

[EXECUTIVE ORDER NO. 405, June 14, 1990]

**VESTING IN THE LAND BANK OF THE PHILIPPINES THE
PRIMARY RESPONSIBILITY TO DETERMINE THE LAND
VALUATION AND COMPENSATION FOR ALL LANDS COVERED
UNDER REPUBLIC ACT NO. 6657, KNOWN AS THE
COMPREHENSIVE AGRARIAN REFORM LAW OF 1988**

WHEREAS, Republic Act No. 6657, Chapter VI, provides in part that:

"SEC. 17. Determination of Just Compensation. – In determining just compensation, the cost of acquisition of the land, the current value of 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 farm-workers and by the Government to the property as well as the non-payment of taxes or loans secured from any government financing institution as additional factors to determine its valuation.

SEC. 18. Valuation and Mode of Compensation. – The LBP shall compensate the landowner in such amount 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."

WHEREAS, the Land Bank of the Philippines employs commercial banking personnel whose professional expertise includes appraisal of agricultural properties for purposes of granting loans;

WHEREAS, the implementation of the Comprehensive Agrarian Reform Program, particularly on the matter of acquisition and distribution of private agricultural lands, may be accelerated by streamlining certain administration procedures in land valuation and compensation;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. The Land Bank of the Philippines shall be primarily responsible for the determination of the land valuation and compensation for all private lands suitable for agriculture under either the Voluntary Offer to Sell (VOS) or Compulsory Acquisition (CA) arrangement as governed by Republic Act No. 6657. The Department of Agrarian Reform shall make use of the determination of the land valuation and compensation by the Land Bank of the Philippines, in the performance of functions.