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# Salient Features of CARP

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Bureau of Agrarian Reform Information and Education (BARIE)  
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- Failure to pay an aggregate of three consecutive amortizations to the LBP or to the landowner, except in cases of fortuitous events;
- Conversion of the awarded land to non-agricultural use;
- Waiver of rights to awarded lands;
- Surrender of awarded land to landowner or other non-beneficiary; or
- Misuse or diversion of financial and support services extended to the beneficiary.

**Who has the jurisdiction to determine and adjudicate agrarian dispute or matter pertaining to the application, implementation, enforcement, or interpretation of RA 6657 and other AR laws?**

The DAR is vested with 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 DA and DENR. (*Section 50, RA 6657*)

**Sources:**

*BATAS -The Paralegals' Guidebook on Agrarian Reform Laws*

*Manual on Agrarian Reform Modules*

*Republic Act 6657 Series of 1988*

### Are landowners affected by CARP provided also with support services?

Yes. This is to assist them in transferring their capital from agriculture to trade and industry.

Specifically, the following support services are:

- Investment information, financial counseling and assistance;
- Facilities, programs and schemes for conversion or exchange of bonds;
- Marketing of LBP Bonds; and
- Other services for utilization of proceeds of sale.

### Can an awarded CLOA to ARB be cancelled?

Yes. DAR MC 19 of 1996 provides that, an awarded CLOA can be cancelled if the ARB violates any of the following:

- Material misrepresentation of the beneficiary's basic qualifications as provided under Section 22 of RA 6657, PD 27, and other agrarian reform laws;
- Sale, transfer, lease, or other forms of conveyance;
- Misuse of the land, causing substantial and unreasonable damage;
- Continuous neglect or abandonment over a period of two calendar years as determined by the DAR Secretary or his authorized representative;

### What is CARL?

The Comprehensive Agrarian Reform Law was made into Law on June 10, 1988 through Republic Act No. 6657 known as "an Act Instituting Comprehensive Agrarian Reform Program to Promote Social Justice and Industrialization (Proclamation No. 131, July 1987); providing the mechanism for its implementation and for other purposes (EO 229, July 1987)."

### What are the principles and policies under RA 6657?

It is the policy of the state to pursue a Comprehensive Agrarian Reform Program (CARP) 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;
- Have *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;
- *Greater productivity of agricultural lands* to provide farmers and farmworkers with the opportunity to enhance their dignity and improve the quality of their lives;
- 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 farmworkers, to receive a just share of the fruits thereof;

- *Recognize participation of farmers, farmworkers and landowners, as well as cooperatives and other independent farmers' organizations* in the planning, organization, and management of the program;
- *Provide support to agriculture* through appropriate technology and research, and adequate financial, production, marketing and other support services (*Section 5, Article XIII, 1987 Philippine Constitution*);
- *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 of concession, suitable to agriculture subject to prior rights, homestead right of small settlers and the rights of indigenous communities to their ancestral lands (*Section 6, Article XIII, 1987 Philippine Constitution*);
- *Resettle farmers and farmworkers in its own agricultural estates*, which shall be distributed to them in a manner provided by law (*Section 6, Article XIII, 1987 Philippine Constitution*);
- *Encourage the formation and maintenance of economic-size family farms* to be constituted by individual beneficiaries and small landowners;

However, to make the repayment more affordable to beneficiaries, the following terms of payment are provided:

- First 3 years after the award shall not exceed 2.5 percent of the value of the Annual Gross Production (AGP);
- Fourth (4th) and fifth (5th) year shall not exceed five (5%) percent of the value of AGP;
- Sixth (6th) to the thirtieth (30th) year shall not exceed 10 percent of the value of AGP.

#### **What are the support services does a beneficiary is entitled to?**

Section 37 of RA 6657, provides the following support services to ARBs:

- Land surveys and titling;
- Liberalized terms on credit facilities and production loans;
- Extension services by way of planting, cropping, production and post-harvest technology transfer, as well as marketing and management assistance and support to cooperatives and farmer's organization;
- Infrastructure services such as access trails, mini dams, public utilities, marketing and storage facilities; and
- Research, production, and use of organic fertilizers and other local substances necessary in farming and cultivation.

### What if the surviving heirs are minors?

If the surviving heirs are minors and not qualified, he/she shall be represented by the guardian in cultivating the land until he/she qualifies.

### Once the CLOA is awarded, what is the obligation of the ARB?

The agrarian reform beneficiary should:

- Exercise the diligence of a good father/mother/heir of a family in the use, cultivation, and preservation of the land and the improvement thereon.
- Keep the land awarded to him/her intact, and must not subdivide the land in favor of his/her children/heirs. Even if the beneficiary dies, his/her heirs are not allowed to divide the land into smaller units.
- Pay the required amount of amortization for the land
- Not neglect, abandon, misuse, or sell the land. Otherwise, his/her rights to the land and the support services he/she are entitled to, shall be forfeited.

### How will ARBs pay for the land?

Section 26 of RA 6657 indicates that, beneficiaries shall pay the Land Bank of the Philippines in 30 equal annual payments at six percent (6%) interest per year. A two percent (2%) interest deduction shall be given for payments made on time.

- Guided by the principles that land *has a social function and landownership has a social responsibility*. Owners of agricultural land have the obligation to cultivate directly or through labor administration the lands they own and make lands productive;
- *Provide incentives to landowners to invest the proceeds of the agrarian reform program to promote industrialization, employment, and privatization of public sector enterprises; and*
- *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 RA 6657.*

### What are the key components of CARP?

**Land Tenure Improvement.** An approach geared toward making the actual tiller an owner of the land he/she tills, and help or support him/her make the land productive and profitable.

**Agrarian Justice Delivery.** An approach to pursue speedy and fair settlement of agrarian disputes and delivery of agrarian reform justice.

**Program Beneficiaries Development.** An approach being adopted by DAR to reinforce the complementation of support services delivery and contribute to increasing productivity and improving the lives and well-being of the AR beneficiaries.

### What are the most common misconceptions about CARL?

- *CARL is not really comprehensive.*

CARP is comprehensive in terms of:

*Concept.* It provides not only for land redistribution but also for appropriate support services. It ensures the viability of the beneficiaries as independent small farmer-landowners.

*Coverage.* It covers all agricultural lands, regardless of crops planted and tenurial arrangement.

*Participatoriness.* It mandates the widest participation possible, from within and outside the government.

*Beneficiaries.* Both the farmers and the landowners stand to benefit. The farmers will own the land they till and the land owners will be amply compensated and provided with the necessary capital to reinvest in industry. (Source: Transforming the Countryside by DAR Secretary Philip Ella Juico, 1989).

- *CARL is a violation of rights to private property.*

This is not true. Right to private property is not absolute. Land has a social function and land ownership has a social responsibility. Section 1 of Article XIII of the 1987 Constitution states that: "Congress shall give highest priority to the enactment of measures that protect and enhance the right of all people to human dignity, and reduce

### To whom should a land be transferred in the event of death of the ARB?

MAR MC 19, series of 1978 provides that, in case of death of an ARB, the farmholding acquired by him/her under the land transfer program shall be transferred to his/her heirs in accordance with the provisions of the New Civil Code of the Philippines. The said farmholding shall not be fragmented and the ownership must be placed under one heir who possesses all the qualifications of a beneficiary.

### Who among the qualified heirs shall be the sole owner-cultivator?

The following rules shall apply:

- Surviving spouse shall be given first preference
- In absence or due to the permanent incapacity of the surviving spouse, priority shall be determined among the heirs according to age
- In case there are several heirs, and in the absence of extra-judicial settlement or waiver of rights in favor of one heir who shall be the owner-cultivator, the heirs shall within one month, be free to choose from among themselves one who shall be the sole owner-cultivator of the land based on the required qualification of an ARB. (*MAR MC 19, 1978*)
- In case of disagreement or failure of the heirs to determine who among them be the sole owner-cultivator of the land within one month, the farmholding shall be transferred collectively in the names of all the heirs of the deceased beneficiary. (*DAR AO 14, 1988*)

### What is the proof of ownership given to the Agrarian Reform Beneficiary (ARB)?

Ownership shall be evidenced by either Emancipation Patent (EP) under PD 27 or Certificate of Landownership Award (CLOA) under CARP. (DAR AO 2, 1994)

### Is an ARB allowed to transfer his/her land ownership to another beneficiary?

Yes. Under the following conditions:

- After full payment of amortizations (Section 6 of EO 228).
- After the period of ten (10) years (Section 27, RA 6657)
- Through hereditary succession by an heir—not subject to ten year period prohibition (DAR AO 8, 1995)

### Does an awardee still qualify to become a beneficiary after disposing his/her landholding?

No. DAR AO 8, series of 1995 states that, an awardee who dispose his/her landholdings shall no longer be qualified to become beneficiary under CARP.

However, the children or spouse of the beneficiary has the right to repurchase the acquired land which was transferred to the DAR within a period of two (2) years (DAR AO 1, 1989)

social, economic and political inequalities, and remove cultural inequalities by equitably diffusing wealth and political power for the common good.”

- *CARP is Pro-tenant.*

CARP was conceived and designed as pro-Filipino. But since the majority of the Filipinos are farmers, farmworkers, and their families, the CARP provisions would seem to concentrate on the welfare of the disadvantaged majority.

- *CARL is anti-landowner.*

Landownership has a social function and a social responsibility. To fulfill its social function, land should benefit everyone and not just a few. The social aspect of private property becomes greatest with respect to the property which lies beyond the needs of its owners.

CARL does not just get the lands from the landowners, they are given a just compensation for the lands acquired from them; and recognizes their right to retain portion of their land as provided for in Section 6, Chapter II of RA 6657.

- *Agrarian Reform leads to fragmentation of lands*

CARP is not the breaking up of lands as a production unit; what CARP breaks up is the control over them by big landowners.

Agrarian reform is not only concerned with land

redistribution, it is also concerned with the redistribution of political and economic power. It aims to break up the farms, farmworkers and tenants, political and economic dependence and submission on landowners; and intends to develop individual farmers to be productive, profitable and responsible stewards of the land.

- *Small farms are less efficient and less productive*

This is not true. The argument that large farms are more efficient than small farms is usually invoked by those who own export and cash crop plantations as an excuse to exclude their landholdings from agrarian reform.

This can best be answered by examining whether economies of scale exist. A study made on coconut and other tree crops did not show any increase in yield per hectare as farm size increases.

- *The CARP is a total failure.*

While it is true that many of the past agrarian reform programs had deficiencies, it was still able to improve the lives of the farmers who benefited from these programs. This has been convincingly proven by the study “Impact of AR on Poverty” of the Philippine Institute on Development Studies in September 2001. Results show that AR has led to higher real per capita incomes and reduced poverty incidence between 1990 and 2000.

### **What is the basis of DAR in awarding land?**

Actual occupancy is the basis of the DAR in awarding land, provided the beneficiary landholding does not exceed three hectares.

### **Why is the award ceiling set at a minimum of 3 hectares?**

Section 166 (20), Chapter XI of RA 6657 provides, CARP beneficiary may own not more than 3 hectares of agricultural land because this is considered to be the economic family farm size characterized by the following:

- Permits efficient use of labor and capital resources of the farm family;
- Will produce an income sufficient to provide a modest standard of living to meet farm family's need for food, clothing, shelter, and education;
- Provides possible allowance for payment of yearly installments on the land, and reasonable reserves to absorb yearly fluctuations in income.

### **Does the landowner have the right to assign beneficiaries for his/her landholding?**

No. The landowner has no right to select the beneficiaries. The latter must qualify under the law, and are screened by the Municipal Agrarian Reform Officer (MARO) or the Agrarian Reform Program Technologist (ARPT), with the participation of Barangay Agrarian Reform Committee (BARC).

### Who are CARP beneficiaries?

Lands acquired by CARP are to be distributed as much as possible to landless residents belonging to one barangay or municipality in the following order of priority: (Sec. 22, RA 6657)

- Agricultural lessees or share tenants;
- Regular farmworkers;
- Seasonal farmworkers;
- Other farmworkers;
- Actual tillers or occupants of Public lands;
- Collectives or cooperatives of the above beneficiaries;
- Others directly working on the land.

### Are there qualifications required to become CARP beneficiary?

There are 3 key requirements to qualify as beneficiary to wit:

**L**andless Filipino citizen;

**A**t least 15 years old or head of family at the time the property was transferred in the name of the Republic of the Philippines; and

**W**illingness, ability, and aptitude to cultivate the land and make it as productive as possible.

*Landless* is one who owns less than 3 hectares of agricultural land (Sec. 25, RA 6657)

### What is the coverage of CARL?

Coverage of CARL as defined in Section 4 of RA 6657, 1988 are the following:

- All public and private agricultural lands as provided in Proclamation No. 131 and EO No. 229;
- Other lands of the public domain suitable for agriculture regardless of tenurial arrangement and commodity produced.

### What specific lands are included in the coverage of CARP?

**G**overnment owned lands devoted to or suitable for agriculture. These include both public lands and other lands of the government already reserved for or devoted to public use or subject to private rights;

**A**lienable and disposable lands of the public domain devoted to or suitable for agriculture. These are lands whose ownership can be transferred to private individuals or corporations and other juridical entities;

**P**rivate lands devoted to or suitable for agriculture regardless of agricultural products raised or that can be raised thereon; and

**P**ublic domain lands in excess of the specific limits as determined by Congress.

**What is the Scope of CARP?**

In 1988, when CARL was made into law, the original agricultural lands to be covered was set at 10.3 million hectares of private and public *agricultural lands*.

**What do we mean by agricultural lands?**

Agricultural lands refer to land devoted to *agricultural activity* and not classified as mineral, forest, residential, commercial or industrial land”. (Section 3, Chapter I, RA 6657)

**What is meant by “agricultural activity?”**

Agricultural Activity means:

- Cultivation of soil
- Reaping or harvesting of farm products
- Other operations done by farmers (farm activities and practices performed by a farmer in conjunction with such farming operations)
- Planting of crops, growing of fruit trees.

**Is Agricultural land the same as alienable and disposable land?**

Yes. Under the Public Land Act (Sec. 6, Commonwealth Act 141, 1936), the term “agricultural lands” used in the constitution has been substituted with “alienable or disposable lands”.

- Shares of stocks in government owned and controlled corporations
- LBP bonds
- Tax credits

Voluntary Offer to Sell (VOS) the landowner will be paid under the same mode as CA, except that the cash portion is higher by 5%.

Above 50	-	30%
24—below 50	-	35%
Below 24	-	40%

Voluntary Land Transfer (VLT) the landowner are to be paid directly in cash or in kind by the farmer beneficiary under terms they mutually agreed on subject to the approval of the DAR.

Landholdings Acquired under PD 27 payments to landowner is 10% in cash and 90% in LBP bonds.

LBP Bonds have 10 years maturity and 1/10 of face value matures every year from date of issue until the 10th year.

- Bear market rates of interest as those of the 91-day treasury bills
- Have alternative uses such as payment for gov't. hospital bills, tuition fees, taxes and fees, shares of stock, and real property of the government

**Do landowners pay taxes for transactions involving transfer of ownership?**

No. Transfer of ownership transactions under RA 6657 are exempted from taxes arising from capital gains and from payment of registration fees and all other taxes and fees for the transfer.

**What are the forms of payment to landowner?**

Payments to landowner can be made partly in cash and partly in kind/bonds.

The proportion of payment in cash to landowners depends on the total land area. The larger the landholding, the smaller the cash portion. This is based on the underlying principle that small landowners are presumed to have greater need for cash to aid them in their bid to shift their capital from agriculture to industry.

Landowners may be paid in kind through:

- Shares of stocks in government owned and controlled corporations, LBP preferred shares, assets or qualified investment
- Tax credits
- Land Bank bonds

**What is the mode of compensation to landowner?**

Landowners are being compensated depending on the mode of acquisition of the land.

Compulsory Acquisition (CA) the LBP compensates the landowners in any of the following modes:

- Cash payment according to land size
 

Above 50 hectares	-	25%
24—below 50	-	30%
Below 24	-	35%

**Is it true that only agricultural lands are alienable or can be transferred to other private individuals or corporations or juridical entities?**

Yes. Section 3 Article XII of the 1987 Philippine Constitution states that “Alienable lands of the public domain are limited to agricultural lands.”

**What are non-agricultural lands?**

Non-agricultural lands are:

- F**orest or Timber
- I**ndustrial and Commercial lands
- R**esidential
- M**ineral

These groups of lands are classified as mix of primary and secondary classifications of lands (*Section 3, RA 6657*).

**What are the classification of lands?**

Lands of the public domain are classified either primary or secondary.

*Primary Classification* are classification in the first instance. Lands under this classification are (*Sec. 3, Art. XII, Philippine Constitution*):

- Timber or Forest
- Agricultural
- National Parks
- Mineral

*Secondary Classification* are further classification or reclassification of lands of the public domain to the uses to which they may be devoted. These are:

- Residential
- Industrial
- Commercial

### What land is subject for reclassification?

Only agricultural lands are allowed for reclassification. In cases where lands:

- Ceases to be economically feasible and sound for agricultural purposes as determined by the Department of Agriculture; or
- Have substantially greater economic value for residential, commercial, or industrial purposes as determined by the Sanggunian (*Art. 38, RA 7160, 1991*). These reclassified lands are classified as secondary.

### Who is authorized to classify and reclassify lands?

Only the President of the Philippines is authorized to do primary classification of lands of the public domain upon the recommendation of the DENR. (*Commonwealth Act No. 141, 1936 & Sec. 6, EO 192, 1987*).

Cities and municipalities have the authority to reclassify agricultural lands through an ordinance

### What factors are considered in the determination of just compensation?

As mandated by the law, just compensation shall be determined based on the following factors:

Cost of acquisition of the land

Current value of like properties

Official assessment by government assessors

Nature of land

Non-payment of taxes and/or loans secured from government financing institutions

Sworn valuation by the landowner

Income

Declaration of taxes

Economic and social benefits contributed by the farmers/farmworkers and the government

Real/actual use of land

### How does LBP determine the value of the land?

Specifically for lands acquired under VOS and CA, or EO 407, Land Value (LV) is computed using the Comparable Sales (CS), Capitalized Net Income (CNI), and Market Value (MV) per tax declaration. (*AO 6 & 11, 1992 and 1994 respectively superseded by AO 5, 1998*)

Land Value is equal to the sum of the Capitalized Net Income, Comparable Sales, and Market Value weighted at 60%, 30%, and 10% respectively.

$$LV = (CNI \times 0.6) + (CS \times 0.3) + (MV \times 0.10)$$

### What is the legal basis for the 5 hectares retention limit under CARP?

Section 4, Article XIII of the 1987 Philippine Constitution provides that the state shall encourage and undertake the just distribution of all agricultural lands, subject to such priorities and reasonable retention limits as the Congress may prescribe, taking into account ecological, developmental, or equity considerations, and subject to *just compensation*.

### What is just compensation?

Just compensation is defined as the full and fair equivalent of the property taken away from its owner by expropriation. (*Manila Railroad Co. vs. Velasquez, 32 Phil. 286*)

### When must just compensation be paid?

The Constitution, laws and jurisprudence on expropriation have consistently required that just compensation must be paid promptly. Without prompt payment, compensation cannot be considered as “just”.

### Who has the primary responsibility to determine the value and compensation for all lands covered?

The Land Bank of the Philippines (LBP) is primarily responsible for the determination of land valuation and compensation for all private lands under Voluntary Offer to Sell (VOS) and Compulsory Acquisition (CA) as governed by EO 405 (1990).

enacted by the Sanggunian after conducting public hearings for the purpose (*Art. 38, RA 7160, 1991*).

### What are the limitations on the authority of local government units (LGUs) regarding reclassification?

Section 1 (c & d) of Malacanang Memorandum Circular No. 54 series of 1993, provided the following limitations:

- 15% for highly-urbanized and independent component cities
- 10% for component cities and first to third class municipalities
- 5% for fourth to sixth class municipalities

In addition, the following types of agricultural lands shall not be covered under the said reclassification:

- Lands distributed to agrarian reform beneficiaries;
- Lands already issued a notice of coverage or voluntary offered for coverage under CARP;
- Lands identified as non-negotiable for conversion.

### Can agricultural lands already reclassified by the LGUs into “forest conservation zones” be covered by CARP?

Yes. The reclassification done by the LGU is not valid because ‘forest land’ is a primary classification which only the President has the right to classify.

Agricultural lands reclassified by LGUs into “forest conservation zones” even before the effectivity of CARL do not become forest land, and therefore shall be covered by CARP (*Sec. 3, RA 6657*).

### When can agricultural lands reclassified by the LGUs into residential, commercial or industrial be covered by CARP?

When reclassification was done by LGU *after June 15, 1988*, the land is still covered by CARP (*DAR Administrative Order No. 6, s. 1994*). In this case, the landowner needs to apply for exemption and land conversion (*Sec. 65, RA 6657; DAR Adm. Order No. 1, 1999*).

When reclassification was done by the LGU before June 15, 1988 and approved by the Housing and Land Use Regulatory Board (HLURB) or its predecessor agencies, the land is not covered. However, an exemption clearance from DAR is still necessary to confirm or declare its exempt status (*DAR Adm. Order No. 6 s. 1994*). *225 SCRA 278 (1993 “Natalia Realty Inc. vs. DAR”)*.

### What is meant by public lands?

It refers to public domain lands as subject to alienation and disposal by the state in accordance with the Public Land Act or Commonwealth Act No. 141 such as:

#### Unappropriated Lands

Not acquired by private persons, corporations or juridical entities either by grant or purchase;

**Rice and Corn lands (Operation Land Transfer) under PD 27 and EO 228.** Operation land transfer is a mode by which the ownership of tenanted rice and corn lands are transferred to tenant beneficiaries.

**PD 27 (1972)** – “Proclaiming the entire country as Land Reform area” and “Decreeing the Emancipation of the tenants from the bondage of the soil, Transferring them the ownership of the land they till”.

**Executive Order 228**—Declaring full ownership by qualified farmer beneficiaries of lands they acquired by virtue of PD 27.

### What is the retention limit of the landowner?

Section 6 of RA 6657 provides that the retention limit of the landowner whether natural or juridical

**Retention limit** is the size of land an individual owner will be allowed to keep or retain, whether he/she is a cultivator or not.

whose lands are covered under CARP is entitled to a maximum of *5 hectares* of their land. In addition, each child of the landowner may be awarded 3 hectares, provided he/she is at least 15

years old and actually tilling the land or directly managing the farm at the time CARL took effect.

However, under *PD 27*, a landowner may retain not more than *7 hectares*, if such landowner is cultivating the area or now will cultivate it. While original *homestead* grantees or their direct compulsory heirs who still own the original homestead may retain *24 hectares* as long as they continue to cultivate the homestead.

**What are the ways by which the government can acquire landholdings for distribution under CARP?**

**C**ompulsory acquisition (CA), a mandatory land acquisition by the State of all private agricultural lands in accordance with the procedure as described in Section 16 of RA 6657. This mode of acquisition is undertaken if the landowner fails to comply with the requirements for VOS or VLT. In this case the landowner is no longer qualified to avail of the incentives in VOS and VLT;

**O**ffer to sell (Voluntary Offer to Sell), a mode of land acquisition where landowners come forward and voluntarily offer their agricultural lands for CARP coverage. These transactions are exempt from payment of capital gains tax and other taxes and fees;

**V**oluntary Land Transfer/Direct Payment Scheme, a direct transaction between the landowner of an agricultural land covered by CARP and the qualified beneficiaries of such land. Transactions under this mode are not exempt from payment of capital gains taxes and other fees (Sec. 20 & 21, RA 6657);

**E**xecutive Order 407 (1990) as amended by EO 448 and 506, directs all government instrumentalities, including government financial institutions and government-owned and controlled corporations to immediately transfer to DAR all their landholdings suitable for agriculture for immediate distribution to qualified beneficiaries under CARP;

Not held back or reserved for any special governmental or public purpose; and  
Open to entry and settlement.

**Are private corporations or associations allowed to own public domain lands?**

No. Private corporations or associations may not hold such alienable lands of the public domain except:

- By lease for a period not exceeding 25 years, renewable for not more than 25 years, and not to exceed 1,000 hectares in area;
- Citizens of the Philippines may lease not more than 500 hectares. (Sec. 3, Art. XII, *Philippine Constitution*)

**Filipino Citizens** are:

- Those who are citizen of the Phil. at the time of the adoption of the 1987 Constitution;
- Those whose fathers and mothers are citizens of the Philippines;
- Those born before January 17, 1973, of Filipino mothers, who elect Phil. Citizenship upon reaching the age of majority; and
- Those who are naturalized in accordance with law.

**When can a Public Domain land become a Private land?**

When they are acquired by private individuals either by purchase, homestead or grant.

**Are foreigners allowed to own lands in the Philippines?**

No. Section 3 Article XII of 1987 Philippine Constitution states, that foreigners are not allowed to own land in the Philippines.

**Are lands foreclosed/owned by Government Financial Institutions (GFI) and other instrumentalities covered by CARP?**

Yes. If these lands are suitable for agriculture (Sec. 1, EO 407)

**What public lands are exempted/excluded from CARP coverage?**

All lands actually, directly and exclusively used and found to be necessary for:

- Parks
- Wildlife
- Forest reserves
- Reforestation
- National defense
- Fish sanctuaries and breeding grounds
- Watersheds and mangroves
- School sites and campuses including experimental farm stations operated for educational purposes

**Exclusion**—implies a keeping out or prohibiting of that which is not yet in the law  
**Exemption**—implies release from some obligation or legal requirement, where others are not

- Part of our cultural heritage, like national parks and national monuments, that must be taken cared of for future generations;
- Habitat of all life forms and primary source of “food web” to ensure biodiversity; and
- Needed to maintain ecological balance such as fish, birds, and animal sanctuaries, rainforests, and others.

**Are there instances when protected areas can be covered by CARP?**

Yes. Under these conditions:

**L**and or a portion thereof, are no longer actually, directly or exclusively used as designated;

**A**re suitable for agriculture; and

**D**eclared/reclassified as alienable and disposable

... all these lands or a portion thereof shall be segregated from reservation and transferred to DAR for distribution to qualified agrarian reform beneficiaries under CARP. (Section 1, Executive Order No. 448)

operated by public or private schools for educational purposes, seeds and seedling research and pilot production center, church sites and convents, mosque sites and Islamic centers, communal burial grounds and cemeteries, penal colonies and penal farms actually worked by the inmates, government and private research and quarantine centers;

**All** lands with 18% slope and over, except those already developed (*as amended by RA 7881, 1995*);

**P**rotected areas for ecological purpose—parks, wildlife, forest reserves, reforestation, fish sanctuaries and breeding grounds, watersheds and mangroves (*Sec. 10, RA 6657 as amended by RA 7881, 1995 and PD 705, 1975*)

### What is protected area?

Protected area as referred to Section 4(b) of R.A. 7586, is identified portion of land and water set aside by reason of their unique physical and biological significance, managed to enhanced biological diversity and protected against destructive human exploitation.

### Why are protected areas excluded from CARP?

Because these areas are:

- Not classified as agricultural lands and are not arable;

- Seeds and seedling research and pilot production centers
- Communal burial ground and cemeteries
- Penal colonies and penal farms
- Government research and quarantine centers (*Section 10, RA 6657; DAR AO No. 13, series of 1990*)

### What are the statutory/legal bases that support the coverage of public lands?

- The CARL of 1998 shall *cover, regardless of tenurial arrangement and commodity produced, all public and private agricultural lands* as provided in Proclamation No. 131, 1987 and Executive Order no. 229, including other lands of the public domain suitable for agriculture (*Sec. 4, RA 6657*).
- The state may *resettle landless farmers and farm workers in its own agricultural estate* which shall be distributed to them in the manner provided by law (*Sec. 6, paragraph 2, Proclamation 131; Sec. 2, par. 6, RA 6657*).
- All government instrumentalities including but not limited to government agencies, shall immediately execute Deeds of Transfer in favor of the Republic of the Philippines as represented by the Department of Agrarian Reform, and *surrender to the Department all landholdings suitable for agriculture* including all pertinent ownership documents in their custody necessary to effect the transfer of ownership (*Sec. 1, EO 407*).

### What are Private Lands?

It refers to lands which are:

- A**cquired through various mode of land acquisition;
- G**ranted by the state
- O**wned by natural or juridical persons or corporation; and
- S**egregated from the lands of the public domain

### Who are qualified to own private lands in the Philippines?

Filipino Citizens, natural-born Filipino Citizens but lost their Citizenship, and Filipino Corporations  
(*Sec. 3, Art. XII, 1987 Philippine Constitution*)

### Are all private lands covered by CARP?

No. Only agricultural lands devoted to or suitable for agriculture (*Sec. 4, R.A. 6657*)

### What private lands are exempted/excluded from the coverage of CARP?

All lands actually, directly and exclusively used and found to be necessary for:

- School sites and campuses
- Religious purposes,
- Experimental farm stations operated for educational purposes
- Seeds and seedling research and pilot production centers

some agricultural lands are not covered by CARP under certain conditions.

*Excluded* from CARP means that the type of lands shall not be placed under CARP coverage.

### What lands are exempted from the coverage of CARP?

**P**ivate lands actually, directly, and exclusively used for prawn farms and fishponds, provided that said prawn farms and fishponds have not been distributed and issued Certificate of Land Ownership Award (CLOA) to CARP beneficiaries.  
(*Sec. 10-c, RA 6657 as amended by RA 7881*);

**A**ll homesteads cultivated by original homestead grantees or their direct compulsory heirs;

**L**ands devoted to raising of livestock, swine and poultry (*Luz Farms v. DAR Sec. 192 SCRA 51, 1990*);

**L**ands retained by landowners that are covered under leasehold

### What lands are excluded from the coverage of CARP?

Section 10 of RA 6657 excludes and exempts certain types of lands from the coverage of CARP. These lands are those that are actually, directly and exclusively used and found to be necessary for their purposes such as:

**L**ands for national defense, school sites and campuses, including experimental farm stations

**What are the statutory/legal bases for expropriation under CARP?**

- Section 22, Article XVIII of Philippine Constitution, mandates DAR to initiate the expropriation or acquisition of idle or abandoned agricultural lands at the earliest possible time for distribution to CARP beneficiaries; and
- Section 18 (h) of EO 229, provides at the earliest possible time, *idle or abandoned* agricultural lands as may be defined by law shall be expropriated for distribution to the CARP beneficiaries.

**Idle or Abandoned lands** are agricultural lands, not cultivated, tilled or developed to produce any crop nor devoted to any specific economic purpose continuously for a period of 3 years immediately prior to the receipt of notice of acquisition by the government as provided in RA 6657, but does not include land that has become permanently or regularly devoted to 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. (Sec 3 (e), RA 6657)

**What does “exempted and excluded” from CARP refer to?**

Exempted and Excluded from CARP refers to lands which are not included or have been removed in the coverage of CARP.

*Exempted* from CARP means an immunity or privilege. While CARP covers all agricultural lands,

- Communal burial ground and cemeteries
- Poultry, Livestocks, and Swine lands
- Prawn Farms and Fishponds
- Homesteads
- Retained areas of landowners but not covered under leasehold; and
- Lands with 18% slope, *except* those that are already developed for agricultural purposes as of June 15, 1988, are covered by CARP (Sec. 10, R.A. 6657; DAR A.O. 13, Series of 1990)

**What is Expropriation?**

Expropriation is the right of the government to take the land, mineral rights or other property out of the owner’s possession, especially for public use with *just compensation*.

*Just Compensation*—is the full and fair equivalent of the property taken from its owner by the expropriator (decision of the court: Assoc. of Small Landowners vs. Hon. Sec. DAR)

**What type of Expropriation is practiced by DAR?**

As used in agrarian reform, expropriation is identical to compulsory acquisition of lands exercised by the government to be redistributed to landless farmers.

**What type of lands are priorities for immediate expropriation under CARP?**

Section 22, Art. XVIII of the Constitution and Sec. 18 of EO 229 prioritize the immediate expropriation or acquisition of idle and abandoned lands.