[DAR ADMINISTRATIVE ORDER NO. 10, August 30, 1990]

RULES AND PROCEDURES IN THE DISTRIBUTION OF PRIVATE AGRICULTURAL LANDS TO AGRARIAN REFORM BENEFICIARIES UNDER R.A. 6657

I Prefatory Statement

These Rules and Procedures shall apply to the distribution to agrarian reform beneficiaries (ARBs) of all private agricultural lands, the improvements thereon, and/or other facilities acquired under RA 6657 and other related issuances.

II Statement of Policies

A. Upon land acquisition, the DAR (government) shall immediately take steps to distribute the land to qualified beneficiaries and to make available the support and coordinative services to enhance productivity.

B. In general, lands shall be distributed directly to the individual workerbeneficiaries. In case it is not economically feasible and sound to divide the land, then it shall be owned collectively by the worker-beneficiaries who shall form into a workers cooperative or association which will deal with the corporation or business association.

C. To facilitate the distribution of lands, these shall preferably be transfered collectively to groups of farmers. The agrarian reform 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 members of the cooperative or collective organization multiplied by the award limit of three (3) hectares, except in meritorious cases as determined by PARC. 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.

D. Equitable distribution of the land shall be observed subject to the following considerations:

1. Actual occupancy of a tenant shall be the basis of the award, provided it does not exceed three hectares;

2. For untenanted land, all the farmworkers therein as qualified under Item III hereof, shall be considered as potential beneficiaries in the estate provided that the proportional share of each will not exceed three hectares; otherwise, additional ARBs shall be considered; 3. For unoccupied lands, each identified ARB may be allowed the award ceiling of three hectares, provided there are enough lands for distribution under CARP in the barangay to accommodate others who are equally qualified but who may not have been considered as awardee in such land under acquisition;

4. In all cases, the aggregate award to an ARB shall not exceed the limit of three (3) hectares and his total land ownership as a result of the award shall not exceed three hectares.

E. Land improvements and facilities such as roads, bridges, warehouses, irrigation system and the like for common use and benefit as may be defined by DAR may be transferred through Farmers Association or Cooperative, or in the absence thereof, through co-ownership as far as practicable.

III Qualifications

A. The lands acquired under CARP shall be distributed as much as possible to landless residents in the same barangay, or in the absence thereof, landless residents of the same municipality in the following order of priority:

- 1. agricultural lessees and share tenants;
- 2. regular farmworkers;
- 3. seasonal farmworkers;
- 4. other farmworkers;
- 5. actual tillers or occupants of public lands;
- 6. collective or cooperatives of the above beneficiaries; and
- 7. others directly working on the land.

B. Only those who meet the following qualifications shall be eligible as beneficiaries:

- 1. Landless as defined in R.A. 6657;
- 2. Filipino citizen;

3. At least fifteen (15) years of age or head of family at the time of acquisition of the property (titled in the name of the Republic of the Philippines);

4. Has the willingness, ability and aptitude to cultivate and make the land productive.

C. All agrarian reform beneficiaries who have culpubly sold, disposed of or abandoned their lands are disqualified to become beneficiaries under this program.

IV Rights and Obligations

A. All ARB's shall exercise diligence of a good father of the family in the use, cultivation and maintenance of the land including the improvements thereon.

Negligence, misuse, or unauthorized sale of the land or any support extended to an ARB shall be a ground for the forfeiture of his right as such.

B. Lands acquired by a beneficiary under this Act may not be sold, transferred or conveyed except through hereditary succession or to the Government, or to the LBP, or to other qualified beneficiaries for a period of ten (10). 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.

C. The rights and responsibilities of the beneficiary as an owner shall commence from the time the land was awarded to him as evidenced by a Certificate of Land Ownership Award (CLOA). In case, however, of any standing crop at the time of acquisition, the landowner concerned shall retain his share of the harvest pursuant to Sec. 28 of RA 6657 and other related laws.

D. Pending the award of the CLOA and for the purpose of establishing usufructuary rights, the DAR at the time it takes actual possession of the land, shall immediately inform the ARBs that they have been identified and qualified to receive the land.

E. Lands awarded pursuant to this Act shall be paid for by the beneficiary to the Land Bank of the Philippines (LBP) in thirty (30) annual amortization at six percent (6%) interest per annum unless the ARB opts to accelerate payment.

V

Operating Procedures

Upon receipt of the Memorandum of the Regional Director to take possession of the property, together with the copy of the TCT in the name of the Republic of the Philippines and copy of Deed of Transfer or Proof of Trust Deposit, as the case may be, the PARO shall direct the MARO to proceed with the land distribution.

A. Municipal Agrarian Reform Officer (MARO)

1. Upon receipt of the PARO's directive to take possession of the land, conduct verification and validation of the List of ARBs included in the claim folder of the subject landholding.

2. Upon verification and validation based on the Application to Purchase and Farmers Undertakings (FUs), inform the qualified ARBs or the Farmer's Cooperative/Association, as the case may be, that they have been identified to receive the land to give them usufructuary rights over the property (CARP Form No. 19).

3. Consult the ARBs as to their preference on the scheme of ownership — whether individual, collective or co-ownership.

4. Assist ARBs in the accomplishment of CLOA Application Form (CARP Form No. 18).

5. Prepare the Land Distribution Folder (LDF) on the basis of the ARBs preference on the scheme of ownership. The LDF shall contain the following documents:

a. CLOA Application Form (CARP Form No. 18)