

Republic of the Philippines
Congress of the Philippines
Metro Manila
Eighteenth Congress
Third Regular Session

Begun and held in Metro Manila, on Monday, the twenty-sixth day of July, two thousand twenty-one.



[REPUBLIC ACT NO. 11696]

AN ACT PROVIDING COMPENSATION FOR THE LOSS OR DESTRUCTION OF PROPERTIES AND LOSS OF LIVES AS A RESULT OF THE 2017 MARAWI SIEGE, AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. *Short Title.* – This Act shall be known as the “Marawi Siege Victims Compensation Act of 2022.”

CHAPTER I

PRELIMINARY PROVISIONS

SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the State, as enshrined in the Constitution, to value the dignity of every person, and guarantee full respect for

human rights, including rights of indigenous cultural communities and other vulnerable groups such as women and children, at all times. It is also declared the policy of the State to provide compensation or reparation to the internally-displaced persons (IDPs) of the 2017 Marawi Siege whose damaged or demolished properties and possessions cannot be recovered.

The State shall also fulfill its obligations under international human rights and humanitarian laws; thus, it recognizes the basic principles and guidelines on the right to remedy and reparation for victims of gross human rights violations.

The State is likewise obligated to recognize the essence of providing reparation and compensation for persons and families whose rights were violated and whose economic, social, and cultural rights were unfulfilled as a result of armed conflicts.

SEC. 3. *Definition of Terms.* – As used in this Act:

(a) *Residential Property* refers to any building or structure that is used exclusively or partially for residential purposes;

(b) *Marawi Siege* refers to the 2017 armed conflict between Philippine Government security forces and terrorist groups that occurred in Marawi City, Lanao del Sur;

(c) *Cultural Property and Facilities* refer to mosques, madaris, schools and colleges, hospitals and other health facilities;

(d) *Commercial Property* refers to any building or structure that is used exclusively for commercial or business purposes;

(e) *Other Properties* refer to house appliances, jewelries, machineries, rice mills, and other equipment of value;

(f) *Main Affected Areas* or *MAA* refer to the main affected barangays in Marawi City during the Marawi Siege consisting of twenty-four (24) barangays, namely:

- (1) Lumbac Madaya;
- (2) South Madaya;
- (3) Raya Madaya 1;
- (4) Raya Madaya 2;
- (5) Sabala Amanao;
- (6) Sabala Amanao Proper;
- (7) Tolali;
- (8) Daguduban;
- (9) Norhaya Village;
- (10) Banggolo Poblacion;
- (11) Bubong Madaya;
- (12) Lilod Madaya;
- (13) Dansalan;
- (14) Datu Sa Dansalan;
- (15) Sangkay Dansalan;
- (16) Moncado Colony;
- (17) Moncado Kadilingan;
- (18) Marinaut West;
- (19) Marinaut East;

- (20) Kapantaran;
- (21) Wawalayan Marinaut;
- (22) Lumbac Marinaut;
- (23) Tuca Marinaut; and
- (24) Datu Naga; and

(g) *Other Affected Areas* or *OAA* refer to the other affected barangays in Marawi City during the Marawi Siege, namely:

- (1) Saduc Proper;
- (2) Panggao Saduc;
- (3) Raya Saduc;
- (4) Lilod Saduc;
- (5) Datu Saber;
- (6) Bangon;
- (7) Fort; and
- (8) Wawalayan Caloocan.

SEC. 4. *Entitlement to Monetary Compensation.* - Any owner of a residential, cultural, commercial structures, and other properties in Marawi's MAA or OAA qualified under this Act shall receive compensation from the State, free of tax, as herein prescribed: *Provided*, That in case the claim is for a property covered by insurance, the compensation receivable under this Act shall only be to the extent not covered by insurance: *Provided, further*, That for the deceased owner of said properties, the legal heirs as provided for in the Code of Muslim Personal Laws of the Philippines or the Civil Code of the Philippines, whichever is applicable, or such other person named by the executor or administrator of the deceased

owner's estate in that order, shall be entitled to receive such compensation: *Provided, furthermore,* That no special power of attorney shall be recognized in the actual disbursement of the award, and only the owner or the aforesaid successor(s)-in-interest shall be entitled to personally receive said compensation from the Marawi Compensation Board, unless the owner involved is shown to be incapacitated to the satisfaction of the Marawi Compensation Board: *Provided, finally,* That the compensation received under this Act shall be considered as a complete satisfaction of the loss or destruction of the properties sustained by the owner thereof, unless Congress provides for additional monetary compensation to the said owner(s).

The heirs of those who died and legally presumed dead are also entitled to compensation in accordance with the requirements under this Act, its implementing rules and regulations, and other applicable laws, rules and regulations.

SEC. 5. *Compensation for Private Properties Affected by the Marawi Recovery, Rehabilitation, and Reconstruction Program.* – The government shall compensate owners of private properties demolished pursuant to the implementation of the Marawi Recovery, Rehabilitation, and Reconstruction Program (MRRRP) under the following rules:

(a) MRRRP, Debris Management Programs, and programs that require the demolition of private property for the search and recovery of Unexploded Ordnance (UXO) shall be treated as national government projects and shall be compensated in accordance with Republic Act No. 10752, otherwise known as "The Right-of-Way Act".

(b) The implementing agency shall offer to the property owner concerned, as compensation price, the sum of the current market value of the land and the replacement cost of structures and improvements therein.

To determine the appropriate price offer, the implementing agency may engage the services of a government

financial institution with adequate experience in property appraisal, or an independent property appraiser accredited by the Bangko Sentral ng Pilipinas (BSP) or a professional association of appraisers recognized by the BSP to be procured by the implementing agency under the provisions of Republic Act No. 9184, otherwise known as the "Government Procurement Reform Act", and its implementing rules and regulations pertaining to consulting services.

The Bangsamoro Government and the national government shall ensure the protection of the rights of the victims of the siege and undertake programs for their rehabilitation and development. The Bangsamoro Government, in coordination with the national government, the local government units where these IDPs are located, and the appropriate national government agencies, shall ensure continued access to livelihood assistance, skills and training programs, loan assistance, and other related activities to assist the recovery of lost income streams of businesses affected by the Marawi Siege.

In the absence of baseline data or the required documents, the validated cost estimates and data utilized for the Post-Conflict Needs Assessment (PCNA) mandated under the MRRRP may be used to determine just compensation. The Office of Civil Defense (OCD), in coordination with the Task Force Bangon Marawi (TFBM), shall update the PCNA report within three (3) months after the effectivity of this Act for purposes of assessing the degree of damage and present the actual or estimated valuation of such damage to each structure caused by the siege and implementation of MRRRP. In updating the PCNA report, the agencies shall also consider additional information from the post-siege social cartography activities of the Department of Environment and Natural Resources and information on the damages and losses incurred from areas that have become accessible only after the mitigation of security threats.

The updated PCNA report shall produce information to be used in assessing replacement cost for residential and commercial structures, programing housing sector interventions commensurate to the updated needs and in designing livelihood asset restoration and assistance projects roughly proportionate to the losses.

(c) Property owners granted the appropriate replacement cost shall not be precluded from receiving and benefitting from the MRRRP Land Titling Program, which intends to return real property to the owner in the form of new land titles.

(d) In consonance with the compensation provisions of Republic Act No. 10752, structure owners who built on land not belonging to them or on land being claimed by other parties, shall also be compensated for the damage sustained as a result of the siege: *Provided*, That unresolved disputes as to the true owners of land shall not affect the entitlement to compensation of owners of structures damaged or demolished during the siege and as a result of post-siege actions of the government.

(e) Compensation for land and/or damaged or demolished structures under this Act and under Republic Act No. 10752 shall not disqualify persons from participating in the government's socialized housing programs.

For the purpose of this section, all government programs for which corresponding benefits have been granted to the claimants shall be deducted from the total amount of compensation to be awarded under this Act.

SEC. 6. Appropriations. - The amount necessary for the initial implementation of this Act shall be charged against the current year's appropriations of the National Disaster Risk Reduction and Management Fund for the MRRRP. Thereafter, such amount as may be necessary for the implementation of this Act shall be included in the annual General Appropriations Act.

CHAPTER II

THE MARAWI COMPENSATION BOARD

SEC. 7. *Creation and Composition of the Marawi Compensation Board.* - There is hereby created an independent and quasi-judicial body to be known as the Marawi Compensation Board (MCB), hereinafter referred to as the Board. It shall be composed of nine (9) members, who shall possess the following qualifications:

- (a) Must be of known probity, competence and integrity;
- (b) Must have a deep and thorough understanding and knowledge of compensation as a concept in international law and Philippine law;
- (c) At least three (3) of them must be members of the Philippine Bar, preferably Maranao lawyers, who have been engaged in the practice of law for at least five (5) years; and
- (d) Two (2) representatives of civil society organizations at least one of whom is either a *Sharia* lawyer or a Muslim traditional leader.

There should be one (1) licensed physician, one (1) certified public accountant, one (1) educator and one (1) licensed civil engineer.

The Board shall organize itself within thirty (30) days from the completion of appointment of its members and shall thereafter organize its Secretariat.

SEC. 8. *Appointment to the Board.* - The President shall appoint the Chairperson and the other eight (8) members of the Board: *Provided*, That organizations of traditional leaders, professionals, the *Ulama* and civil society organizations may submit nominations to the President.

SEC. 9. *Powers and Functions of the Board.* - The Board shall have the following powers and functions:

(a) Receive, evaluate, process and investigate applications for claims under this Act;

(b) Issue subpoenas *ad testificandum* and subpoenas *duces tecum*;

(c) Conduct independent administrative proceedings and resolve disputes over claims;

(d) Approve with finality all eligible claims under this Act;

(e) Disburse any and all compensation to qualified claimants at the earliest possible time;

(f) Promulgate such rules as may be necessary to carry out the purposes of this Act, including rules of procedure in the conduct of its proceedings, with the Revised Rules of Court of the Philippines having suppletory application;

(g) Exercise administrative control and supervision over its Secretariat;

(h) At its discretion, may consult the organizations mentioned in Section 8 herein; and

(i) Perform such other duties, functions and responsibilities as may be necessary to effectively attain the objectives of this Act.

SEC. 10. *Emoluments.* - The Chairperson and members of the Board shall have the rank, salary, emoluments and allowances equivalent to a Presiding Justice and Associate Justice of the Court of Appeals, respectively.

SEC. 11. *Secretariat of the Board.* - The Board shall be assisted by a Secretariat which shall come from the existing

personnel of the Department of Human Settlements and Urban Development (DHSUD), without prejudice to the hiring of additional personnel as determined by the Board to accommodate the volume of required work. The following shall be the functions of the Secretariat:

- (a) Receive, evaluate, process and investigate applications for claims under this Act;
- (b) Recommend to the Board the approval of applications for claims;
- (c) Assist the Board in technical functions; and
- (d) Perform other duties that shall be assigned by the Board.

The Chairperson of the Board shall appoint a Board Secretary who shall head the Secretariat for the duration of the existence of the Board. The Board Secretary shall have a technical staff composed of legal and administrative personnel wherein the staff plantilla positions and salaries shall be determined in the implementing rules and regulations. When necessary, the Board may hire additional personnel consistent with issuances of the Civil Service Commission.

SEC. 12. *Proper Disposition of Funds.* – The Board shall ensure that funds appropriated or those which may become available as compensation for rightful claimants are properly disbursed in accordance with the policies stated by Congress and relevant government rules, regulations and accounting procedures.

The Board shall develop procedures for the awarding of monetary compensation to rightful claimants in accordance with national laws, policies, and regulations respecting at all times the right to self-determination of the Bangsamoro afforded by Republic Act No. 11054 or the “Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao”. In addition to the annual audit, a special audit shall be conducted

by the Commission on Audit (COA) three (3) years from the time it was organized and a final special audit upon the accomplishment of the Board's objectives.

SEC. 13. *Operating Budget of the Board.* - The operating budget of the Board shall be funded from the current year's appropriations of the Contingent Fund: *Provided*, That it shall not exceed Fifty million pesos (P50,000,000.00) a year.

-CHAPTER III

CLAIMANTS AND COMPENSATION

SEC. 14. *Claimants.* - Any person who is a lawful owner of a residential, cultural, commercial structures, and other properties as stated in the definition of terms located in the MAA or OAA, and was destroyed or damaged either totally or partially on the occasion of the Marawi Siege and the heirs of those who died and legally presumed dead may file a claim with the Board for compensation in accordance with the provisions of this Act.

SEC. 15. *Determination of Monetary Compensation.* -

(a) The Board shall determine the monetary compensation and award to the lawful owner(s), whichever is the lower amount of either the fair market value of the residential, cultural, commercial structures, or other real properties or the value of its total area per storey equivalent to an amount to be determined in the implementing rules and regulations of this Act. In case of claims for loss or destruction of personal properties, the claimant shall present competent evidence of the loss or destruction, ownership, as well as the fair market value of the personal properties.

(b) Within thirty (30) days after the Board has approved with finality each eligible claim pending before it and after due publication of such legitimate claim, the award of monetary compensation shall take effect: *Provided*, That any pending

appeal filed by an aggrieved claimant before the Board must be resolved by the Board not later than sixty (60) days before it becomes *functus officio*.

CHAPTER IV

GENERAL PROVISIONS

SEC. 16. *Period of Filing Claims; Waiver.* - Claims for compensation shall be filed with the Board within one (1) year after it has been duly organized, and in accordance with the rules and regulations to be promulgated to implement this Act: *Provided*, That failure to file an application within the said period shall be deemed a waiver of the right to file the same: *Provided, further*, That the Board shall publish in two (2) newspapers of general circulation the period of commencement and termination of applications by property owners.

SEC. 17. *Appeal.* - Any aggrieved claimant or oppositor may file an appeal within fifteen (15) calendar days from receipt of the decision of the Board; otherwise, the Board's decision shall become final and executory.

SEC. 18. *Penalties, Applicability of the Revised Penal Code.* - Any claimant who is found by the Board, after due hearing, to have filed a fraudulent claim shall be referred to the appropriate office for prosecution. In addition to any penalty imposed by the competent court, the person who committed or caused the commission of the fraud shall be disqualified from public office and employment, and shall be prohibited from being voted upon in any national or local election, even after the service of the sentence unless granted absolute pardon.

Any member of the Board and its Secretariat, public officer, employee of an agency or any private individual mandated to implement this Act, who shall misuse, embezzle or misappropriate the funds for monetary compensation under this Act or who shall commit fraud in the processing of

documents and applications of claimants, or shall conspire with any individual to commit the same, shall also be prosecuted.

CHAPTER V

FINAL PROVISIONS

SEC. 19. *Implementing Rules and Regulations (IRR) and Guidelines.* – The Board, in consultation with the Department of Finance, Department of Budget and Management, Bangsamoro Human Rights Commission, TFBM, and the National Economic and Development Authority, shall promulgate the implementing rules and regulations within sixty (60) days after the effectivity of this Act.

In implementing this Act and in formulating the corresponding rules and regulations, and to ensure that all applications are properly processed, the Board must provide for:

- (a) Transparency in the processing of the claims;
- (b) A procedure that allows any concerned party to oppose an application or claim on the ground that it is fraudulent, fictitious or spurious and gives that party the opportunity to question the same and to present evidence in support thereof; and
- (c) A procedure that is speedy and expeditious without sacrificing any of the fundamental rights of the parties.

The IRR shall be effective fifteen (15) days after its publication in two (2) newspapers of general circulation.

SEC. 20. *Congressional Oversight Committee.* – There is hereby created a Joint Congressional Oversight Committee to oversee, monitor, and evaluate the implementation of this Act.

The Oversight Committee shall be composed of five (5) members each from the Senate and the House of Representatives, to be designated by the Senate President and the Speaker, respectively: *Provided*, That at least two (2) members from each House shall be from the Minority.

SEC. 21. *Mandatory Evaluation and Review.* – Three (3) years after the effectivity of this Act, the Board shall conduct a mandatory review and submit a status report on the implementation of this Act to Congress and the COA.

SEC. 22. *Work Period; Sunset Clause.* – The Board shall complete its work within five (5) years from the effectivity of the IRR. After such period, it shall become *functus officio*.

To protect the interests of claimants whose compensation have not been awarded without their fault, the DHSUD shall continue to exercise the powers and functions of the Board to disburse and process any and all pending compensation due to qualified claimants pursuant to the criteria set by the Board. For this purpose, the assets, properties and funds of the Board shall be transferred to the DHSUD.

SEC. 23. *Separability Clause.* – If, for any reason, any section or provision of this Act is declared unconstitutional or invalid, such other sections or provisions not affected thereby shall remain in full force and effect.

SEC. 24. *Repealing Clause.* – All laws, decrees, executive orders, rules and regulations or parts thereof inconsistent with any of the provisions of this Act are hereby repealed, amended or modified accordingly.

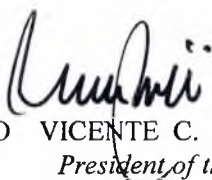
SEC. 25. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in at least two (2) newspapers of general circulation.

Approved,



LORD ALLAN JAY Q. VELASCO

*Speaker of the House
of Representatives*



VICENTE C. SOTTO III

President of the Senate

This Act was passed by the Senate of the Philippines as Senate Bill No. 2420 on January 31, 2022 and adopted by the House of Representatives as an amendment to House Bill No. 9925 on February 2, 2022.



MARK LLANDRO L. MENDOZA



*Secretary General
House of Representatives*



MYRA MARIE D. VILLARICA

Secretary of the Senate

Approved: APR 13 2022

RODRIGO ROA DUTERTE

President of the Philippines

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