

[DAR ADMINISTRATIVE ORDER NO. 3, May 01, 1990]

REVISED RULES AND PROCEDURES GOVERNING DISTRIBUTION AND/OR TITLING OF LOTS IN LANDED ESTATES ADMINISTERED BY DAR

I

Prefatory Statement

The distribution and/or titling of lots in favor of qualified beneficiaries in agricultural landed estates is characterized by a long and tedious process resulting in the unnecessary delay in the issuance of titles to deserving farmer-beneficiaries. This situation negates the very purpose of the Comprehensive Agrarian Reform Program. There is need, therefore, to revise existing rules and procedures in order to facilitate the issuance of titles to the beneficiaries in DAR administrative landed estates.

II

Legal Bases

The primacy of RA 6657 as the Comprehensive Agrarian Reform Law of the government is clearly stated under Section 75 thereof which provides that "x.x.x.other laws not inconsistent with this Act shall have suppletory effect."

Under Section 49 of aforesaid law, the DAR is authorized to issue rules and regulations, whether substantive or procedural, to carry out the objects and purposes of this Act.

On the basis of the aforesaid sections, these Revised Rules and Procedures are hereby adopted.

III

Coverage

These Revised Rules and Procedures shall apply to all agricultural landed estates administered by the DAR, not previously covered by "Deeds of Sale" properly issued by the DAR to the beneficiaries of the program as listed in Annex A hereof.

IV

Statement of Policies

A. Land has a social function, hence, there is a concomitant social responsibility in its ownership and should, therefore, be distributed to the actual tillers/occupants.

B. All vacant lots, whether abandoned or unallocated, shall be distributed to qualified beneficiaries, pursuant to Section 22 of RA 6657.

C. Except for the purchase price of the land, and those enumerated under paragraph "E" hereof, no other costs, including survey fees (re: survey of original lots), shall be charged against the beneficiaries.

D. Pursuant to RA 6657, the award limit shall not be more than three (3) hectares. However, qualified beneficiaries who have occupied and cultivated the land, and established their vested rights prior to June 15, 1988, in accordance with the then existing laws, shall be awarded the legal limits as allowed by said laws. Processing of documents shall be in accordance with this revised procedure. In case of homelots, the award limit shall be 1,000 square meters.

E. In general, a Certificate of Land Ownership Award (CLOA), shall be immediately issued to the qualified beneficiary including those with Deeds of Sale still pending with the Department, provided that all outstanding accounts of an awardee shall be annotated at the back of the CLOA issued to him and duly registered with the Register of Deeds. (These include amortization payments for the land, farm implements and machineries if these are not covered by separate contracts, other loan assistance, and accrued interests on overdue amortization payments and unpaid rentals from January 1, 1986). Provided further, that other encumbrances, as provided under the laws authorizing the distribution of said landed estates, shall likewise be annotated in the said CLOA, and provided finally, that the beneficiaries/ allocatees whose amortization payments and unpaid rentals, as annotated at the back of their respective titles, do not exceed one thousand pesos (P1 ,000), have three (3) years to pay the same, commencing from the registration of said titles. Beneficiaries/ allocatees whose obligations exceed one thousand pesos (P1 ,000), have five (5) years to pay the same, also commencing from the registration of aforesaid titles.

Failure to pay the obligations as aforestated, will lead to the forfeiture of the lots of said beneficiaries/ allocatees in favor of the government to be distributed to qualified beneficiaries/ allocatees.

V

Qualifications of a Beneficiary

The qualifications of a beneficiary are as follows:

1. Landless;
2. Filipino citizen;
3. Actual occupant/tiller who is at least 15 years of age or head of the family at the time of filing of application; and
4. Has the willingness, ability and aptitude to cultivate and make the land productive.

VI

Definition of Terms

For purposes of this Order, the following definitions shall apply:

1. **Landed Estates** are former haciendas or landholdings of private individuals or corporations which have been acquired by the Government under different laws, for redistribution and resale to deserving tenants and landless farmers.

2. **Order of Award (OA)** refers to the document issued to the allocatee of a lot in a landed estate who is found qualified to acquire said lot under existing laws, rules and regulations at the time of its issuance.
3. **Certificate of Land Transfer (CLT)** is a document issued by DAR, pursuant to DAR Memorandum Circular No. 24, series of 1973, dated October 24, 1973.
4. **Absentee OA/CLT Holder** is an awardee or CLT recipient who left or abandoned the lot awarded to him for more than six (6) months immediately prior to the inventory prescribed under paragraph VII - A - 1.
5. **Rental** refers to the amount of money collected by the Government from the actual occupant of a lot for the use of the said lot, prior to the execution of the Contract to Sell.
6. **Accrued Interest** refers to the total unpaid interests on the unpaid cost of the lot which is 6% per annum from January 1, 1986.
7. **Certificate of Land Ownership Award (CLOA)** is a document evidencing ownership of the land granted or awarded to the beneficiary by DAR, and contains the restrictions and conditions provided for in R.A. 6657 and other applicable laws.
8. **Landless Person** pursuant to Section 25, RA 6657 is one who owns less than three (3) hectares of agricultural land.

VII

Operating Procedures

A. The MARO or the duly designated official covering the area shall. —

1. Conduct a physical inventory and perform the following:
 - 1.1 Identify the areas with approved, incomplete, erroneous and without subdivision surveys. Recommend to the Provincial Agrarian Reform Officer (PARO), the completion/correction of subdivision surveys within a period not to exceed one (1) year from the issuance of this Order, so that the lots in the areas concerned can be awarded and subsequently titled in favor of the qualified beneficiaries;
 - 1.2 Review and evaluate the list of allocatees/awardees and conduct lot verification to determine whether said awardees/allocatees are still occupying and tilling the lots covered by their Orders of Award/ CLTs, and, thereafter, prepare a masterlist of occupants/claimants with corresponding lot numbers, to be posted simultaneously for a period of fifteen (15) days at the Barangay Hall, MARO office and at the Municipal Building;
 - 1.3 Assist the occupant/tiller in accomplishing FB Application form (L.E. Form No. 1). Where the tiller has already been issued a DS/OA/CLT, his application form shall serve as his

information sheet. All actual occupants/tillers who have not been issued DS/OA/CLT shall be assisted to fill up the application form; and

1.4 With the use of the Statement of Account Form, undertake the computation of all the obligations to be paid by the beneficiary as indicated in Section "E" hereof, or otherwise, to be annotated at the back of the title.

2. Evaluate Application Forms and recommend appropriate action on the basis of:

SITUATION	RECOMMENDED ACTION
2.1. <i>Applicant with OA/CLT</i>	
2.1.1. If living and actual cultivator/occupant	: Issue CLOA Issue CLOA to the estate of the
2.1.2. If deceased, but heirs are actual cultivators/occupants	: decedent or to one of the qualified heirs upon the agreement of the others.
2.1.3. If not actual cultivator/occupant	:
a. one who employs tenants prior to full payment of the cost of the lot.	Cancel OA/CLT and issue CLOA to qualified actual : cultivator/occupant
b. permanently incapacitated	Issue CLOA provided that he has immediate members of his farm household who could assist him in farming otherwise, issue CLOA to qualified
c. one who mortgaged or sold his right and left the area	: beneficiary designated by him.
2.1.4 If occupying the wrong lot	Cancel OA/CLT and : issue CLOA to qualified actual occupant/tiller.