

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

SENATE
OFFICE OF THE SECRETARY

10 JUL -8 09:00

SENATE

Senate Bill No. 898

RECEIVED BY:

INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

EXPLANATORY NOTE

The Comprehensive Agrarian Reform Law of 1988 states that it is the policy of the State to pursue a Comprehensive Agrarian Reform Program (CARP). The welfare of the landless farmers and farm workers will receive the highest consideration to promote social justice and to move the nation toward sound rural development and industrialization, and the establishment of owner cultivation of economic-size farms as the basis of Philippine agriculture. (Section 2. Declaration of Principles and Policies). Despite these lofty aspirations, the implementation of the program has been saddled by the lack of support services to ensure productivity of farmer beneficiaries, illegal conversion of lands, landowners' resistance, delay in the delivery of agrarian justice and so on. Even those farmers who have been issued Emancipation Patents (EPs) or Certificates of Land Ownership Awards (CLOAs) have not been spared their own share of difficulties. After prolonged engagements with the government and former landowners to obtain EPs and CLOAs, the farmers remain uncertain over their claim to the land they are tilling.

This uncertainty is caused by the fact that the EPs and CLOAs are apparently viewed as not having the same characteristics as that of other land titles by landowners. In fact, past experiences have shown that these EPs and CLOAs can be cancelled anytime though existing laws grant EPs and CLOAs the same status as that of any other land titles.

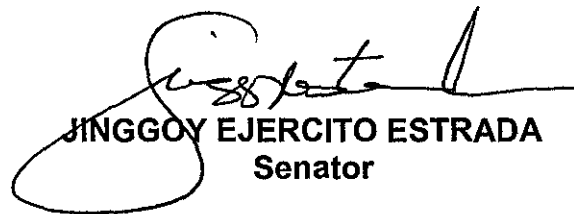
Presidential Decree No. 266 provides that "after the tenant-farmer shall have fully complied with the requirement of the grant of title under P.D. No. 27, an EP and/or grant shall be issued by the DAR on the basis of a duly approved survey plan." Full compliance, in this matter, includes completion of full payment of the awarded agricultural land. In addition, Section 106 states that "The Registry of Deeds (ROD) shall complete the entries on the aforementioned EP and shall assign an original certificate title (OCT) number in case of unregistered land, and in case of registered property, a corresponding transfer certificate title (TCT).

Republic Act No. 6657, on the other hand, provides that the rights and responsibilities of the beneficiary shall commence from the time the Department of Agrarian Reform (DAR) makes an award of the land to him, 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 the CLOA, such shall contain the restrictions and conditions provided for in this Act and shall be recorded in the ROD and annotated on the Certificate of Title." (emphasis our)

This proposed bill has six objectives. First, to reaffirm that EPs and CLOAs are land titles under Presidential Decree No. 1529; second, to provide for prescriptive periods for the filing of petitions for the cancellation of EPs and CLOAs; third, to provide for compensation to landowners whose lands were erroneously covered by land reform programs; fourth, to ensure that the farmer beneficiaries do not bear the consequences of the DARs errors in distributing lands that should have been exempted from coverage of our agrarian laws; fifth, to limit the effect of the Department of Justice Opinion No. 44, series of 1990 that excludes lands that have been reclassified or converted into non-agricultural uses from the coverage of agrarian reform laws even without the concurrence of the Department of Agrarian Reform. The DOJ Opinion, though not a law, has been continuously cited as a ground for cancellation of EPs and CLOAs.

And finally, to prevent the cancellation of EPs and CLOAs through the enactment of law that further exempt lands from the coverage of agrarian reform laws. An example of this is the cancellation of EPs and CLOAs on the ground that the landowners were not paid just compensation. Truly farmer-beneficiaries should not be deprived of lands awarded to them if the government fails to fulfill its duties under the laws.

The passage of this bill is therefore earnestly sought.



JINGGOY EJERCITO ESTRADA
Senator

10 JUL -8 19:00

SENATE

Senate Bill No. 898

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INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

AN ACT
ENSURING SECURITY OF TENURE FOR AGRARIAN REFORM
BENEFICIARIES OVER LANDS AWARDED TO THEM UNDER THE
COMPREHENSIVE AGRARIAN REFORM PROGRAM, PROVIDING
GUIDELINES FOR THE CANCELLATION OF EMANCIPATION PATENTS AND
CERTIFICATES OF LAND OWNERSHIP AWARDS, PENALTIES FOR
VIOLATIONS THEREOF, AND FOR OTHER PURPOSES

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

SECTION 1. Declaration of Policy. - It is the policy of the State to promote social justice and to establish owner cultivatorship of economic-size farms as the basis of Philippine agriculture. Towards this end, agricultural lands shall be distributed to qualified farmer beneficiaries. Their ownership shall be evidenced by Emancipation Patents (EPs) and Certificates of Land Ownership Awards (CLOAs).

SEC. 2. Interpretation of this Act. - All doubts pertaining to the interpretation of this Act shall be resolved in favor of the farmer-beneficiaries to promote social justice.

SEC. 3. Indefeasibility of Emancipation Patents and Certificates of Land Ownership Awards - Emancipation Patents (EPs) or Certificates of Land Ownership Awards (CLOAs) are titles under the operation of the Torrens System as provided under Presidential Decree No. 1529. As such, EPs and CLOAs shall enjoy the same security and protection afforded to all titles registered under the Torrens System of registration.

For this purpose, farmer beneficiaries who receive EPs or CLOAs pursuant to the Comprehensive Agrarian Reform Program (CARP) are hereby deemed innocent purchasers for value and are entitled to the rights and protection as such persons under existing laws shall commence on the date of registration of the EP or the CLOA. The rights of the farmer-beneficiaries and the protection of these rights

SEC. 4. Coverage. -This Act shall cover all actions for the cancellation of EPs or CLOAs issued to agrarian reform beneficiaries under Presidential Decree No. 27 and Republic Act No. 6657. The petition for cancellation may be filed on the ground that said lands are excluded or exempted from distribution under agrarian laws or that they are found to be part of the landowners' retained areas.

SEC. 5. *Who may file action and when.* - Only the former owner of the property may file an action for the cancellation of an EP or a CLOA within the period of one (1) year from the date of registration of the EP or CLOA.

SEC. 6. *Where to file action.* - The Provincial Agrarian Reform Adjudication Office of the Department of Agrarian Reform Adjudication Board where the land is located shall have exclusive jurisdiction over petitions for CLOA or EP cancellation.

SEC. 7. *Prescriptive Periods.* - The following rules shall be observed in the filing of petitions for the cancellation of EPs or CLOAs: a) No petition for cancellation of an EP or CLOA shall be entertained if the same is filed later than one (1) year after the date of registration of the EP or CLOA; Provided, that petitions for the cancellation of EPs or CLOAs for grounds other than the grounds provided in Section 4 thereof shall be pursued under the provisions of Presidential Decree No. 1529, other agrarian laws, and other administrative issuances: b) If the EP or CLOA was issued while there is a pending case for the exclusion or exemption of the subject land, the prescriptive period shall be reckoned from the date of the final decision of the said case.

SEC. 8. *Other Prohibitions.* - (1) The reclassification of agricultural lands to non-agricultural uses by government agencies without the concurrence of the Secretary of the Department of Agrarian Reform prior to June 15, 1988, will not exempt or exclude said properties from the coverage of the comprehensive agrarian reform program, and the same shall not constitute a valid ground for the cancellation of an EP or CLOA; (1) Any amendment to agrarian reform laws issued subsequent to the distribution of an EP or CLOA shall nor be a ground for its cancellation; (3) The issue of just compensation shall be decided by agrarian reform courts but shall not be a ground for the cancellation of an EP or CLOA.

SEC. 9. *Effect of Cancellation.* - If pursuant to the provisions of this Act, an EP or a CLOA is subsequently cancelled; all amortizations paid by the farmer beneficiaries shall be reimbursed to said beneficiaries. Provided, however, that said farmer beneficiaries shall also be entitled to all rights and benefits accruing to purchasers in good faith under the New Civil Code, the Property Registration Decree, and other applicable laws.

SEC. 10. *Recovery of Damages.* - In case recovery of the property is barred, the owner may recover damages pursuant to sections 99 to 107 of Presidential Decree No. 1529.

SEC. 11. *Duty of the DAR.* - In case an EP or CLOA is cancelled pursuant to the provisions of this Act, the DAR shall inform the affected farmer of the decision and discuss alternative arrangements to be pursued, including relocation to another site or assistance in negotiating with concerned agencies for direct acquisition in buying the land, if the farmer expresses interest therein. Provided, however, that in any case, the DAR shall ensure that the affected beneficiaries are provided with available lands and for the safe relocation of the farmer to such new land.

SEC. 12. *Appeals.* - Appeals shall be governed by the Department of Agrarian Reform Adjudication Board Implementing Rules and Regulations and Batas Pambansa Blg., 129, as the case may be.

SEC. 13. *Penal Provisions.* - Any person who causes the cancellation of EPs or CLOAs in violation of the provisions of this Act shall be punished by imprisonment from six (6) years and one (1) day to twelve (12) years or a fine not

to exceed one hundred thousand pesos (P100,000.00), for every violation thereof, or both such imprisonment and fine at the discretion of the Court.

SEC. 14. *Implementing Rules and Regulations.* - The Department of Agrarian Reform shall issue the necessary rules and regulations to implement the provisions of this Act.

SEC. 15. *Repealing Clause.* - The Department of Agrarian Reform Administrative Order Nos. 02, series of 1994 and 03, series of 1996 and Department of Justice Opinion No. 44, series of 1990 and all other laws and implementing rules and regulations inconsistent herewith, are hereby repealed or modified accordingly.

SEC. 16. *Separability Clause.* - If any part of this Act is declared illegal or unconstitutional by a competent court, the same shall not affect the other provisions of this Act.

SEC. 17. *Effectivity.* - This Act shall take effect fifteen (15) days after its complete publication in at least two (2) newspapers of general circulation.

Approved,