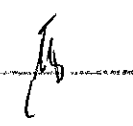


FOURTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )

8 MAR 13 10:40

SENATE

S. No. 2122

RECEIVED BY: 

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Introduced by Senator Biazon

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### Explanatory Note

Almost 21 years after the issuance of Proclamation No. 131 entitled "Instituting a Comprehensive Agrarian Reform Program" by President Corazon C. Aquino on 22 July 1987, many realities have changed which necessitate adjustments or amendments in various policies and laws.

In Republic Act No. 6657 or the Comprehensive Agrarian Reform Law (CARL) of 1988, at least 25 percent of the appropriations for agrarian reform should be utilized for support services. But with the Department of Agrarian Reform's present estimates that three-fourths of land acquisition and distribution has been accomplished, this bill proposes that half of its budget be devoted instead to support services. In other words, when before the social justice aspect of agrarian reform was emphasized by focusing on land acquisition and distribution, today the highlight must be on poverty reduction and rural development.

This bill also seeks, among other things, to ensure that the program is funded "more seriously and generously" for the next 10 years, even as it sets seven (7) years as the time frame for completing land acquisition and distribution. Further, it seeks to give life to Section 5, Article XIII, of the Constitution by giving priority to working with farmers' organizations in implementing the program.

The other highlights of this bill are the following:

1. It discourages but does not disallow voluntary land transfers and leaseback schemes;
2. It makes Emancipation Patents and Certificates of Land Ownership Award indefeasible and imprescriptible one year after registration;
3. It reallocates agrarian reform budgets so that land tenure improvement will be assigned 50% (to include agrarian justice delivery), while program beneficiaries' development will likewise receive 50%, with one third of this being assigned to production credit;
4. It includes assistance in the education and organization of actual and potential beneficiaries among the support services, for as long as these are geared toward helping farmers appreciate their rights and responsibilities as new landowners, developing farm-related trust relationships (social capital), and increasing farm production and profitability;
5. It provides that landowners who invest 50% or more of their compensation in enterprises where the land is located may receive their full compensation in cash and be given a 2% bonus if the enterprise they set up is still a going concern after five years;

6. It expands the membership in the Presidential Agrarian Reform Council to include some commodity-oriented agencies of the Department of Agriculture to emphasize the importance of helping farmers improve production and profitability;
7. It expands the DAR Adjudication Board's composition, clarifies the legal standing of farmers and farm groups, limits the judiciary's role in settling agrarian and agrarian-related disputes, and allows DAR lawyers to render free legal representation for beneficiaries facing AR-related criminal cases, and;
8. It further restricts land conversion.

Lastly, inasmuch as the so-called stock distribution option which was implemented in less than a dozen corporate farms pursuant to Sections 29 to 34 has not led to an improvement in the life of agrarian reform beneficiaries comparable to those whose lands were covered by compulsory acquisition, these sections are sought to be repealed. This will have the effect of mandating the coverage of these corporate farms under compulsory acquisition.

A true agrarian reform law has always been *the* centerpiece program for genuine rural development. But in order to succeed, social justice must be its foundation. To this, a more liberal approach has been seen as a viable route with some radical measures taken into consideration. After all, if we are truly after meaningful reforms, we must be able to transcend ideological differences in pursuit of common goals.


In view hereof, passage of this bill is earnestly sought.

  
**Rodolfo G. Biazon**  
Senator

FOURTEENTH CONGRESS OF THE REPUBLIC )  
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AN ACT

STRENGTHENING THE COMPREHENSIVE AGRARIAN REFORM PROGRAM (CARP) BY AMENDING CERTAIN SECTIONS OF REPUBLIC ACT NO. 6657, AS AMENDED, OTHERWISE KNOWN AS THE COMPREHENSIVE AGRARIAN REFORM LAW OF 1988, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES.

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

SECTION ONE. *Declaration of Policy.* – It is hereby reiterated as a policy of the State to pursue a Comprehensive Agrarian Reform Program (CARP) where the welfare of the landless farmers and farm workers with due regard to the rights of landowners shall be upheld and instituted. To give flesh to this, putting up support services should be given equal attention as land distribution. *It also means providing assistance not only to beneficiaries but also to landowners.*

*The agrarian reform program should be founded on the right of farmers and regular farm workers, who are landless, to own directly or collectively the lands they till or, in the case of other farm workers, to receive a share of the fruits thereof. To this end, the State shall encourage the just distribution of all agricultural lands, subject to the priorities and retention limits set forth in R. A. No. 6657 as amended, having taken into account ecological, developmental, and equity considerations, and subject to the payment of just compensation. The State respects the right of small landowners and encourages the organization of agrarian reform communities.*

Section 2. Section 7 of Republic Act No. 6657, as amended, is hereby amended to read as follows:

X X X

“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 NECESSITY OF GIVING PRIORITY TO COVERING LANDHOLDINGS WHERE THE FARMERS ARE ORGANIZED; the need to distribute lands 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; PROVIDED, THAT LAND ACQUISITION AND DISTRIBUTION SHALL BE COMPLETED WITHIN SEVEN (7) YEARS FROM THE PASSAGE OF THIS ACT.

AGRARIAN REFORM COVERED LANDS SHALL BE DISTRIBUTED DIRECTLY TO AGRARIAN REFORM BENEFICIARIES. STOCK DISTRIBUTION OPTION AND OTHER NON-DISTRIBUTIVE SCHEMES AND AGREEMENT OF LAND DISTRIBUTION SHALL BE PROHIBITED. LEASEBACK SHALL BE ALLOWED ONLY UPON OBTAINING PRIOR APPROVAL FROM THE DEPARTMENT, PROVIDED THAT IT SHALL ONLY BE FOR A PERIOD OF FIVE (5) YEARS AND RENEWABLE EVERY FIVE (5) YEARS.

LANDHOLDINGS COVERED BY EXISTING NON-DISTRIBUTIVE SCHEMES AND AGREEMENTS SHALL BE REVIEWED BY THE DEPARTMENT FOR THE PURPOSE OF DIRECT AND PHYSICAL DISTRIBUTION TO THE FARMER BENEFICIARIES. ALL AGRARIAN REFORM COVERED LANDS UNDER A NON-DISTRIBUTIVE SCHEME OR AGREEMENT SHALL BE DISTRIBUTED TO THE FARMER BENEFICIARIES NOT LATER THAN ONE (1) YEAR FROM THE EFFECTIVITY OF THIS LAW. PENDING APPLICATIONS BEFORE THE DEPARTMENT FOR NON-DISTRIBUTIVE SCHEMES AND AGREEMENTS SHALL BE DENIED AND THE SUBJECT LAND SHALL BE DISTRIBUTED IMMEDIATELY.

VOLUNTARY LAND TRANSFER ARRANGEMENTS SHALL BE STRICTLY REVIEWED AND MONITORED BY THE PARC TO ENSURE THAT ONLY QUALIFIED BENEFICIARIES SHALL BENEFIT FROM THE AGRARIAN REFORM PROGRAM. ALL VOLUNTARY LAND TRANSFER ARRANGEMENTS SHALL BE SUBJECT TO THE APPROVAL OF THE PARC."

x x x

Section 3. Section 17 is hereby amended to read as follows:

"Section 17. Determination of Just Compensation -- In *determining just compensation*, the cost of acquisition of the land, INCLUDING THE STANDING CROPS PLANTED BY THE FORMER LANDOWNER AT THE TIME OF VALUATION, the current value of like AGRICULTURAL properties regardless of potential or future use, its nature, *actual use and income*, the sworn valuation by the owner, the tax declarations, and the assessment made by the government assessors shall be considered ON THE DATE OF RECEIPT BY THE LANDOWNER OR THE LAST DAY OF POSTING OR PUBLICATION IN AT LEAST TWO (2) NATIONAL NEWSPAPER OF THE NOTICE OF COVERAGE ISSUED BY THE DAR, WHICHEVER IS EARLIER.

THE VISIBLE CROPS IF CONSIDERED AS PART OF THE VALUE OF THE LAND SHALL BE VALUATED ONLY ONCE. IN NO CASE SHALL THE DETERMINATION OF THE VALUATION OF THE STANDING CROPS BE USED TO HINDER THE INSTALLATION OF ARBs.

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 LOAN SECURED FROM ANY

GOVERNMENT FINANCING INSTITUTION ON THE SAID LAND SHALL BE CONSIDERED AS ADDITIONAL FACTORS TO DETERMINE ITS VALUATION.”

Section 4. Section 24 is hereby amended to read as follows:

“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. Such 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 restriction 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 CLOA AND OTHER TITLES ISSUED UNDER ANY AGRARIAN REFORM PROGRAM SHALL BE INDEFEASIBLE AND IMPRESCRIPTIBLE AFTER ONE (1) YEAR FROM THE REGISTRATION THEREOF WITH THE REGISTRY OF DEEDS.

ALL CASES INVOLVING THE CANCELLATION OF REGISTERED CLOAS AND OTHER TITLES ISSUED UNDER ANY AGRARIAN REFORM PROGRAM ARE WITHIN THE JURISDICTION OF THE DARAB.

Section 5. Section 26 is hereby amended to read as follows:

“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[.] WHICH WILL START ONE (1) YEAR FROM THE DATE OF ACTUAL, PHYSICAL AND CONTINUOUS POSSESSION OF THE AWARDED LAND BY THE BENEFICIARIES. The payments for the first three (3) 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 is paid 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 obligation to make the payment affordable.”

X X X

Section 6. Section 27 is hereby amended to read as follows:

“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 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 Barangay Agrarian Reform Committee (BARC) of the barangay where the land is situated. The Provincial Agrarian Coordinating Committee (PARCCOM), as herein provided, shall, in turn, be given due notice thereof by the BARC. If the land has not yet been fully paid by the

beneficiary, the right 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. 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 has made on the land.

THE TITLE OF THE LAND AWARDED UNDER THE AGRARIAN REFORM MUST INDICATE THAT IT IS AN EP OR CLOA AND SUBSEQUENT TRANSFER TITLE MUST ALSO INDICATED THAT IT IS AN EP OR CLOA.

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. 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 HAS MADE ON THE LAND.”

Section 7. Sections 29, 30, 31, 32, 33 and 34 are hereby repealed. All corporate farms previously covered by the repealed provisions shall be dealt with *under compulsory acquisition pursuant to Section 16 thereof.*

Section 8. Section 36 is hereby further amended to read as follows:

“Section. 36. *Funding for Support Services.* - In order to cover the expenses and cost of support, at least [twenty-five] FIFTY percent ([25]50%) of all appropriations for agrarian reform shall immediately be set aside and made available for this purpose: PROVIDED, THAT ONE-THIRD (1/3) OF THIS APPROPRIATION SHALL BE SPECIFICALLY ALLOCATED FOR SUBSIDIES TO SUPPORT THE INITIAL CAPITALIZATION FOR AGRICULTURAL PRODUCTION UPON THE AWARDED OF THE EP OR CLOA TO A NEW AGRARIAN REFORM BENEFICIARY AND SUBSIDIZED CREDIT FACILITIES IN THE CASE OF EXISTING ARB'S; PROVIDED FURTHER, THAT THE LAND BANK AND OTHER CONCERNED GOVERNMENT FINANCIAL INSTITUTIONS SHALL PROVIDE THE FACILITIES FOR DISBURSEMENT OF THE ABOVE FINANCIAL ASSISTANCE TO THE ARB'S. IN ADDITION, THE DAR SHALL BE AUTHORIZED TO PACKAGE PROPOSALS AND RECEIVE GRANTS, AID AND OTHER FORMS OF FINANCIAL ASSISTANCE FROM ANY SOURCE; PROVIDED FURTHERMORE, THAT THE FORMATION OF [Provided, That for the next five (5) years, a minimum of one (1)]

Agrarian Reform Community[ies] (ARC'S) shall be [established] CONTINUED by the DAR, in coordination with the local government units, non-governmental organizations and people's 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.

AFTER THE COMPLETION OF THE LAND ACQUISITION AND DISTRIBUTION COMPONENT OF CARP, THE YEARLY APPROPRIATION SHALL BE ALLOCATED FULLY TO SUPPORT SERVICES AND AGRARIAN JUSTICE DELIVERY.

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/cooperatives. In each community, the DAR, together with the agencies and organizations above mentioned, shall identify the farmers' association, cooperative or their respective federations 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, aids and other forms of financial assistance from any source.]”

Section 9. Section 37 is hereby amended to read as follows:

*“Sec. 37. Support Services [to] FOR the Beneficiaries.* - The PARC shall ensure that support services to farmer-beneficiaries are provided, such as:

- a. Land surveys and titling;
- b. Liberalized terms of credit facilities and production loans;
- c. 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 organization;
- 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 to farming and cultivation; AND[.]

F. ASSISTANCE IN THE EDUCATION AND ORGANIZATION OF ACTUAL AND POTENTIAL AGRARIAN REFORM BENEFICIARIES 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.

The PARC shall formulate policies to ensure that support services FOR AGRARIAN REFORM [to farmer-]beneficiaries shall be

provided at all stages of [land reform] PROGRAM IMPLEMENTATION.”

X X X

Section 10. Section 38 is hereby amended to read as follows:

“Section 38. *Support Services FOR [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 proper 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 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;

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 AT LEAST FIFTY PERCENT (50%) OF the proceeds thereof shall be invested in a BOI-registered company or in any agri-business or agro-industrial enterprise in the region where CARP-COVERED LANDHOLDING IS LOCATED [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]. AN INCENTIVE OF TWO (2) PERCENT IN CASH SHALL BE PAID TO A LANDOWNER WHO MAINTAINS HIS ENTERPRISE AS A GOING CONCERN FOR FIVE YEARS OR KEEPS HIS INVESTMENTS IN A BOI-REGISTERED FIRM FOR THE SAME PERIOD.

THE LBP AND THE DEPARTMENT OF TRADE AND INDUSTRY SHALL FORMULATE THE PROGRAM TO CARRY OUT THESE PROVISIONS UNDER THE SUPERVISION OF THE PARC.”

Section 11. Section 41 is hereby amended to read as follows:

“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; THE INTERIOR AND Local Government; Public Works and Highways; Trade and Industry; Finance; AND Labor and Employment; Director-General of the National Economic and Development Authority; President, Land Bank of the Philippines; Administrator, National Irrigation Administration; ADMINISTRATOR, SUGAR REGULATORY ADMINISTRATION; ADMINISTRATOR, PHILIPPINE COCONUT AUTHORITY; ADMINISTRATOR, NATIONAL FOOD AUTHORITY; DIRECTOR, PHILIPPINE RICE INSTITUTE; ADMINISTRATOR, NATIONAL DAIRY AUTHORITY; and three (3) representatives of affected landowners to represent Luzon, Visayas and Mindanao: Provided, that AT LEAST one of them shall be from the INDIGENOUS PEOPLES [cultural communities].”

Section 12. A new section shall be inserted after Section 49 and under Chapter XII, which section shall read as follows:

“SECTION 49-A. AGRARIAN JUSTICE DELIVERY AND STRENGTHENING THE DARAB -- THE DARAB SHALL BE COMPOSED OF THE SECRETARY AS CHAIRMAN, THREE (3) UNDERSECRETARIES OR ASSISTANT SECRETARIES AS MAY BE DESIGNATED BY THE SECRETARY, AND EIGHT (8) OTHERS TO BE APPOINTED BY THE PRESIDENT.

AGRARIAN REFORM BENEFICIARIES OR IDENTIFIED BENEFICIARIES AND/OR THEIR ASSOCIATIONS MAY FILE A CASE OR CASES BEFORE JUDICIAL COURTS CONCERNING THEIR INDIVIDUAL OR COLLECTIVE RIGHTS UNDER THE COMPREHENSIVE AGRARIAN REFORM PROGRAM.

THE FACT OF NON-REGISTRATION OF SUCH ASSOCIATION/S BEFORE THE SECURITIES AND EXCHANGE COMMISSION OR COOPERATIVE DEVELOPMENT AUTHORITY OR ANY CONCERNED GOVERNMENT AGENCY MAY NOT BE USED AGAINST THEM TO DENY THE EXISTENCE OF THEIR LEGAL STANDING AND INTEREST IN A CASE FILED BEFORE THE JUDICIAL COURTS.

IDENTIFIED AND APPROVED AGRARIAN REFORM BENEFICIARIES, BASED ON SECTION 22 OF THIS RA 6657, SHALL HAVE USUFRUCTUARY RIGHTS OVER THE AWARDED LAND AND SUCH RIGHT SHALL NOT BE DIMINISHED EVEN PENDING THE AWARDING OF THE CLOA.

THE PARTIES OR THEIR REPRESENTATIVES AND THE WITNESSES SHALL BE ALLOWED TO TESTIFY OR PARTICIPATE IN THE PROCEEDINGS OR SUBMIT PLEADINGS USING THE LANGUAGE KNOWN TO BOTH PARTIES OR LOCAL DIALECTS PREVAILING IN THE COMMUNITY.

NO COURT SHALL TAKE COGNIZANCE OF CASES PERTAINING TO THE IMPLEMENTATION OF THE COMPREHENSIVE AGRARIAN REFORM PROGRAM EXCEPT THOSE PROVIDED UNDER SECTION 57 OF THIS ACT. ALL CASES FILED IN REGULAR COURTS OR OFFICE OF THE PROSECUTOR WHERE ONE OF THE PARTIES IS A FARMER, FARMWORKER OR TENANT, SHALL BE AUTOMATICALLY REFERRED TO THE DAR IF THERE IS AN ALLEGATION FROM ANY OF THE PARTIES THAT

THE CASE IS AGRARIAN IN NATURE. IF IT IS CLEAR FROM THE COMPLAINT THAT THE CASE IS AGRARIAN IN NATURE, THE COURT SHALL MOTU PROPIO DISMISS THE CASE. UPON REFERRAL OF A CASE BY A REGULAR COURT OR THE PROSECUTOR TO THE DAR, THE DAR SHALL, WITHIN THIRTY (30) DAYS FROM RECEIPT OF THE COURT'S OR PROSECUTOR'S REFERRAL, DETERMINE IF THE CASE IS AGRARIAN IN NATURE. SUCH FINDING SHALL BE CONCLUSIVE UPON THE REGULAR COURT OR PROSECUTOR, AND THE COURT OR PROSECUTOR SHALL THEREAFTER DISMISS THE CASE ON THE BASIS OF SUCH FINDINGS OF THE DAR.

NO COURT OR ANY OTHER TRIBUNAL SHALL TAKE COGNIZANCE OF EJECTMENT, ESTAFA, QUALIFIED THEFT, AND OTHER SIMILAR CASES FILED AGAINST AN AGRARIAN REFORM BENEFICIARY, A FARMER, FARMWORKER OR A TENANT, THE RESOLUTION OF WHICH REQUIRES THE PRIOR DETERMINATION OF TENANCY RELATIONS, AGRARIAN DISPUTES, OR THE APPLICATION OF AGRARIAN LAWS WITHIN THE PROPER JURISDICTION OF THE DAR OR THE DARAB, OR WHERE SUCH CASES ARE FILED TO HARASS OR REMOVE THE SAID AGRARIAN REFORM BENEFICIARY, FARMER, FARMWORKER OR TENANT. UPON FILING OF ANY SUCH CASE, SUCH JUDGE OF ANY COURT OR TRIBUNAL OR PROSECUTOR SHALL REFER THE SAME TO THE DIVISION OR PROVINCIAL AGRARIAN REFORM ADJUDICATOR (PARAD) FOR DETERMINATION OF TENANCY RELATIONS OR ADJUDICATION OF ANY AGRARIAN DISPUTE BETWEEN THE PARTIES. ONLY UPON CERTIFICATION ISSUED BY THE PARAD THAT THE CASE IS NOT AGRARIAN IN NATURE CAN THE JUDGE OR PROSECUTOR PROCEED WITH THE CASE.

THE DAR SHALL RENDER FREE LEGAL REPRESENTATION FOR AGRARIAN REFORM BENEFICIARY, FARMER, FARMWORKER OR TENANT WHO ARE FACING AGRARIAN REFORM RELATED CRIMINAL CASES.”

Section 13. Section 65 is hereby amended to read as follows:

“Section 65. *Conversion of Lands* . – [After the lapse of five (5) years from its award, when] WHEN the land ceases to be economically feasible and sound for agricultural purposes, or the locality has become urbanized and the land will have greater economic value for residential, commercial or industrial purposes, the DAR, upon application of the beneficiary or [the] ANY OTHER 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 IF THE APPLICANT IS A BENEFICIARY UNDER AGRARIAN LAWS AND THE LAND SOUGHT TO BE CONVERTED IS THE LAND AWARDED TO HIM OR ANY PORTION THEREOF, IT MUST BE SHOWN THAT the beneficiary shall have fully paid his obligation; PROVIDED FURTHER, THAT IRRIGATED AND IRRIGABLE LANDS, REGARDLESS OF FUNDING COMMITMENT FOR IRRIGATION, SHALL NOT BE SUBJECT TO CONVERSION NOTWITHSTANDING ITS CLASSIFICATION.

FAILURE TO IMPLEMENT THE CONVERSION PLAN WITHIN FIVE (5) YEARS FROM THE APPROVAL OF SUCH CONVERSION

PLAN SHALL CAUSE THE LAND TO BE AUTOMATICALLY BE UNDER THE COVERAGE OF CARP.”

Section 14. Section 55 is hereby amended to read as follows:

“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, DAR or any 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.”

Section 15. Section 63 is hereby repealed and a new Section 63 will be inserted which will read as follows:

“SECTION 63. *FUNDING SOURCES*. – THE INITIAL AMOUNT NEEDED TO IMPLEMENT THIS ACT UNTIL THE YEAR 2018, OR AN ADDITIONAL PERIOD OF TEN (10) YEARS FROM THE EXPIRATION OF THE PERIOD UNDER THE AMENDATORY REPUBLIC ACT NO. 8532, SHALL BE FUNDED BY THE AGRARIAN REFORM FUND.

ADDITIONAL AMOUNTS NECESSARY FOR THIS PURPOSE ARE HEREBY AUTHORIZED TO BE APPROPRIATED IN EXCESS OF THE PREVIOUS INITIAL AND AUGMENTATION FUNDS AMOUNTING TO ONE HUNDRED BILLION PESOS (P100,000,000,000.00). THE ADDITIONAL INITIAL AMOUNTS HEREBY AUTHORIZED TO BE APPROPRIATED HEREUNDER SHALL IN NO CASE EXCEED ONE HUNDRED SIXTY-TWO BILLION PESOS (P162,000,000,000.00).

SOURCES OF FUNDING OR APPROPRIATION SHALL INCLUDE THE FOLLOWING:

(A) PROCEEDS OF THE SALES OF THE PRIVATIZATION MANAGEMENT OFFICE (PMO), FORMERLY ASSETS PRIVATIZATION TRUST (APT);

(B) ALL RECEIPTS FROM ASSETS RECOVERED AND FROM SALES OF ILL-GOTTEN WEALTH RECOVERED THROUGH THE PRESIDENTIAL COMMISSION ON GOOD GOVERNMENT (PCGG);

(C) PROCEEDS FROM THE DISPOSITION OF THE PROPERTIES OF THE GOVERNMENT IN FOREIGN COUNTRIES, FOR THE SPECIFIC PURPOSES IF FINANCING PRODUCTION CREDITS, INFRASTRUCTURE AND OTHER SUPPORT SERVICES REQUIRED BY THIS ACT;

(D) ALL INCOME AND COLLECTIONS OF WHATEVER KIND AND NATURE ARISING FROM THE AGRARIAN REFORM OPERATIONS, PROJECTS AND PROGRAMS OF THE DAR AND OTHER IMPLEMENTING AGENCIES OF THE COMPREHENSIVE AGRARIAN REFORM PROGRAM, PROVIDED, THAT AMORTIZATION PAYMENTS SHALL BE

ALLOCATED AS PART OF THE FUNDING FOR SUPPORT SERVICES FOR THE BENEFICIARIES;

(E) PORTION OF AMOUNTS ACCRUING TO THE PHILIPPINES FROM ALL SOURCES OF OFFICIAL FOREIGN AID GRANTS, DEBT SWAPS AND CONCESSIONAL FINANCING FROM ALL COUNTRIES, PRODUCTION CREDIT, INFRASTRUCTURE, AND OTHER SUPPORT SERVICES REQUIRED BY THIS ACT;

(F) YEARLY APPROPRIATIONS OF NOT LESS THAN THREE BILLION PESOS (P3,000,000,000.00) FROM THE GENERAL APPROPRIATIONS ACT;

(G) OTHER GOVERNMENT FUNDS NOT OTHERWISE APPROPRIATED.”

Section 16. *Agrarian Reform Oversight Committee.* -- An Agrarian Reform Oversight Committee is hereby created to review program implementation every two (2) years. The Committee shall be headed by the chairperson of the Senate Agrarian Reform Committee and co-chaired by the chairperson of the House of Representatives Agrarian Reform Committee, with members from each House to be named by the Senate President and the Speaker of the House.

Section 17. All laws, decrees, executive orders, rules and regulations, or parts thereof, inconsistent herewith are hereby repealed or modified accordingly.

Section 18. This Act shall take effect fifteen (15) days following the completion of its publication in at least two (2) newspapers of general circulation which should not, however, be later than the first day of the expiration of the extended existence of CARP guaranteed funding.

Approved.