Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

13th CONGRESS
First Regular Session

House Bill No. 1478



Introduced by Hon. J. R. Nereus O. Acosta

EXPLANATORY NOTE

This proposed National Land Use Policy Act intends to help stop the alarming rate of environmental degradation and threats to our food security. It has a strong bias for two basic uses of land resources: land for production and ecological/environmental protection.

While there will always be conflicting, claims to land use, (agricultural vs. industrial , recreation vs. residential, among others) it is the duty of the State to ensure that despite the power given to local governments as far as reclassifying lands is concerned, primal importance is given to environmental sustainability and food security.

Land being a scarce resource must therefore be properly allocated to maximize our people's collective welfare. And there are times that the market, while maximizing an individual's well-being, subverts society's overall welfare.

The effect of the spate of land conversions the past years clearly points to the limits of freeing the market. The declining level of food self-sufficiency coupled with the currency devaluation had the singular impact of raising food prices threatening our nation's food security. With the continued absence of a national land use policy and the prospect of the currency turmoil lingering for a long time, one shivers at the thought of continuous deterioration of our people's welfare simply because we increasingly import our people's basic staple. Targeting for a 100 percent self-sufficiency for rice and corn, as what this bill intends to do, does not seem far-fetched. As of 1997, data from the Department of Agriculture points to a 93 percent sufficiency level for rice and an 81 percent sufficiency level for corn. Considering the productivity of the land devoted to these staple crops have not yet been maximized, a 100 percent self-sufficiency for rice and corn will not remain a pipe dream. Of course, this doesn't mean an outright dictation of land-use to our farmers without the necessary infrastructure and other productivity enhancing complement that will make the planting of these crops financially rewarding. The provision of irrigation, post-harvest facilities, and the removal of the pricing and trade policy biases against rice and corn farmers must be institutionalized by the State.

The strong pitch for environmental sustainability is similarly a matter of great urgency. Flash floods, soil erosion, drought due to the loss of watershed areas, declining fish catch are just a few of the serious danger signals that can no longer be shunned. Behind these is the decline in our forest cover from 15.5 million hectares in 1910 to a mere six million hectares by 1996. This shows a drastic cut in the share of total forest cover to the total land area from 51.8 percent to 20 percent. And of the remaining six million hectares, less than one million hectares are old growth forest. (Source: DENR Report presented during the Legislators' Forum held at the House of Representatives on 18 August 1998).

This proposed national land use policy is therefore radical. It is radical in the sense that it intends to set aside land in permanence for the main purpose of agricultural production and environmental protection. Such will form part of the overall policies that will be implemented in the regional, provincial and municipal levels. As regards the other uses of lands such as settlements, infrastructures, industrial and commercial district, these will have to be allocated by the provincial and municipal governments only after segregating the minimum requirements for land in their territories needed for agricultural and protection uses.

To implement this Act, a National Land Use Development Administration is created. It will be attached to the Office of the President. It shall be chaired by the Secretary of the Department of Agriculture and co-chaired by the Secretary of the Department of Agrarian Reform. The Housing and Land Use Regulatory Board (HLURB) will be reconstituted to function as the backbone of the said agency. Hence this Act will not require additional funding for the creation of said agency. It does not, in effect create, another layer in the bureaucracy.

The bill should have been enacted into law years ago. Delaying it borders on criminal negligence on our part as policy makers and as members of this generation. We owe it not just to ourselves or to our children but to our children's children.

CONG. J. R. NEREUS O.A COSTA

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AN ACT
INSTITUTING A NATIONAL LAND USE POLICY, PROVIDING THE IMPLEMENTING MECHANISMS THEREFOR, AND FOR OTHER PURPOSES

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

CHAPTER 1
INTRODUCTORY PROVISIONS

SECTION 1. Title. This Act shall be known and cited as the "National Land Use Act of the Philippines".

SECTION 2. Declaration of Policies and Principles. It is the policy of the State to provide for a rational, *holistic, and just* allocation, utilization, management, and development of the country's land resources to ensure their optimum use consistent with the principle of sustainable development.

Toward this end, the State shall adopt a land use and allocation pattern that promotes and ensures:

a) *Protection of prime agricultural lands for food production activities and highest priority to the completion of the Comprehensive Agrarian Reform Program (CARP);*

b) Food security in *basic food commodities with emphasis on self-sufficiency in rice and corn production* through efficient and sustainable use of land resources consistent with the principles of sound agricultural development, natural resources development, and agrarian reform;

c) *Sustainable development and management of water resources towards water security;*

d) Rational population distribution and settlement development;

(e) Equitable and sustainable economic growth and balanced and dispersed industrial and tourism development guided by the principles of *agrarian reform, urban land reform, and rural development;*

(f) Sustainable management of natural resources;

(g) Maintenance and preservation of environmental integrity and stability;

(h) Harmony between the rights and the varied interests of every Filipino within the framework of people empowerment, decentralization, social justice, and equity;

(i) *Respect to and* protection of the *sustainable traditional resource rights of the Indigenous Cultural Communities/Indigenous Peoples (ICCS/IPS)* to their ancestral *domains to ensure their economic, social, and cultural well-being as well as* recognition of the applicability of customary laws and *sustainable traditional resource use and management, knowledge, and practices* in ancestral domains;

(j) Protection of the rights of *basic sectors* to ensure equitable access to the country's land and other resources *through state regulation of land valuation to prevent uncontrolled land speculation resulting in tremendous increase in land pricing; and,*

(k) *An integrated approach to the utilization, allocation, development and management of water as a limited resource that will complement and support sustainable land utilization.*

It is also the policy of the State to institutionalize land use and physical planning as a mechanism for identifying, determining, and evaluating alternative land use patterns. This shall be supported by a national land use allocation system and a land resource information and management system.

Guided by the principle that the use of land bears a social function and that all economic agents shall contribute to the common good, landowners shall be held responsible for developing and conserving their lands thereby making their lands productive and supportive of environmental stability.

SEC. 3. Scope. This Act shall apply to all lands whether public, private, *or government-owned, and/or in the possession of individuals, communities, or groups of people, to guide and/or govern the use, allocation, and management of land resources including such activities which bear impact on said resources.*

SEC. 4. Definitions. As used in and for purposes of this Act, the following terms shall mean:

(a) "Agricultural lands" refer to lands devoted to or suitable for the cultivation of the soil, planting of crops, growing of fruit trees, raising of livestock, poultry, fish or aqua-culture production, including the harvesting of such farm products, and other farm activities and practices performed in conjunction with such farming

operations done by persons whether natural or juridical *[and not classified by law as xxx];*

(b) "Agricultural land use conversion" refers to the undertaking of any development activities which modify or alter the physical characteristics of agricultural lands to render them suitable for non-agricultural purposes with an approved order of conversion issued exclusively by the Department of Agrarian Reform (DAR);

(c) "Alienable and disposable lands of the public domain" refer to lands of the public domain which have been delineated, classified, and certified as such and available for disposition *under C.A. No. 141, as amended,* otherwise known as the Public Land Act.;

(d) "Ancestral domains" refer to all areas generally belonging to ICCs/IPs as defined in R.A. No. 8371, otherwise known the Indigenous Peoples' Rights Act of 1998 *or IPRA*;

(e) *"CLUP or Comprehensive* land use plan" refers to a document embodying a set of policies accompanied by maps and similar illustrations. It represents the community-desired pattern of population distribution and proposes future allocation of land resources to various land-using activities. It identifies the allocation, character and extent of the areas of land resources to be used for different purposes and includes the process and the criteria employed in the determination of the land use. *It incorporates the protected areas including the protected agricultural lands provided for in Sec. 32 hereof;*

(f) *"Comprehensive* land use planning" refers to the act of defining the allocation, utilization, development and management of all lands within a given territory or jurisdiction according to the inherent qualities of the land itself and supportive of sustainable economic, demographic, socio-cultural and environmental objectives as an aid to decision making and legislation;

(g) "Coastal *Area/*Zone*"* is a band of dry land and adjacent ocean space (water and submerged land) in which terrestrial processes and uses directly affect oceanic processes and uses, and vice versa. Its geographic extent may include areas within a landmark limit of one (1) kilometer from the shoreline at high tide to include mangrove swamps, brackish water ponds, nipa swamps, estuarine rivers, sandy beaches and other areas within a seaward limit of 200 meters isobath to include coral reefs, algal flats, seagrass beds and other soft-bottom areas. *For purposes of initiating and implementing sustainable coastal resources protection and management, it shall include foreshore lands;*

(h) "Customary laws" refer to a body of written and/or unwritten rules, usages, customs and practices traditionally and continually recognized, accepted, and observed by respective ICCs/IPs consistent with IPRA;

(i) "Development plan" refers to a document, which defines the activities or measures that the national government or local government units (LGUs) intend

to implement in order to achieve a defined set of development goals. It integrates the socio-economic and sectoral plans of the national government or its instrumentality or a particular LGU with spatial plans such as land use or physical framework plans. It may include an analysis of problems and resources, definition of goals and objectives, policy guidelines, project and target achievements, and an implementation mechanism which defines the roles and contributions expected from the government and the private sector.

(j) "Ecologically-fragile lands" refers to lands within the critical watershed, brackish and freshwater wetlands, pasture lands and croplands which require rehabilitation and whose continued unsustainable use would adversely affect the productivity of lowland agricultural areas and the stability of the upland system;

(k) "Environmentally critical areas" refer to areas declared by law as: (a) areas for natural parks, watershed reserves, wildlife preserves, and sanctuaries; (b) areas set aside as aesthetic potential tourist spots; (c) areas which constitute the habitat for any endangered or threatened species of indigenous Philippine wildlife (flora and fauna); (d) areas of unique historic, archeology, or scientific interests; (e) areas which are traditionally occupied by ICCs/IPs; (f) areas with critical slopes; (g) areas frequently visited and/or hard hit by natural calamities *(geologic hazards, floods, typhoons and volcanic activities)*; (h) prime agricultural lands; (i) recharge areas of aquifers; (j) water bodies; (k) mangrove areas; (l) coral reefs; (m) mossy and virgin forests; (n) rivers and river banks; and (o) swamp forest and marshlands; (p) *foreshore lands. For purposes of this Act, this term shall also refer to other terrestrial, aquatic and marine areas that need special protection and conservation measures because they are ecologically fragile or they are needed for food security and food self-sufficiency as determined by concerned agencies and LGUs in consultation with the concerned sectors;*

(l) "Exhausted mineral lands" refer to specific sites whose mineral deposits are no longer in sufficient quantity or quality to justify additional expenditure for their extraction and utilization;

(m)"Food self-sufficiency" refers to the policy objective of meeting the food requirements through intensive local food production in a sustainable manner based on the country's existing and potential resource endowments and related production advantages;

(n) "Food security" refers to the policy objective of meeting the food availability, accessibility, and affordability requirements of the present and future generations of Filipinos in a sustainable manner, through local production, or importation, *only when there is shortage established based on a micro level situation, or both, based on the country's existing and potential resource endowments and related production advantages*, and consistent with the overall national development objectives and policies;

(o) "Forest lands" refer to those lands of the public domain which have been subjected to land evaluation and classification and have been legally designated as such for production forest and protection/amenity forest;

(p) "Foreshore Land" *refers to a string of land margining a body of water, the part of a seashore between the low-water line usually at the seaward margin of a low tide terrace and the upper limit of wave wash at high tide usually marked by a beach scarp or berm;*

(q) "Geo-hazard- or disaster-prone areas" refer to areas frequently visited and/or prone to experience *weather/climatic, hydrologic, geologic, and other* natural calamities;

(r) "Indigenous Cultural Communities/Indigenous Peoples (ICCS/IPS)" refer to groups of people or homogenous societies identified under IPRA;

(s) *"Inland waters" refer to waters, which are not coastal and marine waters not subject to acquisitive prescription consistent with the provisions of P.D. No. 1067, otherwise known as "Water Code of the Philippines";*

(t) "Land" refers to resources, both man-made and natural, found on the surface below and above the ground including inland waters and the air therein;

(u) "Land Subclassification" refers to the act of determining and assigning the uses of classified public lands such as forest or timber lands, natural parks, and mineral lands in accordance with existing laws;

(v) "Land use" refers to the manner of utilization of land, including its allocation, development, and management;

(w) *"Land use classification" refers to the act of delineating or allocating lands according to protection land use, production land use, settlements development, and infrastructure development as defined and provided for in this Act;*

(x) *"LUPA or Land Use Policy Administration" refers to an administrative, regulatory, and quasi-judicial body provided for under this Act, which shall be the final authority in all matters relating to land use planning;*

(y) *"Mandatory public hearings/consultations" refer to the process for ensuring the involvement of the affected sectors in land use planning from local to national level. It involves giving notice of hearing/consultation to affected sectors by publication or posting in conspicuous cases, conduct of reasonable number of hearings, solicitation of positions, and public presentation and validation of planning results before its finalization;*

(z) "Mineral lands" refer to lands in which minerals exist in sufficient quantity or quality to justify the investment necessary for their extraction and/or development;

(aa) "Non-agricultural land use conversion" refers to the act of changing the current use of a piece of non-agricultural land into some other uses;

(bb)"Non-Government Organization (NGO)" refers to a private, non-profit organization that is committed to the task of political, socio-economic, physical, cultural, and environmental development and established primarily to provide service to marginalized sectors in these areas;

(cc)*"People's Organization (PO)" refers to a private, non-profit, voluntary, and community-based organization established primarily to provide service to its members and the community in general;*

(dd)"Physical framework plans" refer to indicative plans based on CLUPs and national policies whether national, regional, or provincial which provide policy guidelines for all decisions relating to land use and environmental management to prevent or mitigate the adverse effects of inappropriate resource utilization on food security, the people's welfare, and their environment. It embodies both policies and strategies necessary to carry out development goals and objectives;

(ee) "Premature or illegal conversion" means the undertaking of any activity which results will modify or alter the physical characteristics of agricultural lands to render them suitable for non-agricultural purposes without an approved order of conversion from the secretary of the Department Of Agrarian Reform (DAR);

(ff) "Prime agricultural lands" refer to lands that can be used for various or specific agricultural activities and can provide optimum and sustainable yield with a minimum of inputs and development costs;

(gg) "Production land use" refers to the direct and indirect utilization of land to generate outputs resulting from the following activities: agricultural, fishfarming or aquaculture, timber or agro-forestry, grazing and pasture, mining, industrial, and tourism;

(hh)"Protected areas" refer to identified portions of land set aside by reason of their unique physical and biological significance, managed to enhanced biological diversity, and protected against human exploitation. For purposes of this Act, it shall include agricultural lands identified and delineated under Sec. 32 hereof;

(ii) "Protection land use" refers to the utilization of land primarily for the rehabilitation, conservation, and protection purposes and the promotion of the country's ecological and life-support systems;

(jj) "Public domain" refers to lands which belong to the State which may either be agricultural, forest or timber, mineral or national park as provided for in the Constitution;

(kk) "Public lands" refer to lands which have not been subject to private property rights or subject to sale or other modes of acquisition of concession, under the general laws, and are devoted to public use;

(ll) "Resettlement sites" refers to areas identified by the appropriate national agency or by the local government unit with respect to areas within its jurisdiction, which shall be used for the relocation of the underprivileged and homeless;

(mm). "Settlements" refer to communities or built-up environment *areas* where people prefer to live in;

(nn)"Settlements development" refers to any improvement on existing settlements or any proposed development of certain areas for settlement purposes. It also involves the spatial distribution of population, identification of the roles and functions of key urban centers, determination of relationships among settlement areas, and the provision of basic services and facilities of identified major settlement areas or growth centers;

(oo) "Shoreline" refers to a strip of land covering at least 1 kilometer from the point where sea water reaches during the highest high tide;

(pp) "Socialized Housing" refers to housing programs and projects undertaken by the Government or the private sector for the underprivileged and homeless citizens which shall include sites and services development, long-term financing, liberalized terms on interest payments, and such other benefits in accordance with R.A. No. 7279, otherwise known as the "Urban Development and Housing Act of 1992" (hereinafter referred to as UDHA);

(qq) "Socialized Housing Zones" refer to lands identified and designated by LGUs as sites for socialized housing pursuant to Article IV of UDHA and its implementing guidelines.

(rr) "Subclassification *or reclassification of agricultural lands"* refers to the process undertaken by the LGUs of allocating in their respective territorial jurisdictions the declared agricultural lands to specific uses such as residential, industrial or commercial purposes. It shall serve *as only one of the bases* for application for land conversion by the owners thereof *and shall constitute the power of LGUs to reclassify lands under Sec. 20 of R.A. No. 7160 or the "Local Government Code of 1991" consistent with the provisions of this Act;*

(ss)"Sustainable development" refers to the development objective of meeting the needs of the present without compromising the ability of future generations to meet their own needs consistent with the principles of social equity, efficiency and environmental integrity;

(tt) "Urban areas" refer to all cities regardless of their population density and to municipalities with population density of at least five hundred (500) persons per square kilometer;

(uu)*"Urbanizable areas" refer to sites and lands which, considering present characteristics and prevailing conditions, display marked and great potential of becoming urban areas within the period of five (5) years;*

(vv) "Water security" is defined as sufficient access throughout the year to the minimum daily requirement of clean water to maintain a healthy life;

(ww) "Water use" is defined as the appropriation of water for domestic, municipal, irrigation, power generation, inland fisheries, poultry and livestock, industrial and commercial, environmental, and recreational use;

(xx)"Watershed" refers to attachment area or drainage basin from which the waters of a stream or stream system are drawn;

(yy)"Zoning" refers to the regulatory tool for delineating the specific uses of lands *in accordance with the approved CLUP* within the territorial jurisdiction of a city/municipality and specifying the conditions for their regulation, subject to the limitations imposed by law and competent authority; and,

(zz)" ZO or Zoning ordinance" refers to a local legislation *passed by the sanggunian pambayan or panglunsod* approving the development control/zoning plan, *in accordance with an approved or adopted CLUP for the city/municipality*, and providing for the regulations and other conditions, on the uses of land including the limitation on the infrastructures that may be placed thereon within the territorial jurisdiction of a city or municipality. *It incorporates the protected areas under Sec. 14 (a) and the protected agricultural lands under Sec. 32 hereof.*

CHAPTER II

NATIONAL FRAMEWORK FOR LAND USE PLANNING

Article One
Physical Framework and Land Use Plans

SEC. 5. National land use planning and zoning guidelines and standards. *Within six months from the effectivity of this Act, the LUPA shall, in consultation with the concerned sectors through mandatory conduct of public hearings, formulate a national land use planning and zoning guidelines and standards which shall guide the LGUs in formulating their CLUPs and enacting their ZOs. Standards and guidelines on land use shall be set at the national level for major island groupings based on available data provided by the existing mapping program. The guidelines and standards shall, among others, include: (a) the implementing rules and regulations of this Act; (b) the delineated*

protected areas including the agricultural lands that are given protection under Sec. 32 of this Act which areas shall be incorporated in the following plans and shall not be subject to reduction except by laws or issuances from the concerned national agencies; (c) the spatial implications of relevant national policies, national development plan, and existing sectoral plans which are consistent with the provisions of this Act.

SEC. 6. City and Municipal Land Use Plans. *Consistent with the preceding section and in consultation with the concerned sectors through mandatory conduct of public hearings, the cities and the municipalities through their local development councils shall prepare their respective CLUPs to determine the specific uses of their land and other physical resources, including the delineation of actual boundaries on the ground on the territorial jurisdiction of the city or municipality and the translation and integration of sectoral plans in their respective plans. Protected areas pursuant to Sec. 14 and other existing laws and issuances as well as the agricultural lands identified and delineated under Sec. 32 hereof shall be incorporated in the CLUPs but the respective LGUs shall not diminish the areas included therein.*

SEC. 7. Provincial and Regional Physical Framework Plans. *In consultation with the concerned sectors through mandatory conduct of public hearings, the Provincial Development Council and the Regional Land Use Committee as provided in Sec. 24 hereof shall prepare their respective provincial and regional physical framework plans (PPFPs and RPFPs) which shall consolidate, integrate, harmonize, and reconcile the land use plans of the component cities and municipalities of respective provinces or the land use plans of respective provinces and independent and highly urbanized cities located in the concerned regions, as the case may be, based on the preceding standards and guidelines as well as the city and municipal CLUPs.*

SEC 8. Land Use Plans for Ancestral Domains. *Land use plans for the delineated and recognized ancestral domains shall be formulated by the ICCs/IPs themselves in accordance with their particular needs and traditional resource and management systems with the assistance of the National Commission on Indigenous Peoples (NCIP) and the LGUs concerned. Such plans shall be recognized and integrated in the CLUPs as well as in the provincial, regional and national physical framework plans. CLUPs or physical framework plans made prior to delineation of ancestral domains included in such plans or ordinances shall be without prejudice to the right of the ICCs/IPs concerned to adopt different land use categories in accordance with their particular needs and traditional resource and management systems.*

SEC. 9. National Physical Framework Plan. *Based on the completed CLUPs, the PPFP, and the RPFP, the LUPA shall revise the standards and guidelines in Sec. 5 hereof and formulate the National Physical Framework Plan or the NPFP. The NPFP shall define the objectives, policies and strategies on the indicative uses of land and other physical resources of the country to guide and support the implementation of the national development plan. Upon its completion, all subsequent planning processes pertaining to the use of land resources shall conform to the mandatory provisions of the NPFP, particularly with respect to protected areas.*

Article Two
Local Land Use Planning and Zoning

SEC. 10. **Basis of City/Municipality Land Use Plans.** *The CLUPs of cities and municipalities shall be formulated in consonance with the results of mandatory consultations of the various sectors in the community and subject to the nationally prescribed standards and guidelines pursuant to Secs. 5 & 9 hereof;*

SEC. 11. Coverage and basis of Zoning. Zoning shall cover all alienable and disposable lands, government-owned lands, and private lands in the territorial jurisdiction of the city or municipality *incorporating those declared protected areas including those areas given protection under Sec. 32 hereof. The zoning plan and ordinance of LGUs shall be based on their respective approved CLUPs.*

SEC. 12. Period to conduct land use planning and zoning. *Within one (1) year from the effectivity of this Act, all cities and municipalities shall prepare and enact their respective CLUPs and ZOs. The actual zoning of communities based on the standards and guidelines set forth pursuant to Secs. 5 of this Act shall be conducted before the approval of the NPFP. Thereafter, CLUPs and ZOs based on NPFP as provided in Sec. 9 hereof may be subject to review or revision every four years or as mandated by the LUPA.*

Article Three
Framework for Land Use Planning

SEC. 13. Basic Land Use Planning Considerations. In determining the various land uses as provided in Sec. 14, the physical characteristics of the land including the following, shall be considered:

(a) Geology, geomorphology, geologic hazards (seismic, landslide, etc.), soil and slope;

(b) Demography (population size, growth and distribution);

(c) *Food security, socio*-economic and related development activities;

(d) Existing and potential use;

(e) Environmental and other natural resource constraints;

(f) Existing government policies on land allocation, utilization, management and disposition.

SEC. 14. ***Categories of Land Uses for Planning Purposes.*** *In determining and defining the NPFP, RPFPs/PPFPs, and the CLUPs, land uses shall be grouped into four major functional uses as follows:*

(a) Protection land use – the adoption of which intends to protect, preserve and enhance critical ecosystems from any human encroachment, regenerate and rehabilitate degraded land and other physical resources, ensure safeguard against environmental hazards including those resulting from unregulated activities and enhance and sustain the benefits derived from maintaining the integrity of the nation's land resources. Areas to be covered under this category are those under the NIPAS as provided by R.A. No. 7586 and those outside the NIPAS which require rehabilitation and protection as identified by the DENR, in coordination with concerned LGUs and national government agencies, and in consultation with concerned sectors.

(b) Production land use – the adoption of which aims to determine the most efficient, sustainable, and equitable manner of utilizing, developing and managing land for productive purposes. Areas included under this category are agricultural lands even though identified and delineated as protected under Sec. 32 hereof, coastal zones excluding those declared by DENR and other similar government agencies that are in environmentally critical conditions, production forest, mineral lands, industrial development areas; and tourism development areas;

(c) Settlements development -- the adoption of which seeks to promote an orderly, equitable, and sustainable development of human settlements responsive to the needs of its inhabitants and the environment. Classification shall be made based on the predominant economic and sociocultural activities, as urban or rural, and based on the topography and slope of land as upland, hillside, lowland, or coastal. Major uses under this category shall include: residential, including relocation and resettlement sites for socialized housing as provided in UDHA and socialized housing zones; commercial, industrial; institutional, (e.g., sites of government offices, health and education), utilities; tourism, recreational, including parks, urban forests, open or green space; waste disposal; and roads, rail transportation networks, and facilities.

(d) Infrastructure development.-- which shall cover areas identified by LGUs, NEDA, and other concerned agencies as sites for priority infrastructure projects which shall include, among others: power plant/stations and major substations; irrigation and flood control sewerage and drainage facilities; water supply system and treatment plants; airports/ seaports/ fishports; major road, bridge, and railway trunklines; farm-to-market roads; agricultural research and development farms and/or stations; waste disposal facilities; educational facilities; health facilities; telecommunications stations/ other facilities; disaster mitigation facilities; and market sites.

PROVIDED that the determination of functional uses of lands within ancestral domains need not necessarily follow the land use categories provided in this Act and separate land use categories for delineated ancestral domains may be formulated by the concerned

ICCs/IPs themselves in accordance with their particular needs and traditional resource and management systems.

SEC. 15. CATEGORIES OF WATER USES FOR PLANNING PURPOSES. *For purposes of this Act, the categories of water uses for planning purposes shall be in accordance with existing laws. Notwithstanding such laws, the categories to be adopted must complement and support the foregoing categories for land use planning. Within six (3) months from the effectivity of this Act, after the conduct of public consultations, the National Water Resources Board (NWRB) and the LUPA shall jointly adopt and issue implementing guidelines, rules, and regulations that will promote the integration of sound water resource utilization, allocation, management, and development with the requirements of sustainable land use planning.*

CHAPTER III
IMPLEMENTING STRUCTURE AND MECHANISM

Article One
Land Use Policy Administration

SEC. 16. ***Reconstitution of the National Land Use Committee into Land Use Policy Administration (LUPA).*** *The National Land Use Committee under the National Economic Development Authority (NEDA) is hereby reconstituted into* Land Use Policy Administration (LUPA) or the Administration as referred in this Act. The powers and functions vested by law to the Housing and Land Use Regulatory Board (HLURB) pertaining to land use are hereby transferred to the LUPA. The LUPA shall be the highest policy making body on land use and shall perform the task of integration of efforts, monitoring of developments relating to land use, evolution of policies, and regulation and direction of land use planning processes.

SEC. 17. Executive Board. The LUPA shall have an Executive Board, hereinafter referred to as the Board, whose main function is to direct the implementation of the provisions of this Act, and shall be composed of 19 members.

(a) The Executive Secretary as Chairperson;

(b) Director-General of the National Economic and Development Authority (NEDA) as Vice-Chairperson;

(c) The Secretaries of Environment and Natural Resources; Agriculture; Agrarian Reform; Trade and Industry; Public Works and Highways; Transportation and Communications; Energy; Science and Technology Tourism; Interior and Local Government; and Justice;

(d) The Chairperson of the Housing and Urban Development Coordinating Council;

(e) Four representatives from different basic sectors with direct involvement in sustainable land use – e.g. urban poor, peasants, fisherfolk, and indigenous peoples -- who shall be appointed by the President based on the nomination and recommendation of the sectors that they respectively represent;

(f) Administrator of the LUPA, as ex-officio member, who shall likewise act as Secretary to the Board.

A consultative body composed of representatives *from the Leagues of Municipalities, Cities and Provinces* and from nongovernment sector such as the private sector, NGOs and POs , and the academic community *shall likewise be convened every two months.*

SEC. 18. Powers and Functions. The LUPA shall have the following powers and functions:

(a) Formulate policies on, and promulgate, in consultation with all concerned sectors, national standards and guidelines on land use and *zoning under Secs. 5 and 9 hereof*, and issue corresponding rules and regulations to enforce compliance thereof;

(b) Formulate NPFP and RPFPs *based on land use plans at the local levels* that shall serve as guide in translating the national development plan *and pertinent sectoral plans consistent with the provisions of this Act* into physical and spatial terms;

(c) Establish a National Land Use Allocation System which shall provide detailed guidelines on land use policy areas or categories for land use planning under Sec. 14 hereof;

(d) Establish a National Land *Resource* Information and Management System, which shall integrate and process information on land use and allocation generated by the various national government agencies, define information requirements at various levels, and standardize information inputs/outputs including scales and symbols in the case of territorial and sectoral maps;

(e) Undertake the gathering of data, the conduct of studies pertaining to land use planning, including studies on the management of identified land uses, and such other studies not undertaken by other government agencies;

(f) Coordinate with, and assist other government agencies and LGUs in planning, developing, and implementing their land use classification programs, and to furnish, to the extent possible, technical assistance and guidance;

(g) Monitor and coordinate concerned agencies and entities of the government in the enforcement and implementation of policies and regulations relating to land use and resource management and development;

(h) Hear and resolve conflicts in land use planning, classification, and allocation that may arise: *(1) at the first instance -- between national government agencies (NGAs), between an NGA and an LGU, between an NGA and any regional or local planning bodies, and other cases not falling under its appellate capacity; (2) in its appellate capacity – with respect conflicts arising from the disapproval/modification of CLUPs of component cities and municipalities by provinces and from the disapproval/modification of PPFPs of provinces by the RLUCs or of the CLUPs of independent component and highly-urbanized cities also by the RLUCs;*

(i) Call on and deputize any department, bureau, office, agency or instrumentality of the government, including the police forces, and or private entities and organization for cooperation, support and assistance in the performance of its functions;

(j) Adopt its own organizational plan and staffing pattern, create central and regional offices, and *assist the LGUs in the formation of local land use committees; and,*

(k) Perform such other acts and functions, and functions, and exercise such other powers as may be necessarily implied, inherent, incident to related to the foregoing.

SEC. 19. Offices, Units and Staff Support. The LUPA shall be assisted by a secretariat under the general supervision of the Administrator.

SEC. 20. Powers and Functions of the Administrator. The Administrator shall have the following powers and functions;

(a) Act as the Executive Head of the LUPA and perform the powers and function incident to said position;

(b) Be responsible for the implementation and overall execution of the policies, rules and regulations, and decisions adopted by the Board; and as such, s/*he* shall issue the corresponding implementing administrative issuances, and promulgate opinions and interpretative circulars and rulings to ensure expeditious and effective implementation thereof; and,

(c) Perform such other powers and functions as may be inherent, incident, or related to the foregoing.

Decisions of the Administrator may be appealed to the LUPA Board.

SEC. 21. Qualifications of the Administrator. The Administrator must have a background or significant training preferably in the field of environmental and/or physical planning, land resources management, or development planning and management for a period of at least five (5) years. S/he shall be appointed by the President and shall have the rank of a Cabinet Secretary.

SEC. 22. Qualifications, Rank and Duties of the Deputy Administrator. The Administrator shall be assisted by a Deputy Administrator who shall be appointed by the President upon the Board's recommendation. The Deputy Administrator shall have the same qualifications as the Administrator and shall have the rank of an Undersecretary.

The Deputy Administrator shall be the operational administrative manager of the LUPA and shall assist the Administrator in his/her routine housekeeping functions.

SEC. 23. Central and Regional Offices. The Administrator may organize at the central and regional levels such offices as may be necessary subject to civil service rules and regulations.

Article Two
Land Development Councils and Land Use Committees

SEC. 24. Local Development Councils and Land Use Committees. *The formulation of the CLUPs and PPFPs shall be the primary responsibility of the Local Development Councils (LDCs). The LGUs without existing LDCs as mandated by R.A. No. 7160 shall create their respective LDCs within one year from the effectivity of this Act.*

Local land use Committees pertain to the provincial, city, or municipal land use committees (PLUCs, C/MLUCs) formed by the LDCs. Existing and newly formed LDCs shall create *within one (1) year from effectivity of this Act or from their creation as the case may be,* a Local Land Use Committee to assist them in performing such functions as defined in this Act; PROVIDED THAT, membership therein must, *among others*, include representatives from *concerned* NGOs and POs such as but not limited to peasants, fisherfolk, *urban poor, and indigenous cultural communities. Other concerned sectors shall also be invited during committee deliberations and public hearings. The C/MLUCs shall likewise solicit the land use positions/views/perspectives/issues raised and articulated by the concerned communities through their respective barangay representatives which shall also participate during the public hearings.*

Until such time that the LUPA shall have created its counterpart committees at the regional level, the Regional Land Use Committees under the Regional Development Councils shall act as the counterpart of the LUPA and shall perform such functions as defined under this Act.

Article Three
Adoption, Approval and Review of Land Use Plans

SEC 25. Component cities and municipalities. *Component cities and municipalities shall have the power and authority to adopt and approve their respective CLUPs and ZOs through their respective sanggunians but subject to the power of review*

of their respective provinces only with respect to the consistency of the CLUPs and ZOs with Secs. 5 and 9 hereof.

SEC. 26. Provinces and independent and highly urbanized cities. *Provinces and independent and highly urbanized cities shall have the power and authority to adopt and approve their respective CLUPs and ZOs through their respective but subject to the power of review of the LUPA through its Regional Land Use Committees or as provided in Sec. 24 hereof and only with respect to the consistency of the CLUPs and ZOs with Secs. 5 and 9 hereof..*

Article Three
Responsibilities of the National Government Agencies and LGUs

SEC. 27. National Base Mapping Program. A National Mapping Program shall be implemented, coordinated, and monitored through the creation of an inter-agency technical committee composed of the LUPA, as the lead agency, the National Mapping and Resource Information Authority (NAMRIA), the Bureau of Soils and Water Management (BSWM), the Forest Management Bureau (FMB), the Land Management Bureau (LMB), the Protected Areas And Wildlife Bureau (PAWB), the Philippines Institute of Volcanology And Seismology (PHILVOCS), the Department of Agrarian Reform (DAR), the *National Water Resources Board (NSWRB)*, and other concerned government agencies/bureaus.

For purposes of uniformity and standardization, the LGUs, to be assisted by the appropriate agencies of the national government, shall likewise prepare their respective territorial maps using scales, symbols, and other indicators to be to be prescribed in accordance with this Act.

SEC. 28. National Geohazard Mapping Program. A Geohazard Mapping Program on a national to regional scale shall be implemented jointly thru LUPA by the PHILVOCS, the Philippine Atmospheric Geophysical and Astronomical Services Administration (PAGASA) and the Mines and Geosciences Bureau (MGB), in coordination with the National Disaster Coordinating Council (NDCC), the Regional Disaster Coordinating Councils, and other concerned government agencies. The program shall include the generation of indicative geohazard zoning maps that will outline areas in the Philippines prone to liquefaction, land slides, flooding, lahar, ground rupturing, tsunami, river erosion, coastal erosion, sinkhole collapse, earthquake, lava flow, pyroclastic flow, base surge, and other natural hazards.

For purposes of uniformity and standardization and in order to develop a safe-built environment, the LGUs shall incorporate and integrate the generated geohazard zoning maps in the preparation of their respective CLUPs and ZOs. Said geohazard maps shall serve as guide for all the LGUs in the preparation of their own hazards-constrained development plans.

SEC. 29. Scope and Nature of Responsibilities of Other National Government Agencies. All concerned national government agencies/ bodies shall periodically report to the LUPA on the various activities and accomplishment relative to land use. Likewise, *they shall provide their respective sectoral/development plans and render* technical and administrative support if called upon by the LUPA relative to the implementation of the provisions of this Act.

SEC. 30. Submission of Annual Report on the Implementation of CLUPs and ZOs. The LDCs shall submit an annual report on the implementation of their land use plans and zoning ordinances to the LUPA through the Sangguniang Panlalawigan or in the case of highly urbanized and independent cities through their respective *Sanggunians.*

CHAPTER IV
SPECIAL AREAS OF CONCERN

Article One
Agricultural Lands

SEC. 31. Priority Areas for Agricultural Development – *Priority* areas for agricultural development must be based on the Strategic Agricultural and Fisheries Development Zones (SAFDZs) as defined by R.A. No. 8435 or the Agricultural and Fisheries Modernization Act of 1997 (AFMA).

SEC. 32. Conversion of Agricultural Lands – Agricultural Lands are deemed converted to non-agricultural uses upon approval of the application for conversion by the DAR. *Prime agricultural lands and specific types of lands to the extent necessary for attaining food self-sufficiency in rice and corn and food security in other basic commodities, as determined by the DA, subject to mandatory consultation with the LGUs, the private sector, the NGOs, and POs, shall be protected from conversion, which shall include but not limited to areas under the Network of Protected Areas for Agro-Industrial Development (NPAAAD); PROVIDED THAT all irrigated and irrigable lands, all lands with existing or potential for high value crops, all agricultural lands that are ecologically fragile and whose conversion will result into serious environmental problems shall be given full protection from conversion, the areas under which are subject to review every five years by the DA again with the mandatory public consultations; PROVIDED FURTHER THAT consistent with the State policy on giving priority to the completion of CARP, all the remaining lands subject to CARP including those lands covered under the notice of compulsory acquisition/voluntary offer to sell, production of profit sharing and commercial farm deferment of the CARP shall also be fully protected from conversion pending the distribution and installation of the farmer beneficiaries; but. thereafter, Sec. 65 of R.A. No. 6657 shall apply; PROVIDED FINALLY THAT pending the completion of the mapping, the identification of specific areas under the NPAAAD and the Strategic Agricultural and Fisheries Development Zones (SAFDZs) under R.A. No. 8435 or Agricultural and Fisheries Modernization Act of 1997 (AFMA), the revision thereof*

pursuant to the foregoing, and the incorporation thereof in the NPFP, there shall be a moratorium in all applications for conversion of agricultural lands into non-agricultural uses commencing from the effectivity of this Act. The application for conversion of these protected areas shall not be given due course by the DAR.

SEC. 33. Subclassification *or reclassification* of agricultural lands by LGUs. Subclassification or reclassification of agricultural lands to other uses under Sec. 20 of R.A. No. 7160 or the Local Government Code of 1991 *shall exclude the protected agricultural lands as stated in the preceding section.* The result of such subclassification/reclassification shall constitute the actual plan for allocating the future uses of lands within the territorial jurisdictions of LGUs and is not synonymous to conversion. *After the completion of the mapping of protected agricultural lands, the DA and DAR shall provide the LGUs with a complete list and maps thereof.*

Article Two
Other Land Use Conversion

SEC. 34. Conversion of Non-Agricultural Lands. The approved CLUPs and ZOs of cities or municipalities shall be the basis for authorizing the change of non-agricultural lands to other uses, such as from residential to commercial and/or industrial subject, however, to national guidelines and standards, and subsequently, the NPFP. A public hearing is required before any CLUP/ZO is passed. The Sangguniang Panglungsod or Pambayan shall approve any application for change of land use of non-agricultural lands based on the recommendation of C/MLUCs.

Article Three
Forest Lands and Preservation of Watersheds

SEC. 35. Reversion of Alienable and Disposable Lands to Forestlands. Upon the recommendation of the Secretary of the DENR, duly reviewed and endorsed by the LUPA, and after due consultations with the concerned LGUs and affected parties, Congress may authorize the reversion of alienable and disposable lands of the public domain or portion thereof to forest lands.

SEC. 36. Determination of Forest Limit. Within a year after the release of the budget appropriated for the purpose of classifying, reclassifying, and delineating all lands of the public domain, the DENR shall submit the final inventory of lands after which, Congress shall within a period of one hundred twenty (120) working days, determine by law the specific limit of forest lands and national parks. Thereafter, such forest lands and national parks shall be conserved and may not be diminished, except by law.

SEC. 37. Coverage of Production Forest. *Production forests include the residual dipterocarp forests; pine forests available for logging; rangelands for grazing; areas*

under industrial forest plantation management; areas for community forest program's integrated social forestry, and other forestlands for special uses excluding critical watersheds as identified by the DENR, in coordination with concerned LGUs and national government agencies, and in consultation with concerned sectors. Based on slope classification production forests are those within the eighteen (18) to fifty (50) percent slope regardless of forest cover.

SEC. 38. Criteria for the Subclassification of Public Lands for Timber Production, Agroforestry, Grazing and Pasture and Other Purposes. *The sub-classification of public lands shall be guided by the following:*

(a) Geology, geomorphology, soil and slope;

(b) Classified public lands within eighteen (18) to fifty (50) percent slope shall be subclassified for timber production, agroforestry, grazing or pasture land activities provided that the use of such areas shall not result in soil degradation or any adverse ecological condition;

(c) Watershed may be subject to multiple uses provided that the area is utilized, managed and developed for the primary purpose by which it has been established excluding critical watersheds as identified by the DENR, in coordination with concerned LGUs and national government agencies, and in consultation with concerned sectors;

(d) All public lands above fifty (50) percent slope shall be subclassified into appropriate protection or production land uses, provided that such land use shall not engender significant adverse environmental effects; and,

(e) *The overall carrying capacity of classified public lands, including their existing and potential land uses shall serve as the basis for determining their sub-classification.*

SEC. 39. Critical Watershed Areas. The DENR, in coordination with the DA, the LGUs, and other government agencies, including government owned and controlled corporations *and in consultation with concerned sectors* shall identify and delineate critical watershed areas that need to be *protected, rehabilitated, enhanced, and/or* withdrawn from uses *that contribute to its further degradation.*

SEC. 40. Formulation and Implementation of Integrated Watershed Management Plans. *With the assistance of the DENR and upon mandatory consultations with the concerned sectors, the LGUs through their Local Land Use Committees shall prepare their watershed management plans which shall be integrated with their respective CLUPs. The formulation and integration of the plan shall be guided, among others, by the principle that the management and development of inland water resources shall be at the watershed level.*

In cases where the watershed areas transcend the boundaries of a particular municipality, an inter-LGU committee composed of representatives from Local Land Use

Committees of the LGUs where the watershed area is located shall be formed. With the assistance of the DENR and upon mandatory consultations with the concerned sectors, the inter-LGU committee shall be tasked to formulate the watershed management plan for the said watershed area.

The DENR and the concerned LGUs shall jointly implement the watershed management plan subject to regular consultations with and involvement of the community stakeholders in the implementation of the plan.

Article Four
Coastal Zones

SEC. 41. Classification of Coastal Zones. *All public lands in the coastal zones shall be subclassified as fishponds, mangrove, fisherfolk settlement and recreational/tourism areas.*

SEC. 42. Guidelines for the Allocation and utilization of lands within the Coastal Zones. *The allocation and utilization of lands within the coastal zones shall be guided by the following:*

(a) Areas vegetated with mangrove species shall be preserved for mangrove production and will not be converted to other uses;

(b) Areas which meet all accepted criteria on elevation, soil type, soil depth, topography supply for successful fishpond development and devoid of any mangrove stands may be utilized for aquaculture purposes;

(c) Areas subclassified as mangrove and still suitable for use as such, or due to environmental conditions need to be preserved as mangrove, but of which the land is devoid of mangrove stands will not be converted to other uses. The DENR shall ensure that these lands shall be reforested within a given period of time.

(d) Areas which are neither subclassified as mangrove or fishpond may be devoted for recreational, tourism purposes, provided such undertaking will not result in environmental degradation.

(e) Areas which are considered as traditional fishing grounds shall be used primarily for such purpose; and,

(f) Areas which are allocated for small infrastructures needed by fisherfolk shall be allowed.

(g) Areas which form part of foreshore lands as defined in this Act including those that are under lease agreements/arrangements should undergo zonation and evaluation to determine their boundaries and actual sizes and corresponding uses;

(h) Areas which are classified for fisherfolk settlement and housing shall be allocated to:

(1) traditional fishers or fisherfolk who are inhabitants of the coastal communities;

(2) members of legitimate fisherfolk organizations and/or holders of stewardship, lease contracts, or titles to ancestral domains or any form of property rights arrangements, who participate in coastal resource management initiatives;

***SEC. 43.* Coastal Zone Land Subclassification by LGUs.** Subclassification of coastal zones to different uses, *which shall exclude the protected areas as stated in this Act,* by the LGUs shall be subject to prior consultation with local Fisheries and Aquatic Resource Management Councils or FARMCs formed under R.A. No. 8550.

SEC. 44. Disposition of Public Lands for Fishpond. *Upon effectivity of this Act but subject to existing rights and the preceding section, no fishpond lease agreement (FLA) shall be issued for tidal swamps, mangroves and other swamps, marshes, ponds, foreshore land and coastal area within public lands including those presently declared available for fishpond development.*

The LUPA, in coordination with DENR, DA, FARMCs and LGUs shall set aside a portion of available public lands for fish propagation, fish sanctuary, conservation, ecological purposes and fisherfolk settlement areas.

SEC. 45. Tourism and Recreation Zone. *The designation of areas for tourism and resorts near to, or over fishery areas or ports thereof, shall be with the consent of the concerned LGUs and FARMCs, and subject to the policies and guidelines of this Act.*

Article Five
Mineral lands

SEC. 46. Guidelines for the Utilization and Allocation of Land for Mining Purposes. *To ensure that the objectives of maintaining ecological balance and maximizing economic returns to mining operations are realized and consistent with R.A. No. 7942, the allocation and utilization of lands for mining purposes shall be guided by the following:*

(a) Mining operations shall be undertaken with due consideration to the utilization, development and protection of land and other physical resources;

(b) Small-scale mining shall be allowed provided safeguards are instituted to prevent environmental degradation of the mining sites and adjacent areas; and,

(c) *Mineral reservations which had become non-operational for more than five (5) years shall be placed under appropriate surface management by the DENR.*

SEC. 47. Reversion of mineral lands. *All exhausted mineral lands shall automatically revert to the category of forest lands, unless the DENR otherwise has classified such areas for other purposes; provided, however, that in the case of mineral lands with slope below eighteen (18) percent and outside the areas under protection land use, the DENR shall recommend to Congress their further classification as alienable and disposable land of the public domain.*

SEC. 48. Criteria for the Classification of Mineral Lands as Alienable and Disposable Lands. *Exhausted mineral lands may be classified as alienable and disposable lands only upon the satisfaction of all of the following conditions:*

(a) The slope of the exhausted mineral lands shall not be above eighteen (18) percent;

(b) The rehabilitation of exhausted mineral lands can be accelerated if such areas are released for other purposes;

(c) The area can promote and sustain economic activities that would support development of settlements, without incurring significant environmental problems. The area shall then be subject to an environmental impact assessment, the findings of which shall serve as basis for making any recommendation on its classification; and,

(d) *The land is found to be environmentally-safe from natural hazards.*

Article Six
Settlements Development

SEC. 49. Town, City, and Settlements Development. The development of town, city and settlements through the zoning ordinances or cities and municipalities shall be guided by urban zoning standards to be formulated by the LUPA *designed to maximize existing urban spaces and reasonably restrain urban expansion and included in guidelines and standards to be issued under Secs. 5 and 9 hereof.*

SEC. 50. Settlements within Geohazard Areas. Settlements within geohazard areas may be allowed provided that mitigating and/or protective measures are adopted to address the potential danger or risk to lives and property within such settlements. In coordination with the concerned agencies of the government, the LUPA shall provide assistance to concerned LGUs and settlers in instituting safety and corrective measures to address the potential danger or risk.

SEC. 51. Protection of Ecological Harmony. To ensure the ecological harmony of towns, cities, and settlements, certain projects which will alter the present use of a zoned area shall be issued a building permit, business permit, and or development permit. The identification of these projects shall be done in coordination with the LGUs.

SEC. 52. Designation of Waste Disposal Site. *Each city or municipality shall identify, designate and allocate land within their territorial jurisdiction to serve as waste disposal site within one (1) year from the effectivity of this Act. The LGUs, in coordination with the DENR and/or competent authority, shall identify solid waste disposal sites in order to fasttrack the conduct of environmental impact assessment study and to facilitate processing of the environmental compliance certificate. This site or area shall be identified in the city or municipality's CLUP and ZO. For this purpose, cities and municipalities shall establish their solid waste management program. Likewise, as provided under Section 33 of R.A. No. 7160, cities and municipalities may, through appropriate ordinances, bind themselves towards the establishment of a common solid waste management program.*

Within ninety (90) days from the effectivity of this Act, the DENR, in coordination with concerned agencies, shall promulgate the necessary guidelines and standards for the formulation and establishment of solid waste management program by cities and municipalities, and shall submit the same to the LUPA for review and approval.

SEC. 53. Designation of Socialized Housing Sites in Urban and Urbanizing Areas. *Each city or municipality in urban and urbanizing areas shall identify, designate and allocate land within their territorial jurisdiction to ensure the availability of adequate land* to *meet the shelter needs of poor residents in their respective city or municipality or to be used as sites for socialized housing pursuant to Article IV of UDHA and Secs. 5 and 32 of this Act.*

Within ninety (90) days from the effectivity of this Act, the LUPA, in coordination of the concerned agencies, shall promulgate the necessary guidelines for the identification and designation of socialized housing sites. All cities and municipalities in urban and urbanizing areas shall identify and designate their socialized housing sites within six (6) months from the effectivity of this Act and must submit the list of these sites and their respective hectarage to the HUDCC.

SEC. 54. Zonification of the Identified Sites for Socialized Housing. *These socialized housing sites shall be identified and designated as socialized housing zones in the city's or municipality's CLUP and shall be established through appropriate and approved zoning ordinances. The current zoning ordinances of the LGUs shall be reviewed and revised to include these socialized housing zones. These sites shall be used exclusively for housing that qualifies as socialized housing under the UDHA.*

SEC. 55. Valuation of lands for Socialized Housing. *Equitable land valuation guidelines for socialized housing shall be set by the Department of Finance on the basis of the market value reflected in the zonal valuation, or in its absence, on the latest real property tax declaration. For sites already occupied by qualified beneficiaries under the UDHA and sites identified as Socialized Housing Zones as defined in this Act, the Department of Finance shall factor into the valuation, the blighted status of the land as certified by the LGUs or the National Housing Authority.*

SEC. 56. Urban Forest or Green Space. *Each city or highly urbanizing municipality shall identify, designate and allocate lands owned by the city or municipality as urban forest or green space, based on the guidelines and standards to be issued by the DENR and approved by the LUPA.*

Article Seven
Industrial Development Areas

SEC. 57. Designation of Industrial Areas. The identification and establishment of industrial development areas shall conform with the provisions of R.A. No. 7916, otherwise known as the Philippine Economic Zone Authority (PEZA) Law, the UDHA, R.A. Act No. 6657, otherwise known as Comprehensive Agrarian Reform Law, *and Sec. 32 hereof, taking into* consideration the following:

(a) Identified network of areas for agricultural development and *protected agricultural areas pursuant to Secs. 32 hereof;*

(b) National policies on the regional dispersal of industries and agri-based industrial development;

(c) Identified growth areas and corridors in the National Development Plan;

(d) National Integrated Protection Area System and other protected areas;

(e) National Urban Development Framework;

(f) Identified Socialized Housing Zones;

(g) National settlements development plan; and,

(h) National infrastructure development plan.

The designated industrial development areas shall become an integral part of the land use plan and zoning ordinance of the city or municipality where these areas are located.

Article Eight
Tourism Development Areas

SEC. 58. Designation of Tourism Development Areas. The identification, selection and development of tourism development areas shall be done in consultation and coordination with concerned LGUs, national government agencies, the private sector, and the affected communities. *Consistent with Secs. 32 and 45 hereof,* these areas shall likewise include those covered by legislation and executive issuances which designate specific sites as tourist spots and tourist zones as well as those identified in the national and regional tourism master plans.

Designated areas for tourism development shall become part of the CLUP and ZO of the city or municipality where these are located.

Article Nine
Infrastructure Development

SEC. 59. Allocation and Use of Land for Infrastructure Development. Land, whether public or private, shall be allocated and utilized for priority infrastructure projects that are supportive of national or local development objectives. The National Economic and Development Authority (NEDA), in consultation with the concerned national government agencies, LGUs, and the private sector shall identify and periodically review, update and/or revise the list of priority infrastructure projects. In determining and evaluating the list of priority infrastructure projects, consideration shall be given to those that:

(a) Respond to immediate and vital requirements of the national economy with priority on food security and self-sufficiency concerns;

(b) Upgrade existing facilities to international standards;

(c) Address the need for sustainable settlements development; and,

(d) Help mitigate the destructive effects of natural disaster-causing phenomena or those that shall serve as alternatives to existing infrastructures found in natural hazard-prone areas.

Provided that, the provision and implementation of infrastructure support shall be made compatible with existing environmental conditions and the physical, whether natural or man-made, and cultural character of the area. Mandatory public consultations shall be held prior to the conduct of all infrastructure projects that will necessarily involve dislocation or displacement of people living in the area; PROVIDED FURTHER THAT the concerned national government agency that will implement the infrastructure projects in areas occupied by the urban poor and in identified socialized housing zones shall follow the rules on mandatory consultation as provided for in RA 7160, as well as the rules on just and humane demolitions or eviction under Section 28 of UDHA and the said NGA shall submit a report complying with the aforementioned provisions to the concerned LGU prior to project implementation.

SEC. 60. Infrastructure Projects Within Environmentally-Critical Areas. Construction of priority infrastructure projects within protected, hazard-prone, or environmentally critical areas shall be allowed provided that mitigating and/or preventive measures are adopted to address the potential adverse economic, socio-cultural and environmental impacts that will emanate from these infrastructure projects subject to the findings and recommendations of a feasibility study/environmental impact assessment in accordance with PD Nos. 1586 and 4846.

Existing infrastructures found to be improperly located as well as those posing threats to the environment , integrity of historic, archaelogic, or scientifically significant areas, or impinging on critical ecosystems may be terminated immediately, or gradually phased out and relocated, or maintained up to their life span, subject however to mitigating measures; PROVIDED THAT *the concerned national government agency that will implement the infrastructure projects in socialized housing zones are mandated to follow the rules on mandatory consultation as provided for in RA 7160, as well as the rules on just and humane demolitions or eviction under Section 28 of UDHA; and Provided further that said NGA shall submit a report complying with the aforementioned provisions to the concerned LGU prior to project implementation.*

The DPWH, DOE, DOTC, in coordination with the concerned national government agencies, the LGUs and the private sector shall identify and assess all major infrastructure projects in environmentally-critical areas and submit their recommendations to the LUPA within six (6) months from the effectivity of this Act.

Article Ten
Training, Education, and Value Formation

SEC. 61. Mandatory Curriculum. In order to create a well informed, responsive and committed citizenry who value the protection, conservation and development of the country's limited land and other physical resources, the State shall mandate the inclusion of sustainable land use education, or any subject related thereto in the curricula of primary, secondary and tertiary education.

SEC. 62. Information and Education Campaign. The LUPA shall coordinate a nationwide education information campaign in land use and physical planning to be implemented by local and national government agencies. The DILG and concerned agencies shall formulate and implement a land use management capability building program for national and local government officials, community leaders, NGOs, POs, religious sector, and the general public.

Chapter V

INCENTIVES, SANCTIONS, AND PENALTIES

Article One
Incentives and Awards

SEC. 63. Formulation of a system of incentives and awards. The LUPA shall come out with a system of incentives and awards to LGUs that regularly update their CLUPs/ZOs within the prescribed period as follows:

a. Provinces, Highly Urbanized Cities, and Independent Component Cities – once every ten years or less; and

b. Component cities and municipalities – once every five years or less.

SEC. 64. Priority in Giving Technical Assistance to LGUs. *In providing technical assistance and other forms of support related to land use management and implementation of development plans, national government agencies shall give priority to cities and municipalities with approved CLUPs and ZOs.*

Article Two
Sanctions and Penalties

SEC. 65. Fine on Non-Completion and Non-Commencement of Development of Agricultural Lands With Approved Order of Conversion. Any landowner and/or his designated developer or duly authorized representative who fails to commence and/or complete the development of agricultural lands with approved order of conversion shall be penalized, jointly or severally, with any of the following fines based on the zonal value of the land at the time the fine is imposed:

(a) On failure to commence within one year from the date of conversion order:

(1) Six percent (6%) of the zonal value of the subject land for the first three (3) hectares,

(2) Fifteen percent (15%) of the zonal value of the subject land for the next three hectares, and

(3) *Thirty percent (30%) of the zonal value of the subject land for the remaining area.*

PROVIDED further that in such case, the order of conversion shall be deemed revoked automatically and the land shall revert back to its original agricultural use and shall be covered by the Department of Agrarian Reform through compulsory acquisition for distribution to qualified beneficiaries.

(b) On failure to complete 50% of the approved conversion plan within a specified time frame, the Department of Agrarian Reform shall imposed a fine equivalent to fifty percent (50%) of the zonal value of the subject land and shall automatically issue an order revoking the conversion plan on the undeveloped portion which shall automatically revert to its original use as agricultural land. The same shall be covered under the Comprehensive Agrarian Reform Program and processed for land distribution as soon as possible.

SEC. 66. Authority to Impose Fine. The *DAR* shall impose the penalty provided under the preceding section.

SEC. 67. Withdrawal of Local Development Permits and/or Licenses. Upon receipt of notice from the DAR, the concerned agencies, city or municipality shall withdraw and/or revoke any development permit and/or other licenses that may be necessary to develop the agricultural land subject of conversion.

SEC. 68. Utilization of Fines. The fines collected under Sections 126 to 129 hereof shall automatically accrue to the Agrarian Reform Fund consistent with the provisions under R.A. No. 6657.

SEC. 69. Failure to formulate, enforce, and/or implement the CLUPs (CLUPs) and Zoning Ordinances (ZOs). Consistent with due process, the LUPA in coordination with the DILG shall investigate, review and recommend the filing of charges against local chief executives and other local officials and employees responsible for the formulation, enforcement, and/or implementation of the CLUPs in case of any of the following:

a. Failure to implement and enforce the CLUP/ZO due to negligence of duty;

b. Failure to provide appropriate budgetary allocation to effect its implementation;

c. Failure to complete the preparation of the CLUP despite the availability of funds, resources, and support by the Sanggunian concerned; and,

d. Failure of the CLUPs/ZOs to conform to the prescribed national guidelines and standards as provided in Sec. 5 hereof and thereafter, with NPFP as stated in Sec. 9 hereof;

Any public official or employee, regardless of whether or not elected or appointed or holding office or employment in a casual, temporary, holdover, permanent or regular capacity, found to be responsible to any of the foregoing acts, after due notice and hearing by the appropriate body or agency, shall be punished with forfeiture of salaries and allowances and suspension from:

a. Six (6) to nine (9) months, in case of non-implementation of CLUP; or

b. Three (3) to six (6) months, in case of noncompletion of the CLUP.

SEC. 70. Premature or Illegal Conversion. *Par. 2, Sec. 11 of R.A. No. 8435, otherwise known as "Agriculture and Fisheries Modernization Act of 1997", is hereby amended to read as follows:*

Any person found guilty of premature or illegal conversion as defined in this Act shall be penalized with imprisonment of [two (2) to six (6) years] SEVEN (7) TO TWELVE (12) YEARS or a fine equivalent to [one hundred percent (100%) of the government's investment cost] FIFTY PERCENT (50%) OF THE MARKET VALUE OF

THE SUBJECT LAND, or both, at the discretion of the court and accessory penalty of forfeiture of the land and any improvement thereon: PROVIDED THAT IF THE OFFENDER IS A JURIDICAL PERSON, THE PENALTY SHALL BE IMPOSED ON THE RESPONSIBLE OFFICERS THEREOF.

In addition, the DAR may impose the following penalties, after determining, in an administrative proceeding, that violation of this Act has been committed:

(a) Cancellation or withdrawal of the authorization for land use conversion; and,

(b) *Blacklisting or automatic disapproval of pending or subsequent conversion applications that they may file with the DAR.*

SEC. 71. Person(s) Abetting Illegal Conversion. *Any person initiating, causing, inducing, or abetting illegal conversion shall, upon conviction, be imprisoned from seven (7) to twelve (12) years and a fine of not less than one hundred thousand (100,000.00) pesos, or both at the discretion of the court: PROVIDED THAT if the offender is a public official or employee, the penalty shall in addition thereto includes perpetual disqualification and forfeiture of all his/her benefits and entitlements accruing to his public position.*

SEC. 72. Imposition of Penalty for Reclassification of Protected Agricultural Lands. *Any person initiating, causing, inducing, or abetting the reclassification of protected agricultural areas as defined in Sec, 32 hereof into non-agricultural uses shall be penalized with imprisonment of 7-12 years and a fine of not less than one hundred thousand (100,000.00) pesos, or both at the discretion of the court: PROVIDED THAT if the offender is a public official or employee, the penalty shall in addition thereto include perpetual disqualification and forfeiture of all his/her benefits and entitlements accruing to his public position; PROVIDED FURTHER THAT if the offender is a juridical person, the penalty shall be imposed on the responsible officers thereof.*

CHAPTER VI

MISCELLANEOUS, TRANSITORY, AND FINAL PROVISIONS

Article One
Mandatory Review

SEC. 73. Mandatory Review. Congress shall undertake a mandatory review of this Act at least once every seven (7) years from the effectivity of this Act, or as often as it may be deemed necessary to ensure that land use policies and guidelines remain responsive to changing circumstances. For this purpose, Congress may call on the LUPA to undertake the necessary researches and consultations.

Article Two
Transitory Provisions

SEC. 74. Convening of the LUPA. Within thirty (30) days upon the effectivity of this Act, the Executive Secretary, as Chairman, shall convene the LUPA. The Deputy Director General for Land Use of NEDA and the Chief Executive Officer of the HLURB shall sit temporarily as *ex-officio* members of the LUPA Executive Board unto such time that a regular Administrator has been appointed by the President.

SEC. 75. *Preparation of Implementing Rules and Regulations and other* immediate tasks. Within one hundred twenty (120) days from the effectivity of this Act, the LUPA, in coordination with the Congressional Committees on Natural Resources, Agriculture, Agrarian Reform, Housing and Urban Development, Rural Development, National Cultural Communities, Appropriations and Ways and Means, shall undertake the preparation of the implementing rules and regulations of this Act *with mandatory consultations with social development NGOs and POs and the private sector.*

Within the same period, the LUPA shall also review existing rules and regulations on land use, and based therefrom, revise such rules and regulations, or cause concerned agencies to revise them for the efficient and effective implementation of the provisions of this Act. All concerned national government agencies and bodies shall inform the LUPA of the status of the implementation of such rules and regulations.

The LUPA shall likewise undertake the organization of its units and may create special task forces and committees to assist it in its undertakings.

SEC. 76. Effectivity of the Reconstitution of the National Land Use Committee (NLUC) into the LUPA. Until such time that the LUPA has been organized and fully operational, the NLUC and HLURB shall continue exercising their powers and function and their personnel shall receive the same salary, emoluments and privileges. Hiring, separation, replacement and appointment of personnel shall be in accordance with existing Civil Service rules and regulations: *PROVIDED, however, that preferential consideration shall be given to existing officers and employees of the LUPA who possess the appropriate eligibility and meets the qualification standards for the positions.*

SEC. 77. Appropriations. The amount necessary to carry out the provisions of this Act shall be included in the General Appropriations Act of the year following its enactment into law and thereafter.

In case such amount is insufficient, the LUPA may request for augmentation of fund from Department of Budget Management (DBM). Thereafter, the LUPA shall be included in the General Appropriations.

Congress shall appropriate an amount to the DENR necessary for it to conduct the classification and demarcation activities needed in the final inventory of all lands as provided herein.

SEC. 78. Review of Existing Land Use Plans. Provinces, cities and municipalities with existing land use plans shall review, revise, reconcile and harmonize the same with the guidelines and standards set forth under this Act.

Article Three
Final Provisions

SEC. 79. Repealing Clause. *Sec. 10 of R.A. No. 8435, Secs. 447 (a2vii) and 458 (a2viii) of the Local Government Code and all other related laws and administrative issuances are hereby modified by Sec. 32 hereof. Secs. 447 (a2vii) and 448 (a2vii) of the Local Government Code and the pertinent provisions of E.O. No. 72* are also modified accordingly. All other general and special laws, acts, decrees, executive orders, proclamations and administrative regulation, or any part thereof which are inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 80. Non-impairment Clause. Nothing in this Act shall be construed as to diminish, impair, or repeal rights recognized, granted, or available to marginalized or basic sectors under existing laws including but not limited to R.A. Nos. 7279, 6657, 8371, and 8550.

SEC. 81. Separability Clause. If, for any reason or reasons, any part or provision of this Act shall be declared or held to be unconstitutional or invalid other parts or provisions hereof, which are not affected thereby shall continue to be in full force and effect.

SEC. 82. Effectivity Clause. This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved.