultural landholdings to the Republic of the Philippines pursuant to Section 20 hereof or to qualified beneficiaries, under such terms and conditions, consistent with this Act, as they may agree upon, subject to confirmation by the DAR.

Upon certification by the DAR, corporations owning agricultural lands may give their qualified beneficiaries the right to purchase such proportion of the capital stock of the corporation that the agricultural land, actually devoted to agricultural activities, bears in relation to the company's total assets, under such terms and conditions as may be agreed upon by them. In no case shall the compensation received by the workers at the time the shares of stocks are distributed be reduced. The same principle shall be applied to associations, with respect to their equity or participation.

Corporations or associations which voluntarily divest a proportion of their capital stock, equity or participation in favor of their workers or other qualified beneficiaries under this section shall be deemed to have complied with the provisions of the Act: provided, that the following conditions are complied with:

a) In order to safeguard the right of beneficiaries who own shares of stocks to dividends and other financial benefits, the books of the corporation or association shall be subject to periodic audit by certified public accountants chosen by the beneficiaries;

b) Irrespective of the value of their equity in the corporation or association, the beneficiaries shall be assured of at least one (1) representative in the board of directors, or in a management or executive committee, if one exists, of the corporation or association; and

c) Any shares acquired by such workers and beneficiaries shall have the same rights and features as all other shares.

d) Any transfer of shares of stocks by the original beneficiaries shall be void ab initio unless said transaction is in favor of a qualified and registered beneficiary within the same corporation.

If within two (2) years from the approval of this Act, the land or stock transfer envisioned above is not made or realized or the plan for such stock distribution approved by the PARC within the same period, the agricultural land of the corporate owners or corporation shall be subject to the compulsory coverage of this Act.

**Section 32. Production-Sharing.** — Pending final land transfer, individuals or entities owning, or operating under lease or management contract, agricultural lands are hereby mandated to execute a production-sharing plan with their farm workers or farmworkers' reorganization, if any, whereby three percent (3%) of the gross sales from the production of such lands are distributed within sixty (60) days of the end of the fiscal year as compensation to regular and other farmworkers in such lands.
over and above the compensation they currently receive: provided, that these individuals or entities realize gross sales in excess of five million pesos per annum unless the DAR, upon proper application, determines a lower ceiling.

In the event that the individual or entity realizes a profit, an additional ten percent (10%) of the net profit after tax shall be distributed to said regular and other farmworkers within ninety (90) days of the end of the fiscal year.

To forestall any disruption in the normal operation of lands to be turned over to the farmworker-beneficiaries mentioned above, a transitory period, the length of which shall be determined by the DAR, shall be established.

During this transitory period, at least one percent (1%) of the gross sales of the entity shall be distributed to the managerial, supervisory and technical group in place at the time of the effectivity of this Act, as compensation for such transitory managerial and technical functions as it will perform, pursuant to an agreement that the farmworker-beneficiaries and the managerial, supervisory and technical group may conclude, subject to the approval of the DAR.

Section 32-A. Incentives. — Individuals or entities owning or operating fishponds and prawn farms are hereby mandated to execute within six (6) months from the effectivity of this Act an incentive plan with their regular fishpond or prawn farmworkers or fishpond or prawn farm workers' organization, if any, whereby seven point five percent (7.5%) of their net profit before tax from the operation of the fishpond or prawn farms are distributed within sixty (60) days at the end of the fiscal year as compensation to regular and other pond workers in such ponds over and above the compensation they currently receive.

In order to safeguard the right of the regular fishpond or prawn farm workers under the incentive plan, the books of the fishpond or prawn farm owners shall be subject to periodic audit or inspection by certified public accountants chosen by the workers.

The foregoing provision shall not apply to agricultural lands subsequently converted to fishpond or prawn farms provided the size of the land converted does not exceed the retention limit of the landowner. (as added by Section 4, RA 7881)

Section 33. Payment of Shares of Cooperative or Association. — Shares of a cooperative or association acquired by farmers-beneficiaries or workers-beneficiaries shall be fully paid for in an amount corresponding to the valuation as determined in the immediately succeeding section. The landowner and the LBP shall assist the farmers-beneficiaries and workers-beneficiaries in the payment for said shares by providing credit financing.

Section 34. Valuation of Lands. — A valuation scheme for the land shall be formulated by the PARC, taking into account the factors enumerated in Section 17, in addition to the need to stimulate the growth of cooperatives and the objective of fostering responsible participation of the workers-beneficiaries in the creation of wealth.
In the determination of price that is just not only to the individuals but to society as well, the PARC shall consult closely with the landowner and the workers-beneficiaries.

In case of disagreement, the price as determined by the PARC, if accepted by the workers-beneficiaries, shall be followed, without prejudice to the landowner's right to petition the Special Agrarian Court to resolve the issue of valuation.

CHAPTER IX
Support Services

Section 35. Creation of Support Services Office. —

<p>| There is hereby created the Office of Support Services under the DAR to be headed by an Undersecretary. | There is hereby created the Office of Support Services under the DAR to be headed by an Undersecretary. |
| The Office shall provide general support and coordinative services in the implementation of the program particularly in carrying out the provisions of the following services to farmer-beneficiaries and affected landowners: | The Office shall provide general support and coordinative services in the implementation of the program, particularly in carrying out the provisions of the following services to farmer beneficiaries and affected landowners: |
| 1) Irrigation facilities, especially second crop or dry season irrigation facilities; | 1) Irrigation facilities, especially second crop or dry season irrigation facilities; |
| 2) Infrastructure development and public works projects in areas and settlements that come under agrarian reform, and for this purpose, the preparation of the physical development plan of such settlements providing suitable barangay sites, potable water and power resources, irrigation systems and other facilities for a sound agricultural development plan; | 2) Infrastructure development and public works projects in areas and settlements that come under agrarian reform, and for this purpose, the preparation of the physical development plan of such settlements providing suitable barangay sites, potable water and power resources, irrigation systems, seeds and seedling banks, post harvest facilities, and other facilities for a sound agricultural development plan. For the purpose of providing the aforecited infrastructure and facilities, the DAR is authorized to enter into contracts with interested private parties on long term basis or through joint-venture agreements or build-operate-transfer scheme; |
| 3) Government subsidies for the use of irrigation facilities; | 3) Government subsidies for the use of irrigation facilities; |
| 4) Price support and guarantee for all agricultural produce; | 4) Price support and guarantee for all agricultural produce; |
| 5) Extending to small landowners, farmers' organizations the necessary credit, like concessional and collateral-free loans, for agro-industrialization based on social collaterals like the guarantees of farmers' organization; | 5) Extending to small landowners, farmers and farmers' organizations the necessary credit, like concessional and collateral-free loans, for agro-industrialization based on social collaterals like the guarantees of farmers' organizations; |</p>
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<td>6) Promoting, developing and extending financial assistance to small-and medium-scale industries in agrarian reform areas;</td>
<td>(6) Promoting, developing and extending financial assistance to small and medium-scale industries in agrarian reform areas;</td>
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<td>7) Assigning sufficient numbers of agricultural extension workers to farmers’ organizations;</td>
<td>(7) Assigning sufficient numbers of agricultural extension workers to farmers’ organizations;</td>
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<td>8) Undertake research, development and dissemination of information on agrarian reform and low-cost and ecologically sound farm inputs and technologies to minimize reliance on expensive and imported agricultural inputs;</td>
<td>(8) Undertake research, development and dissemination of information on agrarian reform, plants and crops best suited for cultivation and marketing, and low-cost and ecologically sound farm inputs and technologies to minimize reliance on expensive and imported agricultural inputs;</td>
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<td>9) Development of cooperative management skills through intensive training;</td>
<td>(9) Development of cooperative management skills through intensive training;</td>
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<td>10) Assistance in the identification of ready markets for agricultural produce and training in other various aspects of marketing; and</td>
<td>(10) Assistance in the identification of ready markets for agricultural produce and training in the other various aspects of marketing;</td>
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<td>11) Administration operation management and funding of support services, programs and projects including pilot projects and models related to agrarian reform as developed by the DAR.</td>
<td>(11) Conduct an effective information dissemination system through the Department of Agriculture to promote marketing and minimize spoilage of agricultural produce and products;</td>
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<td>12) Create a credit guarantee fund for agricultural landowners that will enhance the collateral value of agricultural lands that are affected or will be affected by coverage under the agrarian reform program; and</td>
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<tr>
<td>13) Administration, operation, management and funding of support services programs and projects including pilot projects and models related to agrarian reform as developed by the DAR.</td>
<td>(as amended by Section 1, RA 7905)</td>
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**Section 36. Funding for Support Services.** —

In order to cover the expenses and cost of support services, at least twenty-five percent (25%) of all appropriations for agrarian reform shall be immediately set aside and made available for this purpose. In addition, the DAR shall be authorized to package proposals and receive grants, aid and other forms of financial assistance from any source.

In order to cover the expenses and cost of support services, at least twenty-five percent (25%) of all appropriations for agrarian reform shall be immediately set aside and made available for this purpose: Provided, That for the next five (5) years, a minimum of one (1) Agrarian Reform Community (ARC) shall be established by the DAR, in coordination with

In order to cover the expenses and cost of support services, at least forty percent (40%) of all appropriations for agrarian reform during the five (5) year extension period shall be immediately set aside and made available for this purpose: Provided, That the DAR shall pursue integrated land acquisition and distribution and support services strategy requiring a plan to be developed.
the local government units, non-governmental organizations and people organizations in each legislative district with a predominant agricultural population: Provided, further, That the areas in which the ARCs are to be established shall have been fully subjected under this law.

For this purpose, an Agrarian Reform Community shall be defined as a barangay or a cluster of barangays primarily composed and managed by Agrarian Reform Beneficiaries who shall be willing to be organized and undertake the integrated development of an area and/or their organizations/cooperative. In each community, the DAR, together with the agencies and organizations abovementioned, shall identify the farmers association, cooperative or their respective federation approved by the farmers-beneficiaries that shall take the lead in the agricultural development of the area. In addition, the DAR shall be authorized to package proposals and receive grants, aid and other forms of financial assistance from any source. (as amended by Section 2, RA 7905)

parallel to the land acquisition and distribution process. The planning and implementation for land acquisition and distribution shall be hand-in-hand with support services delivery:

Provided, further, That for the next five (5) years, as far as practicable, a minimum of two (2) Agrarian Reform Communities (ARCs) shall be established by the DAR, in coordination with the local government units, non-governmental organizations, community-based cooperatives and people's organizations in each legislative district with a predominant agricultural population: Provided, furthermore, That the areas in which the ARCs are to be established shall have been substantially covered under the provisions of this Act and other agrarian or land reform laws: Provided, finally, That a complementary support services delivery strategy for existing agrarian reform beneficiaries that are not in barangays within the ARCs shall be adopted by the DAR.

For this purpose, an Agrarian Reform Community is composed and managed by agrarian reform beneficiaries who shall be willing to be organized and to undertake the integrated development of an area and/or their organizations/
Section 37. Support Services to the Beneficiaries. — The PARC shall ensure that support services to farmers-beneficiaries are provided, such as:

(a) Land surveys and titling;

(b) Liberalized terms on credit facilities and production loans;

Section 37. Support Services for the Agrarian Reform Beneficiaries. — The State shall adopt the integrated policy of support services delivery to agrarian reform beneficiaries. To this end, the DAR, the Department of Finance, and the Bangko Sentral ng Pilipinas (BSP) shall institute reforms to liberalize access to credit by agrarian reform beneficiaries. The PARC shall ensure that support services for agrarian reform beneficiaries are provided, such as:

(a) Land surveys and titling;

(b) Socialized terms on agricultural credit facilities;

Thirty percent (30%) of all appropriations for support services referred to in Section 36 of Republic Act No. 6657, as amended, shall be immediately set aside and made available for agricultural credit facilities: Provided, That one-third (1/3) of this segregated appropriation shall be specifically allocated for subsidies to
support the initial capitalization for agricultural production to new agrarian reform beneficiaries upon the awarding of the emancipation patent or the certificate of land ownership award and the remaining two-thirds (2/3) shall be allocated to provide access to socialized credit to existing agrarian reform beneficiaries, including the leaseholders: Provided, further, the LBP and other concerned government financial institutions, accredited savings and credit cooperatives, financial service cooperatives and accredited cooperative banks shall provide the delivery system for disbursement of the above financial assistance to individual agrarian reform beneficiaries, holders of collective titles and cooperatives.

For this purpose, all financing institutions may accept as collateral for loans the purchase orders, marketing agreements or expected harvests: Provided, That loans obtained shall be used in the improvement or development of the farm holding of the agrarian reform beneficiary or the establishment of facilities which shall enhance production or marketing of agricultural products of increase farm income therefrom: Provided, further, That of the remaining seventy percent (70%) for the support services, fifteen percent (15%) shall be earmarked for farm inputs as requested by the duly accredited agrarian reform beneficiaries' organizations, such as, but not limited to: (1) seeds, seedlings and/or planting materials; (2) organic fertilizers; (3) pesticides; (4) herbicides; and (5) farm animals, implements/machineries; and five percent (5%) for seminars, trainings and the like to help empower agrarian reform beneficiaries.
cooperatives and farmers' organizations;
(d) Infrastructure such as access trails, mini-dams, public utilities, marketing and storage facilities; and
(e) Research, production and use of organic fertilizers and other local substances necessary in farming and cultivation.

The PARC shall formulate policies to ensure that support services to farmer-beneficiaries shall be provided at all stages of land reform.

The Bagong Kilusang Kabuhayan sa Kaunlaran (BKKK) Secretariat shall be transferred and attached to the LBP, for its supervision including all its applicable and existing funds, personnel, properties, equipment and records.

cooperatives and farmers' organizations;
(d) Infrastructure such as, but not limited to, access trails, mini-dams, public utilities, marketing and storage facilities;
(e) Research, production and use of organic fertilizers and other local substances necessary in farming and cultivation; and
(f) Direct and active DAR assistance in the education and organization of actual and potential agrarian reform beneficiaries, at the barangay, municipal, city, provincial, and national levels, towards helping them understand their rights and responsibilities as owner-cultivators developing farm-related trust relationships among themselves and their neighbors, and increasing farm production and profitability with the ultimate end of empowering them to chart their own destiny.

The representatives of the agrarian reform beneficiaries to the PARC shall be chosen from the 'nominees of the duly accredited agrarian reform beneficiaries' organizations, or in its absence, from organizations of actual and potential agrarian reform beneficiaries as forwarded to and processed by the PARC EXCOM.

The PARC shall formulate policies to ensure that support services for agrarian reform beneficiaries shall be provided at all stages of the program implementation with the concurrence of the concerned agrarian reform beneficiaries.

The PARC shall likewise adopt, implement, and monitor policies and programs to ensure the fundamental equality of women and men in the agrarian reform program as well as respect for the human rights, social protection, and decent working conditions of both paid and unpaid men and women farmer-beneficiaries.

The Bagong Kilusang Kabuhayan sa Kaunlaran (BKKK) Secretariat shall be transferred and attached to the LBP, for its supervision including all its applicable and existing funds, personnel, properties, equipment and records.
| Section 37-A. Equal Support Services for Rural Women. | - Support services shall be extended equally to women and men agrarian reform beneficiaries.  

The PARC shall ensure that these support services, as provided for in this Act, integrate the specific needs and well-being of women farmer-beneficiaries taking into account the specific requirements of female family members of farmer-beneficiaries.  

The PARC shall also ensure that rural women will be able to participate in all community activities. To this effect, rural women are entitled to self-organization in order to obtain equal access to economic opportunities and to have access to agricultural credit and loans, marketing facilities and technology, and other support services, and equal treatment in land reform and resettlement schemes.  

The DAR shall establish and maintain a women's desk, which will be primarily responsible for formulating and implementing programs and activities related to the protection and promotion of women's rights, as well as providing an avenue where women can register their complaints and grievances principally related to their rural activities. (as amended by Section 15, RA 9700) |
| --- | --- |
| Section 38. Support Services to Landowners. | — The PARC with the assistance of such other government agencies and instrumentalities as it may direct, shall provide landowners affected by the CARP and prior agrarian reform programs with the following services:  

(a) Investment information, financial and counseling assistance;  

(b) Facilities, programs and schemes for the conversion or exchange of bonds issued for payment of the lands acquired with stocks and bonds issued by the National Government, the | Section 38. Support Services for Landowners. | — The PARC, with the assistance of such other government agencies and instrumentalities as it may direct, shall provide landowners affected by the CARP and prior agrarian reform programs with the following services:  

(a) Investment information, financial and counseling assistance, particularly investment information on government-owned and/or -controlled corporations and disposable assets of the government in pursuit of national industrialization and economic independence:  

(b) Facilities, programs and schemes for the conversion or exchange of bonds issued for payment of the lands acquired with stocks and bonds issued by the National Government, the |
Central Bank and other government institutions and instrumentalities;

(c) Marketing of LBP bonds, as well as promoting the marketability of said bonds in traditional and non-traditional financial markets and stock exchanges; and

(d) Other services designed to utilize productively the proceeds of the sale of such lands for rural industrialization.

A landowner who invests in rural-based industries shall be entitled to the incentives granted to a registered enterprise engaged in a pioneer or preferred area of investment as provided for in the Omnibus Investment Code of 1987, or to such other incentives as the PARC, the LBP, or other government financial institutions may provide.

The LBP shall redeem a landowner's LBP bonds at face value, provided that the proceeds thereof shall be invested in a BOI-registered company or in any agri-business or agro-industrial enterprise in the region where the landowner has previously made investments, to the extent of thirty percent (30%) of the face value of said LBP bonds, subject to guidelines that shall be issued by the LBP.

BSP and other government institutions and instrumentalities;

(c) Marketing of agrarian reform bonds, as well as promoting the marketability of said bonds in traditional and non-traditional financial markets and stock exchanges: and/or

(d) Other services designed to utilize productively the proceeds of the sale of such lands for rural industrialization.

A landowner who invests in rural-based industries shall be entitled to the incentives granted to a registered enterprise engaged in a pioneer or preferred area of investment as provided for in the Omnibus Investment Code of 1987, or to such other incentives as the PARC, the LBP, or other government financial institutions shall provide.

The LBP shall redeem a landowner's agrarian reform bonds at face value as an incentive: Provided, That at least fifty percent (50%) of the proceeds thereof shall be invested in a Board of Investments (BOI)-registered company or in any agri-business or agro-industrial enterprise in the region where the CARP-covered landholding is located. An additional incentive of two percent (2%) in cash shall be paid to a landowner who maintains his/her enterprise as a going concern for five (5) years or keeps his/her investments in a BOI-registered firm for the same period: Provided, further, That the rights of the agrarian reform beneficiaries are not, in any way, prejudiced or impaired thereby.

The DAR, the LBP and the Department of Trade and Industry shall jointly formulate the program to carry out these provisions under the supervision of the PARC: Provided, That in no case shall the landowners’ sex, economic, religious, social, cultural and political attributes exclude them from accessing these support services. (as amended Section 16, RA 9700)
Section 39. Land Consolidation. — The DAR shall carry out land consolidation projects to promote equal distribution of landholdings, to provide the needed infrastructures in agriculture, and to conserve soil fertility and prevent erosion.

CHAPTER X
Special Areas of Concern

Section 40. Special Areas of Concern. — As an integral part of the Comprehensive Agrarian Reform Program, the following principles in these special areas of concern shall be observed:

(1) Subsistence Fishing. — Small fisherfolk, including seaweed farmers, shall be assured of greater access to the utilization of water resources.

(2) Logging and Mining Concessions. — Subject to the requirement of a balanced ecology and conservation of water resources, suitable areas, as determined by the Department of Environment and Natural Resources (DENR), in logging, mining and pasture areas, shall be opened up for agrarian settlements whose beneficiaries shall be required to undertake reforestation and conservation production methods. Subject to existing laws, rules and regulations, settlers and members of tribal communities shall be allowed to enjoy and exploit the products of the forest other than timber within the logging concessions.

(3) Sparsely Occupied Public Agricultural Lands. — Sparsely occupied agricultural lands of the public domain shall be surveyed, proclaimed and developed as farm settlements for qualified landless people based on an organized program to ensure their orderly and early development.

Agricultural land allocations shall be made for ideal family-size farms as determined by the PARC. Pioneers and other settlers shall be treated equally in every respect.

Subject to the prior rights of qualified beneficiaries, uncultivated lands of the public domain shall be made available on a lease basis to interested and qualified parties. Parties who will engaged in the development of capital-intensive, traditional or pioneering crops shall be given priority.

The lease period, which shall not be more than a total of fifty (50) years, shall be proportionate to the amount of investment and production goals of the lessee. A system of evaluation and audit shall be instituted.

(4) Idle, Abandoned, Foreclosed and Sequestered Lands. — Idle, abandoned, foreclosed and sequestered lands shall be planned for distribution as home lots and family-size farmlots to actual occupants. Land area permits, other landless families shall be accommodated in these lands.

(5) Rural Women. — All qualified women members of the agricultural labor force must be guaranteed and assured equal right to ownership of the land, equal shares of the farm's produce, and representation in advisory or appropriate decision-making bodies.
(6) **Veterans and Retirees.** — In accordance with Section 7 of Article XVI of the Constitution, landless war veterans and veterans of military campaigns, their surviving spouse and orphans, retirees of the Armed Forces of the Philippines (AFP) and the Integrated National Police (INP), returnees, surrenderees, and similar beneficiaries shall be given due consideration in the disposition of agricultural lands of the public domain.

(7) **Agriculture Graduates.** — Graduates of agricultural schools who are landless shall be assisted by the government, through the DAR, in their desire to own and till agricultural lands.

**CHAPTER XI**

**Program Implementation**

**Section 41. The Presidential Agrarian Reform Council.** —

| The Presidential Agrarian Reform Council (PARC) shall be composed of the President of the Philippines as Chairman, the Secretary of Agrarian Reform as Vice-Chairman and the following as members: Secretaries of the Departments of Agriculture; Environment and Natural Resources; Budget and Management; Local Government: Public Works and Highways; Trade and Industry; Finance; Labor and Employment; Director-General of the National Economic and Development Authority; President, Land Bank of the Philippines; Administrator, National Irrigation Administration; and three (3) representatives of affected landowners to represent Luzon, Visayas and Mindanao; six (6) representatives of agrarian reform beneficiaries, two (2) each from Luzon, Visayas and Mindanao, provided that one of them shall be from the cultural communities. |
| The Presidential Agrarian Reform Council (PARC) shall be composed of the President of the Philippines as Chairperson, the Secretary of Agrarian Reform as Vice-Chairperson and the following as members: Secretaries of the Departments of Agriculture; Environment and Natural Resources; Budget and Management; Interior and Local Government; Public Works and Highways; Trade and Industry; Finance; Labor and Employment; Director-General of the National Economic and Development Authority; President, Land Bank of the Philippines; Administrator, National Irrigation Administration; Administrator, Land Registration Authority; and six (6) representatives of affected landowners to represent Luzon, Visayas and Mindanao; six (6) representatives of agrarian reform beneficiaries, two (2) each from Luzon, Visayas and Mindanao: Provided, That at least one (1) of them shall be from the indigenous peoples: Provided, further, That at least one (1) of them shall come from a duly recognized national organization of rural women or a national organization of agrarian reform beneficiaries with a substantial number of women members: Provided, finally, That at least twenty percent (20%) of the members of the PARC shall be women but in no case shall they be less than two (2). (as amended by Section 17, RA 9700) |
Section 42. Executive Committee. — There shall be an Executive Committee (EXCOM) of the PARC composed of the Secretary of the DAR as Chairman, and such other members as the President may designate, taking into account Article XIII, Section 5 of the Constitution. Unless otherwise directed by PARC, the EXCOM may meet and decide on any and all matters in between meetings of the PARC: provided, however, that its decisions must be reported to the PARC immediately and not later than the next meeting.

Section 43. Secretariat. — A PARC Secretariat is hereby established to provide general support and coordinative services such as inter-agency linkages; program and project appraisal and evaluation and general operations monitoring for the PARC.

The Secretariat shall be headed by the Secretary of Agrarian Reform who shall be assisted by an Undersecretary and supported by a staff whose composition shall be determined by the PARC Executive Committee and whose compensation shall be chargeable against the Agrarian Reform Fund. All officers and employees of the Secretariat shall be appointed by the Secretary of Agrarian Reform.

Section 44. Provincial Agrarian Reform Coordinating Committee (PARCCOM). —

| A Provincial Agrarian Reform Coordinating Committee (PARCCOM) is hereby created in each province, composed of a Chairman, who shall be appointed by the President upon the recommendation of the EXCOM, the Provincial Agrarian Reform Officer as Executive Officer, and one representative each from the Departments of Agriculture, and of Environment and Natural Resources and from the LBP, one representative each from existing farmers' organizations, agricultural cooperatives and non-governmental organizations in the province; two representatives from landowners, at least one of whom shall be a producer representing the principal crop of the province, and two representatives from farmer and farmworker-beneficiaries, at least one of whom shall be a farmer or farmworker representing the principal crop of the province, as members: provided, that in areas where there are cultural communities, the latter shall likewise have one representative. |
| A Provincial Agrarian Reform Coordinating Committee is hereby created in each province, composed of a Chairman, who shall be appointed by the President upon the recommendation of the EXCOM, the Provincial Agrarian Reform Officer as Executive Officer, and one (1) representative each from the Departments of Agriculture, and of Environment and Natural Resources and from the LBP; one (1) representative each from existing farmers' organizations, agricultural cooperatives and non-governmental organizations in the province; two (2) representatives from landowners, at least one (1) of whom shall be a producer representing the principal crop of the province, and two (2) representatives from farmer and farmworker or beneficiaries, at least one (1) of whom shall be a farmer or farmworker representing the principal crop of the province, as members: Provided, That in areas where there are cultural communities, the latter shall likewise have one (1) representative. |

The PARCCOM shall coordinate and monitor the implementation of the CARP in the province. It shall provide information on the provisions of the CARP, guidelines issued by the PARC and on the progress of the CARP in the province.

The PARCCOM shall coordinate and monitor the implementation of the CARP in the province. It shall provide information on the provisions of the CARP, guidelines issued by the PARC and on the progress of the CARP, in the province; in addition, it shall:
(a) Recommend to the PARC the following:

(1) Market prices to be used in the determination of the profit sharing obligation of agricultural entities in the province;

(2) Adoption of the direct payment scheme between the landowner and the farmer and/or farmworker beneficiary: Provided, that the amount and terms of payment are not more burdensome to the agrarian reform beneficiary than under the compulsory coverage provision of the CARL: Provided, further, That the agrarian reform beneficiary agrees to the amount and terms of payment: Provided, furthermore, That the DAR shall act as mediator in cases of disagreement between the landowner and the farmer and/or farmworker beneficiary; Provided, finally, That the farmer and/or farmer beneficiary shall be eligible to borrow from the LBP an amount equal to eighty-five percent (85%) of the selling price of the land that they have acquired;

(3) Continuous processing of applications for lease back arrangements, joint-venture agreements and other schemes that will optimize the operating size for agricultural production and also promote both security of tenure and security of income to farmer beneficiaries: Provided, That lease back arrangements should be the last resort. (as amended by Section 3, RA 7905)

Section 45. Province-by-Province Implementation. —

The PARC shall provide the guidelines for a province-by-province implementation of the CARP. The ten-year program of distribution of public and private lands in each province shall be adjusted from year to year by the province's PARCCOM in accordance with the level of operations previously established by the PARC, in every case ensuring that support services are available or have been programmed before actual distribution is effected.

The PARC shall provide the guidelines for the province-by-province implementation of the CARP, taking into account the peculiarities and needs of each place, kind of crops needed or suited, land distribution workload, beneficiaries development activities and other factors prevalent or obtaining in the area. In all cases, the implementing agencies at the provincial level shall promote the development of identified ARCs without neglecting the needs and problems of other beneficiaries.
The ten-year program of distribution of public and private land in each province shall be adjusted from year to year by the province's PARCCOM in accordance with the level of operations previously established by the PARC, in every case ensuring that support services are available or have been programmed before actual distribution is effected. (as amended by Section 4, RA 7905)

**Section 46. Barangay Agrarian Reform Committee (BARC).** — Unless otherwise provided in this Act, the provisions of Executive Order No. 229 regarding the organization of the Barangay Agrarian Reform Committee (BARC) shall be in effect.

**Section 47. Functions of the BARC.** — In addition to those provided in Executive Order No. 229, the BARC shall have the following functions:

(a) Mediate and conciliate between parties involved in an agrarian dispute including matters related to tenurial and financial arrangements;

(b) Assist in the identification of qualified beneficiaries and landowners within the barangay;

(c) Attest to the accuracy of the initial parcellary mapping of the beneficiary's tillage;

(d) Assist qualified beneficiaries in obtaining credit from lending institutions;

(e) Assist in the initial determination of the value of the land;

(f) Assist the DAR representatives in the preparation of periodic reports on the CARP implementation for submission to the DAR;

(g) Coordinate the delivery of support services to beneficiaries; and

(h) Perform such other functions as may be assigned by the DAR.

(2) The BARC shall endeavor to mediate, conciliate and settle agrarian disputes lodged before it within thirty (30) days from its taking cognizance thereof. If after the lapse of the thirty day period, it is unable to settle the dispute, it shall issue a certificate of its proceedings and shall furnish a copy thereof upon the parties within seven (7) days after the expiration of the thirty-day period.

**Section 48. Legal Assistance.** — The BARC or any member thereof may, whenever necessary in the exercise of any of its functions hereunder, seek the legal assistance of the DAR and the provincial, city, or municipal government.

**Section 49. 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. Said rules shall take effect ten (10) days after publication in two (2) national newspapers of general circulation.
CHAPTER XII
Administrative Adjudication

Section 50. Quasi-Judicial Powers of the DAR. —

The DAR is hereby vested with the primary jurisdiction to determine and adjudicate agrarian reform matters and shall have exclusive original jurisdiction over all matters involving the implementation of agrarian reform except those falling under the exclusive jurisdiction of the Department of Agriculture (DA) and the Department of Environment and Natural Resources (DENR).

It shall not be bound by technical rules of procedure and evidence but shall proceed to hear and decide all cases, disputes or controversies in a most expeditious manner, employing all reasonable means to ascertain the facts of every case in accordance with justice and equity and the merits of the case. Toward this end, it shall adopt a uniform rule of procedure to achieve a just, expeditious and inexpensive determination for every action or proceeding before it.

It shall have the power to summon witnesses, administer oaths, take testimony, require submission of reports, compel the production of books and documents and answers to interrogatories and issue *subpoena*, and *subpoena duces tecum*, and enforce its writs through sheriffs or other duly deputized officers. It shall likewise have the power to punish direct and indirect contempts in the same manner and subject to the same penalties as provided in the Rules of Court.

Responsible farmer leaders shall be allowed to represent themselves, their fellow farmers, or their organizations in any proceedings before the DAR: provided, however, that when there are two or more representatives for any individual or group, the representatives should choose only one among themselves to represent such party
or group before any DAR proceedings. Notwithstanding an appeal to the Court of Appeals, the decision of the DAR shall be immediately executory except a decision or a portion thereof involving solely the issue of just compensation. (as amended by Section 18, RA 9700)

Section 50-A. Exclusive Jurisdiction on Agrarian Dispute. - No court or prosecutor's office shall take cognizance of cases pertaining to the implementation of the CARP except those provided under Section 57 of Republic Act No. 6657, as amended. If there is an allegation from any of the parties that the case is agrarian in nature and one of the parties is a farmer, farmworker, or tenant, the case shall be automatically referred by the judge or the prosecutor to the DAR which shall determine and certify within fifteen (15) days from referral whether an agrarian dispute exists: Provided, That from the determination of the DAR, an aggrieved party shall have judicial recourse. In cases referred by the municipal trial court and the prosecutor's office, the appeal shall be with the proper regional trial court, and in cases referred by the regional trial court, the appeal shall be to the Court of Appeals.

In cases where regular courts or quasi-judicial bodies have competent jurisdiction, agrarian reform beneficiaries or identified beneficiaries and/or their associations shall have legal standing and interest to intervene concerning their individual or collective rights and/or interests under the CARP.

The fact of non-registration of such associations with the Securities and Exchange Commission, or Cooperative Development Authority, or any concerned government agency shall not be used against them to deny the existence of their legal standing and interest in a case filed before such courts and quasi-judicial bodies. (as added by Section 19, RA 9700)

Section 51. Finality of Determination. — Any case or controversy before it shall be decided within thirty (30) days after it is submitted for resolution. Only one (1) motion for reconsideration shall be allowed. Any order, ruling or decision shall be final after the lapse of fifteen (15) days from receipt of a copy thereof.

Section 52. Frivolous Appeals. — To discourage frivolous or dilatory appeals from the decisions or orders on the local or provincial levels, the DAR may impose reasonable penalties, including but not limited to fines or censures upon erring parties.

Section 53. Certification of the BARC. — The DAR shall not take cognizance of any agrarian dispute or controversy unless a certification from the BARC that the dispute has been submitted to it for mediation and conciliation without any success of settlement is presented: provided, however, that if no certification is issued by the BARC within thirty (30) days after a matter or issue is submitted to it for mediation or conciliation the case or dispute may be brought before the PARC.
CHAPTER XIII
Judicial Review

Section 54. Certiorari. — Any decision, order, award or ruling of the DAR on any agrarian dispute or on any matter pertaining to the application, implementation, enforcement, or interpretation of this Act and other pertinent laws on agrarian reform may be brought to the Court of Appeals by certiorari except as otherwise provided in this Act within fifteen (15) days from the receipt of a copy thereof.

The findings of fact of the DAR shall be final and conclusive if based on substantial evidence.

Section 55. No Restraining Order or Preliminary Injunction. —

| No court in the Philippines shall have jurisdiction to issue any restraining order or writ of preliminary injunction against the PARC or any of its duly authorized or designated agencies in any case, dispute or controversy arising from, necessary to, or in connection with the application, implementation, enforcement, or interpretation of this Act and other pertinent laws on agrarian reform. |
|---|---|
| Except for the Supreme Court, no court in the Philippines shall have jurisdiction to issue any restraining order or writ of preliminary injunction against the PARC, the DAR, or any of its duly authorized or designated agencies in any case, dispute or controversy arising from, necessary to, or in connection with the application, implementation, enforcement, or interpretation of this Act and other pertinent laws on agrarian reform. (as amended by Section 20, RA 9700) |

Section 56. Special Agrarian Court. — The Supreme Court shall designate at least one (1) branch of the Regional Trial Court (RTC) within each province to act as a Special Agrarian Court.

The Supreme Court may designate more branches to constitute such additional Special Agrarian Courts as may be necessary to cope with the number of agrarian cases in each province. In the designation, the Supreme Court shall give preference to the Regional Trial Courts which have been assigned to handle agrarian cases or whose presiding judges were former judges of the defunct Court of Agrarian Relations.

The Regional Trial Court (RTC) judges assigned to said courts shall exercise said special jurisdiction in addition to the regular jurisdiction of their respective courts.

The Special Agrarian Courts shall have the powers and prerogatives inherent in or belonging to the Regional Trial Courts.

Section 57. Special Jurisdiction. — The Special Agrarian Courts shall have original and exclusive jurisdiction over all petitions for the determination of just compensation to landowners, and the prosecution of all criminal offenses under this Act. The Rules of Court shall apply to all proceedings before the Special Agrarian Courts, unless modified by this Act.

The Special Agrarian Courts shall decide all appropriate cases under their special jurisdiction within thirty (30) days from submission of the case for decision.

Section 58. Appointment of Commissioners. — The Special Agrarian Courts, upon their own initiative or at the instance of any of the parties, may appoint one or more commissioners to examine,
investigate and ascertain facts relevant to the dispute including the valuation of properties, and to file a written report thereof with the court.

Section 59. Orders of the Special Agrarian Courts. — No order of the Special Agrarian Courts on any issue, question, matter or incident raised before them shall be elevated to the appellate courts until the hearing shall have been terminated and the case decided on the merits.

Section 60. Appeals. — An appeal may be taken from the decision of the Special Agrarian Courts by filing a petition for review with the Court of Appeals within fifteen (15) days receipt of notice of the decision; otherwise, the decision shall become final.

An appeal from the decision of the Court of Appeals, or from any order, ruling or decision of the DAR, as the case may be, shall be by a petition for review with the Supreme Court within a non-extendible period of fifteen (15) days from receipt of a copy of said decision.

Section 61. Procedure on Review. — Review by the Court of Appeals or the Supreme Court, as the case may be, shall be governed by the Rules of Court. The Court of Appeals, however, may require the parties to file simultaneous memoranda within a period of fifteen (15) days from notice, after which the case is deemed submitted for decision.

Section 62. Preferential Attention in Courts. — All courts in the Philippines, both trial and appellate, shall give preferential attention to all cases arising from or in connection with the implementation of the provisions of this Act.

All cases pending in court arising from or in connection with the implementation of this Act shall continue to be heard, tried and decided into their finality, notwithstanding the expiration of the ten-year period mentioned in Section 5 hereof.

CHAPTER XIV
Financing

Section 63. Funding Source. —

<table>
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<tr>
<th>The initial amount needed to implement this Act for the period of ten (10) years upon approval hereof shall be funded from the Agrarian Reform Fund created under Sections 20 and 21 of Executive Order No. 229.</th>
<th>The amount needed to implement this Act until the year 2008 shall be funded from the Agrarian Reform Fund.</th>
<th>The amount needed to further implement the CARP as provided in this Act, until June 30, 2014, upon expiration of funding under Republic Act No. 8532 and other pertinent laws, shall be funded from the Agrarian Reform Fund and other funding sources in the amount of at least One hundred fifty billion pesos (P150,000,000,000.00).</th>
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<tr>
<td>Additional amounts are necessary</td>
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hereby authorized to be appropriated as and when needed to augment the Agrarian Reform Fund in order to fully implement the provisions of this Act. for this purpose are hereby authorized to be appropriated in excess of the initial funds, amounting to Fifty billion pesos (P50,000,000,000.00) provided under Sections 20 and 21 of Executive Order No. 229.

The additional amount hereby authorized to be appropriated shall in no case exceed Fifty billion pesos (P50,000,000,000.00).

Sources of funding or appropriations shall include the following:

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<tr>
<th>(a) Proceeds of the sales of the Assets Privatization Trust;</th>
<th>a) Proceeds of the sales of the Assets Privatization Trust;</th>
<th>(a) Proceeds of the sales of the Privatization and Management Office (PMO);</th>
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<tr>
<td>(b) All receipts from assets recovered and from sales of ill-gotten wealth recovered through the Presidential Commission on Good Government;</td>
<td>b) All receipts from assets recovered and from sales of ill-gotten wealth recovered through the Presidential Commission on Good Government;</td>
<td>b) All receipts from assets recovered and from sales of ill-gotten wealth recovered through the PCGG excluding the amount appropriated for compensation to victims of human rights violations under the applicable law;</td>
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<tr>
<td>(c) Proceeds of the disposition of the properties of the Government in foreign countries;</td>
<td>c) Proceeds of the disposition of the properties of the Government in foreign countries, for the specific purposes of financing production credits, infrastructure and other support services required by this Act;</td>
<td>(c) Proceeds of the disposition and development of the properties of the Government in foreign countries, for the specific purposes of financing production credits, infrastructure and other support services required by this Act;</td>
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<tr>
<td>d) All income and collections arising from the agrarian reform operations, projects and programs of CARP implementing agencies;</td>
<td>d) All income and collections arising from the agrarian reform operations, projects and programs of the DAR and other CARP implementing agencies;</td>
<td></td>
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Additional amounts are hereby authorized to be appropriated as and when needed to augment the Agrarian Reform Fund in order to fully implement the provisions of this Act during the five (5)-year extension period.
<table>
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<tr>
<th>(d) Portion of amounts accruing to the Philippines from all sources of official foreign grants and concessional financing from all countries, to be used for the specific purposes of financing production credits, infrastructures, and other support services required by this Act;</th>
<th>e) Portion of amounts accruing to the Philippines from all sources of official foreign aid grants and concessional financing from all countries, to be used for the specific purposes of financing production, credits, infrastructures, and other support services required by this Act;</th>
<th>(e) Portion of amounts accruing to the Philippines from all sources of official foreign aid grants and concessional financing from all countries, to be used for the specific purposes of financing productions, credits, infrastructures, and other support services required by this Act;</th>
</tr>
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<tr>
<td>f) Yearly appropriations of no less than Three billion pesos (P3,000,000,000.00) from the General Appropriations Act;</td>
<td>(f) Yearly appropriations of no less than Five billion pesos (P5,000,000,000.00) from the General Appropriations Act;</td>
<td>(g) Gratuitous financial assistance from legitimate sources; and</td>
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<tr>
<td>g) Other government funds not otherwise appropriated.</td>
<td>(g) Other government funds not otherwise appropriated.</td>
<td>(h) Other government funds not otherwise appropriated.</td>
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</table>

All funds appropriated to implement the provisions of this Act shall be considered continuing appropriations during the period of its implementation. All funds appropriated to implement the provisions of this Act shall be considered continuing appropriations during the period of its implementation:

Provided, That if the need arises, specific amounts for bond redemptions, interest payments and other existing obligations arising from the implementation of the program shall be included in the annual General Appropriations Act:

Provided, further, That all just compensation payments to landowners, including execution of judgments therefore, shall only be sourced from the Agrarian Reform Fund:

Provided, however, That just compensation payments that cannot be covered within the approved annual budget of the program shall be chargeable against the debt service program of the national
Section 64. Financial Intermediary for the CARP. — The Land Bank of the Philippines shall be the financial intermediary for the CARP, and shall insure that the social justice objectives of the CARP shall enjoy a preference among its priorities.

CHAPTER XV
General Provisions

Section 65. Conversion of Lands. —

After the lapse of five (5) years from its award, when the land ceases to be economically feasible and sound for agricultural purposes, or the locality has become urbanized and the land will have a greater economic value for residential, commercial or industrial purposes, the DAR, upon application of the beneficiary or the landowner, with due notice to the affected parties, and subject to existing laws, may authorize the reclassification or conversion of the land and its disposition: provided, that the beneficiary shall have fully paid his obligation.

After the lapse of five (5) years from its award, when the land ceases to be economically feasible and sound for agricultural purposes, or the locality has become urbanized and the land will have a greater economic value for residential, commercial or industrial purposes, the DAR, upon application of the beneficiary or the landowner with respect only to his/her retained area which is tenanted, with due notice to the affected parties, and subject to existing laws, may authorize the reclassification or conversion of the land and its disposition: Provided, That if the applicant is a beneficiary under agrarian laws and the land sought to be converted is the land awarded to him/her or any portion thereof, the applicant, after the conversion is granted, shall invest at least ten percent (10%) of the proceeds coming from the conversion in government securities: Provided, further, That the applicant upon conversion shall fully pay the price of the government, or any unprogrammed item in the General Appropriations Act: Provided, finally, That after the completion of the land acquisition and distribution component of the CARP, the yearly appropriation shall be allocated fully to support services, agrarian justice delivery and operational requirements of the DAR and the other CARP implementing agencies. (as amended by Section 21, RA 9700)
Section 65. Conversion into Fishpond and Prawn Farms. — No conversion of public agricultural lands into fishponds and prawn farms shall be made except in situations where the provincial government, with the concurrence of the Bureau of Fisheries and Aquatic Resources (BFAR), declares a coastal zone as suitable for fishpond development. In such case, the Department of Environment and Natural Resources (DENR) shall allow the lease and development of such areas: Provided, That the declaration shall not apply to environmentally critical projects and areas as contained in title (A) sub-paragraph two, (B-5) and (C-1) and title (B), number eleven (11) of Proclamation No. 2146, entitled "Proclaiming Certain Areas and Types of Projects as Environmentally Critical and Within the Scope of the Environmental Impact Statement (EIS) System established under Presidential Decree No. 1586," to ensure the protection of river systems, aquifers and mangrove vegetations from pollution and environmental degradation: Provided, further, That the approval shall be in accordance with a set of guidelines to be drawn up and promulgated by the DAR and the BFAR: Provided, furthermore, That small-farmer cooperatives and organizations shall be given preference in the award of the Fishpond Lease Agreement (FLAs).

No conversion of more than five (5) hectares of private lands to fishpond and prawn farms shall be allowed after the passage of this Act, except when the use of the land is more economically feasible and sound for fishpond and/or prawn farm, as certified by the Bureau of Fisheries and Aquatic Resources (BFAR), and a simple and absolute majority of the regular farm workers or tenants agree to the conversion, the Department of Agrarian Reform, may approve applications for change in the use of the land: Provided, finally, That no piecemeal conversion to circumvent the provisions of this Act shall be allowed. In these cases where the change of use is approved, the provisions of Section 32-A hereof on incentives shall apply. (as added by Section 5, RA 7881)

Section 65-B. Inventory. — Within one (1) year from the effectivity of this Act, the BFAR shall undertake and finish an inventory of all government and private fishponds and prawn farms, and undertake a program to promote the sustainable management and utilization of prawn farms and fishponds. No lease under Section 65-A hereof may be granted until after the completion of the said inventory.

The sustainable management and utilization of prawn farms and fishponds shall be in accordance with the effluent standards, pollution charges and other pollution control measures such as, but not limited to, the quantity of fertilizers, pesticides and other chemicals used, that may be established by
the Fertilizer and Pesticide Authority (FPA), the Environmental Management Bureau (EMB), and other appropriate government regulatory bodies, and existing regulations governing water utilization, primarily Presidential Decree No. 1067, entitled "A Decree Instituting A Water Code, Thereby Revising and Consolidating the Laws Governing the Ownership, Appropriation, Utilization, Exploitation, Development, Conservation and Protection of Water Resources." (as added by Section 5, RA 7881)

Section 65-C. Protection of Mangrove Areas. — In existing Fishpond Lease Agreements (FLAs) and those that will be issued after the effectivity of this Act, a portion of the fishpond area fronting the sea, sufficient to protect the environment, shall be established as a buffer zone and be planted to specified mangrove species to be determined in consultation with the regional office of the DENR. The Secretary of Environment and Natural Resources shall provide the penalties for any violation of this undertaking as well as the rules for its implementation. (as added by Section 5, RA 7881)

Section 65-D. Change of Crops. — The change of crops to commercial crops or high value crops shall not be considered as a conversion in the use or nature of the land. The change in crop should, however, not prejudice the rights of tenants or leaseholders should there be any and the consent of a simple and absolute majority of the affected farm workers, if any, shall first be obtained. (as added by Section 5, RA 7881)

Section 66. Exemptions from Taxes and Fees of Land Transfers. — Transactions under this Act involving a transfer of ownership, whether from natural or juridical persons, shall be exempted from taxes arising from capital gains. These transactions shall also be exempted from the payment of registration fees, and all other taxes and fees for the conveyance or transfer thereof; provided, that all arrearages in real property taxes, without penalty or interest, shall be deductible from the compensation to which the owner may be entitled.

Section 67. Free Registration of Patents and Titles. — All Registers of Deeds are hereby directed to register, free from payment of all fees and other charges, patents, titles and documents required for the implementation of the CARP.

Section 68. Immunity of Government Agencies from Undue Interference. —

| No injunction, restraining order, prohibition or mandamus shall be issued by the lower courts against the Department of Agrarian Reform (DAR), the Department of Agriculture (DA), the Department of Environment and Natural Resources (DENR), and the Department of Justice (DOJ) in their implementation of the program. | In cases falling within their jurisdiction, no injunction, restraining order, prohibition or mandamus shall be issued by the regional trial courts, municipal trial courts, municipal circuit trial courts, and metropolitan trial courts against the DAR, the DA, the DENR, and the Department of Justice in their implementation of the program. (as amended by Section 23, RA 9700) |

Section 69. Assistance of Other Government Entities. — The PARC, in the exercise of its functions, is hereby authorized to call upon the assistance and support of other government agencies, bureaus and offices, including government-owned or -controlled corporations.
Section 70. Disposition of Private Agricultural Lands. — The sale or disposition of agricultural lands retained by a landowner as a consequence of Section 6 hereof shall be valid as long as the total landholdings that shall be owned by the transferee thereof inclusive of the land to be acquired shall not exceed the landholding ceilings provided for in this Act.

Any sale or disposition of agricultural lands after the effectivity of this Act found to be contrary to the provisions hereof shall be null and void.

Transferees of agricultural lands shall furnish the appropriate Register of Deeds and the BARC an affidavit attesting that his total landholdings as a result of the said acquisition do not exceed the landholding ceiling. The Register of Deeds shall not register the transfer of any agricultural land without the submission of this sworn statement together with proof of service of a copy thereof to the BARC.

Section 71. Bank Mortgages. — Banks and other financial institutions allowed by law to hold mortgage rights or security interests in agricultural lands to secure loans and other obligations of borrowers, may acquire title to these mortgaged properties, regardless of area, subject to existing laws on compulsory transfer of foreclosed assets and acquisition as prescribed under Section 13 of this Act.

Section 72. Lease, Management, Grower or Service Contracts, Mortgages and Other Claims. — Lands covered by this Act under lease, management, grower or service contracts, and the like shall be disposed of as follows:

(a) Lease, management, grower or service contracts covering private lands may continue under their original terms and conditions until the expiration of the same even if such land has, in the meantime, been transferred to qualified beneficiaries.

(b) Mortgages and other claims registered with the Register of Deeds shall be assumed by the government up to an amount equivalent to the landowner's compensation value as provided in this Act.

Section 73. Prohibited Acts and Omissions. —

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<tr>
<th>The following are prohibited:</th>
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<tr>
<td>(a) The ownership or possession, for the purpose of circumventing the provisions of this Act, of agricultural lands in excess of the total retention limits or award ceilings by any person, natural or juridical, except those under collective ownership by farmer-beneficiaries;</td>
<td>(a) The ownership or possession, for the purpose of circumventing the provisions of this Act, of agricultural lands in excess of the total retention limits or award ceilings by any person, natural or juridical, except those under collective ownership by farmer-beneficiaries;</td>
</tr>
<tr>
<td>(b) The forcible entry or illegal detainer by persons who are not qualified beneficiaries under this Act to avail themselves of the rights and benefits of the Agrarian Reform Program;</td>
<td>(b) The forcible entry or illegal detainer by persons who are not qualified beneficiaries under this Act to avail themselves of the rights and benefits of the Agrarian Reform Program;</td>
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(c) The conversion by any landowner of his agricultural land into any non-agricultural use with intent to avoid the application of this Act to his landholdings and to dispossess his tenant farmers of the land tilled by them;

(d) The willful prevention or obstruction by any person, association or entity of the implementation of the CARP;

(e) The sale, transfer, conveyance or change of the nature of lands outside of urban centers and city limits either in whole or in part after the effectivity of this Act. The date of the registration of the deed of conveyance in the Register of Deeds with respect to titled lands and the date of the issuance of the tax declaration to the transferee of the property with respect to unregistered lands, as the case may be, shall be conclusive for the purpose of this Act.

(f) The sale, transfer or conveyance by a beneficiary of the right to use or any other usufructuary right over the land he acquired by virtue of being a beneficiary, in order to circumvent the provisions of this Act.

(g) The unjustified, willful, and malicious act by a responsible officer or officers of the government through the following:

(1) The denial of notice and/or reply to landowners;

(2) The deprivation of retention rights;

(3) The undue or inordinate delay in the preparation of claim folders; or

(4) Any undue delay, refusal or failure in the payment of just compensation;

(h) The undue delay or unjustified failure of the DAR, the LBP, the PARC, the PARCCOM, and any concerned government agency or any
government official or employee to submit the required report, data and/or other official document involving the implementation of the provisions of this Act, as required by the parties or the government, including the House of Representatives and the Senate of the Philippines as well as their respective committees, and the congressional oversight committee created herein;

(i) The undue delay in the compliance with the obligation to certify or attest and/or falsification of the certification or attestation as required under Section 7 of Republic Act No. 6657, as amended; and

(j) Any other culpable neglect or willful violations of the provisions of this Act.

In the case of government officials and employees, a conviction under this Act is without prejudice to any civil case and/or appropriate administrative proceedings under civil service law, rules and regulations. "Any person convicted under this Act shall not be entitled to any benefit provided for in any agrarian reform law or program. (as amended by Section 24, RA 9700)

Section 73-A. Exception. — The provisions of Section 73, paragraph (e), to the contrary notwithstanding, the sale and/or transfer of agricultural land in cases where such sale, transfer or conveyance is made necessary as a result of a bank's foreclosure of the mortgaged land is hereby permitted. (as added by Section 6, RA 7881)

Section 74. Penalties. —

Any person who knowingly or willfully violates the provisions of this Act shall be punished by imprisonment of not less than one (1) month to not more than three (3) years or a fine of not less than one thousand pesos (P1,000.00) and not more than fifteen thousand pesos (P15,000.00), or both, at the discretion of the court.

Any person who knowingly or willfully violates the provisions of this Act shall be punished by imprisonment of not less than one (1) month to not more than three (3) years or a fine of not less than One thousand pesos (P1,000.00) and not more than Fifteen thousand pesos (P15,000.00), or both, at the discretion of the court: Provided, That the following corresponding penalties shall be imposed for the specific violations hereunder:

(a) Imprisonment of three (3) years and one (1) day to six (6) years or a fine of not less
If the offender is a corporation or association, the officer responsible therefore shall be criminally liable.

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<tr>
<th>Section 73, subparagraphs (a), (b), (f), (g), and (h) of Republic Act No. 6657, as amended; and</th>
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<tr>
<td>(b) Imprisonment of six (6) years and one (1) day to twelve (12) years or a fine of not less than Two hundred thousand pesos (P200,000.00) and not more than One million pesos (P1,000,000.00), or both, at the discretion of the court upon any person who violates Section 73, subparagraphs (c), (d), (e), and (i) of Republic Act No. 6657, as amended.</td>
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Section 75. Suppletory Application of Existing Legislation. — The provisions of Republic Act No. 3844 as amended, Presidential Decree Nos. 27 and 266 as amended, Executive Order Nos. 228 and 229, both Series of 1987; and other laws not inconsistent with this Act shall have suppletory effect.

Section 76. Repealing Clause. — Section 35 of Republic Act No. 3834, Presidential Decree No. 316, the last two paragraphs of Section 12 of Presidential Decree No. 946, Presidential Decree No. 1038, and all other laws, decrees executive orders, rules and regulations, issuances or parts thereof inconsistent with this Act are hereby repealed or amended accordingly.

Section 77. Separability Clause. — If, for any reason, any section or provision of this Act is declared null and void, no other section, provision, or part thereof shall be affected and the same shall remain in full force and effect.

Section 78. Effectivity Clause. — This Act shall take effect immediately after publication in at least two (2) national newspapers of general circulation.

Approved: June 10, 1988

New Provisions in RA 9700 which did not repeal, neither amend nor supersede any provision in RA 6657

Section 26. Congressional Oversight Committee. - A Congressional Oversight Committee on Agrarian Reform (COCAR) is hereby created to oversee and monitor the implementation of this Act. It shall be composed of the Chairpersons of the Committee on Agrarian Reform of both Houses of Congress, three (3) Members of the House of Representatives, and three (3) Members of the Senate.
of the Philippines, to be designated respectively by the Speaker of the House of Representatives and the President of the Senate of the Philippines.

The Chairpersons of the Committees on Agrarian Reform of the House of Representatives and of the Senate of the Philippines shall be the Chairpersons of the COCAR. The Members shall receive no compensation; however, traveling and other necessary expenses shall be allowed.

In order to carry out the objectives of this Act, the COCAR shall be provided with the necessary appropriations for its operation. An initial amount of Twenty-five million pesos (P25,000,000.00) is hereby appropriated for the COCAR for the first year of its operation and the same amount shall be appropriated every year thereafter.

The term of the COCAR shall end six (6) months after the expiration of the extended period of five (5) years.

Section 27. Powers and Functions of the COCAR. - The COCAR shall have the following powers and functions:

(a) Prescribe and adopt guidelines which shall govern its work;

(b) Hold hearings and consultations, receive testimonies and reports pertinent to its specified concerns;

(c) Secure from any department, bureau, office or instrumentality of the government such assistance as may be needed, including technical information, preparation and production of reports and submission of recommendations or plans as it may require, particularly a yearly report of the record or performance of each agrarian reform beneficiary as provided under Section 22 of Republic Act No. 6657, as amended;

(d) Secure from the DAR or the LBP information on the amount of just compensation determined to be paid or which has been paid to any landowner;

(e) Secure from the DAR or the LBP quarterly reports on the disbursement of funds for the agrarian reform program;

(f) Oversee and monitor, in such a manner as it may deem necessary, the actual implementation of the program and projects by the DAR;

(g) Summon by subpoena any public or private citizen to testify before it, or require by subpoena duces tecum to produce before it such records, reports, or other documents as may be necessary in the performance of its functions;

(h) Engage the services of resource persons from the public and private sectors as well as civil society including the various agrarian reform groups or organizations in the different regions of the country as may be needed;

(i) Approve the budget for the work of the Committee and all disbursements therefrom, including compensation of all personnel;
(j) Organize its staff and hire and appoint such employees and personnel whether temporary, contractual or on constancy subject to applicable rules; and

(k) Exercise all the powers necessary and incidental to attain the purposes for which it is created.

Section 28. Periodic Reports. - The COCAR shall submit to the Speaker of the House of Representatives and to the President of the Senate of the Philippines periodic reports on its findings and recommendations on actions to be undertaken by both Houses of Congress, the DAR, and the PARC.

Section 29. Access to Information. - Notwithstanding the provisions of Republic Act No. 1405 and other pertinent laws, information on the amount of just compensation paid to any landowner under Republic Act No. 6657, as amended, and other agrarian reform laws shall be deemed public information.

Section 30. Resolution of Case. - Any case and/or proceeding involving the implementation of the provisions of Republic Act No. 6657, as amended, which may remain pending on June 30, 2014 shall be allowed to proceed to its finality and be executed even beyond such date.

Section 31. Implementing Rules and Regulations. - The PARC and the DAR shall provide the necessary implementing rules and regulations within thirty (30) days upon the approval of this Act. Such rules and regulations shall take effect on July 1, 2009 and it shall be published in at least two (2) newspapers of general circulation.

Section 32. Repealing Clause. - Section 53 of Republic Act No. 3844, otherwise known as the Agricultural Land Reform Code, is hereby repealed and all other laws, decrees, executive orders, issuances, rules and regulations, or parts thereof inconsistent with this Act are hereby likewise repealed or amended accordingly.

Section 33. Separability Clause. – If, for any reason, any section or provision of this Act is declared unconstitutional or invalid, the other sections or provisions not affected thereby shall remain in full force and effect.

Section 34. Effectivity Clause. – This Act shall take effect on July 1, 2009 and it shall be published in at least two (2) newspapers of general circulation.
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<thead>
<tr>
<th>TITLE</th>
<th>DATE OF APPROVAL</th>
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<tbody>
<tr>
<td>Republic Act 6657</td>
<td>June 10, 1988</td>
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<tr>
<td>Republic Act No. 7881</td>
<td>February 20, 1995</td>
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<td>Republic Act No. 7905</td>
<td>February 23, 1995</td>
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<td>Republic Act No. 8532</td>
<td>February 23, 1998</td>
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<tr>
<td>Republic Act No. 9700</td>
<td>August 7, 2009</td>
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