

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

THIRTEENTH CONGRESS
First Regular Session

HOUSE BILL No. 2978

Introduced by **Akbayan!** Party List Representatives **Loretta Ann P. Rosales**, **Mario Joyo Aguja** and **Ana Theresia Hontiveros-Baraquel**

EXPLANATORY NOTE

Integral to achieving national development is the proper management of land resources. On it depends the country's capacity to meet the fundamental needs of the people, which include among others the need for environmental protection, agricultural production and food security, decent and affordable housing, jobs and industry.

With the population steadily increasing and given the finite character of land, its is unfortunate that the country's land resources are fast becoming entangled into conflicting demands, abuses, and misuses from various groups or sectors.

The state's intervention is thus necessary to rationalize land use. This is based on the premise that land is more than an economic object. It has a social function such that any exercise of ownership or access rights to entails social responsibility. Indiscriminate use of lands without regard to its adverse effect on society and the environment must be regulated in the interest of the general welfare.

In this regard, we are endorsing the adoption of the proposed National Land Use Act. This proposed Act seeks to harmonize the reasonable claims of all those who hold interest on land and safeguards and promotes the general welfare of both existing and future generations through the proper management of land resources. It provides guidelines and criteria for land use based on the assessment of the development needs of various sectors especially the basic sectors who are bound to be displaced as a result of inappropriate or destructive land uses.

In particular, the bill provides for the:

(1) Establishment of crucial priorities for land use, especially areas to be protected for ecological purposes and areas to be developed and protected from conversion to ensure food security;

(2) Adoption of measures to promote land development, discourage land speculation and generate revenues;

(3) Conduct of a National Base Mapping and Geohazard Mapping Program to effectively provide adequate and up to date information necessary for land use planning; and,

(4) Adoption of a bottom-up approach to land use planning.

More importantly however, the bill seeks to integrate and institutionalise people's participation in defining the framework and guiding principles of land allocation and utilization. It provides for the mandatory participation of stakeholders in key decision making bodies on land use policy at all levels. The bill itself is the result of a painstaking process of consultations and validation with and among different basic sectors.

In view of the foregoing, the immediate passage of the bill is earnestly sought.

Loretta Ann P. Rosales

Rep. LORETTA ANN P. ROSALES

Rep. MARIO JOYO AGUJA

a.z Hontiveros-Baraquel

Rep. ANA THERESIA HONTIVEROS-BARAQUEL

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Introduced by **Akbayan!** Party List Representatives **Loretta Ann P. Rosales**, **Mario Joyo Aguja** and **Ana Theresia Hontiveros-Baraquel**

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 of the Philippines in Congress assembled:

CHAPTER I
INTRODUCTORY PROVISIONS

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

SEC. 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) Sustainable and just management and utilization of natural resources;

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

(c) 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;

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

(e) Sustainable development and management of water resources towards water security;

(f) Rational population distribution and settlements development;

(g) 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;

(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 for and protection of the sustainable traditional resource right 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 right of basic sectors to 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;

(k) Attainment of energy security or energy self-sufficiency through sustainable and priority development of indigenous energy resources; and

(l) An integrated approach to the utilization, allocation, development and management of water as a limited resource to 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 altemative land use patterns. This shall be supported by a national land use allocation system and a land use and 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, government-owned, and/or in the possession of individuals, communities, indigenous peoples, or groups of people, to guide and govern the use, allocation, and management of land resources including such activities that bear impact on said resources.

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

(a) ***Agricultural land*** refers 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;

(b) ***Agricultural land use conversion*** refers to the undertaking of any development activity which modifies or alters 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*** refers to lands of the public domain which have been delineated, classified, and certified as such and available for disposition under Commonwealth Act No.141, otherwise known as the

"Public Land Act," as amended;

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

(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 processes and the criteria employed in the determination of the land use. It incorporates the protected areas including the protected agricultural lands provided for in Section 30 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 in pursuit of sustainable economic, demographic, socio-cultural, and environmental objectives;

(g) ***Coastal Area/Zone*** refers to a band of dry land and the 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) ***Critical watershed*** refers to a watershed supporting existing and proposed hydro-electric power and irrigation works needing immediate rehabilitation as it is being subjected to fast denudation causing accelerated erosion and destructive floods;

(i) ***Development plan*** refers to a document that defines the activities or measures that the national government or local government units (LGU's) 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) ***Energy resource lands*** refer to lands where naturally occurring or indigenous energy resources exist;

(l) ***Energy resources*** refer to surface or subsurface substances that serve as energy sources. These are traditionally mineral fuel deposits such as coal, petroleum, natural gas or resources from geothermal or hydro reservoirs, or non-conventional sources such as ocean waves, solar, wind, biomass, and other similar resources which serve the same purpose;

(m) ***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 of any endangered or threatened species or indigenous Philippine wildlife (flora and fauna); (d) areas of unique historic, archaeological, or scientific interests; (e) areas which are traditionally occupied by ICCs/IPs; (t) 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; and (p) foreshore lands. For purposes of this Act, this term also refers 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 LGU's in consultation with the concerned sectors;

(n) ***Exhausted mineral resources*** refer to a situation where the mineral resources in specific sites are no longer in sufficient quantity or quality to justify additional expenditure for extraction or utilization;

(o) ***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;

(p) ***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;

(q) ***Forestlands*** refer to lands of the public domain which have been classified or declared as such and all unclassified lands of the public domain;

(r) ***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;

(s) ***Geo-hazards*** refer to nature and man-induced geological processes that have potential to cause destruction and pose a threat or risk to man's life and property;

(t) ***Disaster-prone areas*** refer to areas frequently visited and/or prone to experience weather/climatic, hydrologic, geologic, and other natural calamities;

(u) ***Indigenous Cultural Communities/Indigenous Peoples (ICCs/IPs)*** refer to groups of people or homogenous societies identified under the IPRA;

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

(w) ***Integrated watershed management*** refers to a planning strategy or program for watershed areas that complement environmentally-sound soil and water management practices with mechanisms for ensuring greater responsibility, involvement, or participation of individuals, groups, communities and other stakeholders benefiting from these areas and water-related infrastructure;

(x) ***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;

(y) ***Land sub-classification*** refers to the act of determining and assigning specific uses of classified lands of the public domain, such as forest or timber lands, alienable or disposable agricultural lands, national parks, and mineral lands in accordance with existing laws and this Act;

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

(aa) ***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;

(bb) ***LUPC or Land Use Policy Council*** refers to the administrative, policy-making, regulatory, and quasi-judicial body created under this Act;

(cc) ***Mandatory public hearings/consultations*** refer to the mechanism to ensure the involvement of affected sectors in land use planning from the local to the national level. It involves giving notice of hearing/consultation to affected sectors through publication or posting in conspicuous places, conduct of a reasonable number of hearings, and solicitation of positions and the public presentation and validation of the planning results before the final adoption of the plans;

(dd) ***Mineral Exploration*** refers to the systematic searching or prospecting for mineral resources including energy resources;

(ee) ***Mineral lands*** refer to lands where mineral including energy resources are found;

(ff) ***Multiple use of land resources*** refer to the utilization or management strategy for forest lands, which allows any activity thereat, involving one or more of its resources, depending on the result of prior evaluation on its numerous beneficial uses, that will produce the optimum benefits to the development and progress of the country and the public welfare without impairment or with the least injury to its other resources;

(gg) ***Network of Protected Areas for Agriculture and Agro-industrial Development (NPAAAD)*** refers to agricultural areas identified by the Department of Agriculture through the Bureau of Soils and Water Management (BSWM) in coordination with the National Mapping and Resource Information Authority (NAMRIA) in order to ensure the efficient utilization of land for agriculture and agro-industrial development and promote sustainable growth. The NPAAAD covers all irrigated areas; all irrigable lands already covered by irrigation projects with firm funding commitments; all alluvial plains; land highly suitable for agriculture whether irrigated or not; agro-industrial croplands or lands planted to industrial crops that support the validity of existing agricultural infrastructure and agro-based enterprises; highlands or areas located at an elevation of Five hundred (500) meters or above and have the potential for growing semi-temperate and high value crops; all agricultural lands that are ecologically fragile the conversion of which will result in serious environmental degradation; and all mangrove areas and fish sanctuaries;

(hh) ***Physical framework plans*** refer to the regional or provincial indicative plans prepared by the regional and provincial land use committees, respectively, based on the Comprehensive Land Use Plans (CLUPs) of local government units (LGUs) and national policy guidelines 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. A physical framework plan embodies both policies and strategies necessary to carry out development goals and objectives;

(ii) ***Premature or illegal conversion*** refers to any activity that modifies or alters

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);

(jj) ***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;

(kk) ***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, rnining, indigenous energy resource development, industry, and tourism;

(ll) ***Protected areas*** refer to portions of land set aside by reason of their unique physical and biological significance, managed to enhance biological diversity, and protected against human exploitation. For purposes of this Act, it shall include agricultural lands identified and delineated under Section 31 hereof;

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

(nn) ***Public domain*** refers to lands that belong to the State which may be any of the following: agricultural, forest or timber, mineral, or national park as provided for in the Constitution;

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

(pp) ***Reclassification of agricultural lands*** refers to the act of specifying how agricultural lands shall be utilized for non-agricultural uses such as residential, industrial, or commercial through the local planning and zoning processes pursuant to Republic Act No. 7160 or the Local Govemment Code of 1991 and subject to the requirements and procedure for conversion. It is equivalent to land sub-classification as defined in this Act for classified lands of the public domain and also includes the reversion of non-agricultural lands to agricultural use;

(qq) ***Resettlement sites*** refer 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, as defined under Republic Act No. 7279 or the Urban Development and Housing Act (UDHA);

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

(ss) ***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;

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

(uu) ***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 the UDHA;

(vv) ***Socialized housing zones*** refer to lands identified and designated by

LGUs as sites for socialized housing pursuant to Article IV of the UDHA and its implementing guidelines;

(ww) ***Strategic Agriculture and Fisheries Development Zones (SAFDZS)*** refer to areas within the NPAAAD identified for production, agro-processing and marketing activities to help develop and modernize, with the support of government, the agriculture and fisheries sectors in an environmentally and socio-culturally sound manner;

(xx) ***Sub-classification 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 is 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 Section 20 of Republic Act No. 7160 or the "Local Government Code of 1991" consistent with the provisions of this Act;

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

(zz) ***Tourism development areas*** refer to specific sites for tourism development located in areas identified as priorities in the national and regional tourism master plans as well as those designated through legislative and executive issuances as tourist spots and tourist zones which can be developed into tourism estates or integrated resort, leisure, and recreation complexes, and other tourism related facilities;

(aaa) ***Tourism estates*** refer to large tracts of land with well-defined boundaries in any area identified in the Philippine tourism master plan and regional tourism master plan, by proclamation of the President and/or by Acts of Congress including local legislation. Such land shall be suitable for the development of an integrated tourism and resort complex including but not limited to accommodation facilities, food and beverage outlets, convention and meeting areas, sports, recreational and leisure centers and commercial outlets among others. It shall be provided with roads, water supply facilities, power and utilities like potable water, drainage sewerage disposal, solid waste disposal system and other necessary infrastructure. The estate shall under be one unified and continuous management;

(bbb) ***Tourist spot*** refers to a particular area/site/spot, man-made or natural, known for its unique tourist/visitor-drawing attributes and activities. It may be classified according to its social, cultural, natural, historical, scientific, religious, and recreational significance;

(ccc) ***Tourist zone*** refers to a geographic area with well-defined boundaries proclaimed as such by the President of the Philippines and/or by Acts of Congress. No development projects for any purpose shall be initiated and introduced within the zone prior to the formulation of a tourism master development plan which shall be undertaken in coordination with the Department of Tourism and the Philippine Tourism Authority. A tourist zone is established for the enhancement and/or the conservation of cultural and historical heritage and for the appreciation and enjoyment of the local population and its visitors;

(ddd) ***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;

(eee) ***Urbanizable areas*** refer to sites and lands which, considering present

characteristics and prevailing conditions, display marked and great potential of becoming urban areas within a period of five (5) years;

(fff) ***Urban forestry or green space*** refers to the establishment or setting-up of areas for mini-forest or small nature parks, lining roads and highways with trees, shrubs, or ornamental plants, and ground landscaping of schools, hospitals, and other government agencies in order to improve the environment in urban areas;

(ggg) ***Water security*** refers to the sufficient access throughout the year to the minimum daily requirement of clean water to maintain a healthy life;

(hhh) ***Water use*** refers to the appropriation of water for domestic, municipal, irrigation, power generation, inland fisheries, poultry and livestock, industrial and commercial, environmental, and recreational use;

(iii) ***Watershed*** refers to a topographically delineated area of land from which rainwater can drain as surface run-off *vis-a-vis* a specific stream or river system to a common outlet point which may be a dam, irrigation system or urban water supply take-off point, or where the stream discharges into a river, lake, or the sea;

(jjj) ***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,

(kkk) ***ZO or zoning ordinance*** refers to a local law passed by the sangguniang 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 infrastructure that may be placed thereon within the territorial jurisdiction of a city or municipality. It incorporates the protected areas under Section 12(b) and the protected agricultural lands under Section 29 hereof.

CHAPTER II
NATIONAL FRAMEWORK FOR LAND USE PLANNING

Article One
Physical Framework and Land Use Plans

SEC. 5. **National Framework for Physical Planning.** The Land Use Policy Council (LUPC) created in Section 14 herein, in consultation with the concerned sectors through the mandatory conduct of public hearings, shall formulate the National Land Use Guidelines and Zoning Standards (NLUGZS). The NLUGZS shall serve as a framework through which the planning and management of land resources are guided at the national and sub-national levels. The formulation of framework plans of regions and provinces and the land use plans of cities and municipalities shall proceed from the NLUGZS.

SEC. 6. **National Land Use Planning Process.** Following a bottom-up approach, the National Physical Framework Plan (NPFP) shall be prepared by the LUPC based on the consolidated and harmonized regional physical framework plans and the land use plans of cities and municipalities prepared pursuant to the National Land Use Guidelines and Zoning Standards (NLUGZS). The NFPP shall provide the analytical parameters and guidelines, including land classification maps, for the planned

allocation, use, and management of the country's land and other physical resources.

SEC. 7. **City and Municipal Land Use Plans.** The city and municipal development councils, in consultation with concerned sectors through mandatory conduct of public hearings, shall prepare their respective Comprehensive Land Use Plans (CLUPs) to determine the specific uses of land and other physical resources therein including the delineation of actual boundaries on the ground within the territorial jurisdiction of the city or municipality in accordance with existing laws and the NLUGZS as issued by the LUPC. The CLUPs shall be translated into zoning ordinances by the *sanggunian* for implementation.

SEC. 8. **Provincial Physical Framework Plans.** The Provincial Development Council shall consolidate and harmonize the land use plans of component cities and municipalities within the territorial jurisdiction of the province into the Provincial Physical Framework Plan (PPFP). The PPFP shall be subject to mandatory public hearings and consultations led by the LUPC Executive Director with the concerned sectors prior to its adoption and submission to the regional land use committee.

SEC. 9. **Regional Physical Framework Plans.** The regional LUPC Secretariat shall consolidate and harmonize the provincial physical framework plans of provinces and independent cities within the territorial jurisdiction of the region into the RPFP, subject to consultation with the concerned sectors through the mandatory conduct of public hearings prior to its adoption and submission to the LUPC.

Article Two
Framework for Land Use Planning

SEC. 10. **Priorities in Land Use Allocation and Planning.** In projecting spatial allocation for different land uses, the LGUs shall first exclude areas under protection land use of Section 13(A) hereof and national parks and strategic agricultural fisheries and development zones (SAFDZs) to ensure ecological integrity and promote food security. Spatial allocation and planning shall then proceed in accordance with Sections 12 and 13 hereof with priorities given to socialized housing sites, fisherfolk settlement in coastal areas, waste disposal sites, and integrated watershed management areas.

SEC. 11. **Adoption of Multiple Uses of Land Resources.** The primary and alternative uses of a specific land resource shall be determined and evaluated prior to any decision for the assignment of its use. Areas feasible for sustainable land resource use may be considered multiple-use zones wherein settlements, tourism, agriculture, agro-forestry and extraction activities and other income-generating or livelihood activities may be allowed: *Provided*, That multiple uses of land resources shall be in accordance with priorities in land use allocation and planning and that no reclassification shall be allowed.

SEC. 12. **Basic Land Use Planning Considerations.** In determining the various land uses as categorized in the preceding section, the various interrelationships of the physical characteristics of the land and other elements therein shall be

considered, among others, the following:

a. Availability of natural resources including indigenous energy resources for energy security and self-sufficiency;

b. Geology, geomorphology, geologic hazard, climate, soil and slope;

c. Economic, environmental, social and related development activities;

d. Existing and potential use;

e. Existing government policies on land and natural resources allocation, utilization, management and disposition;

f. Technological changes/advancement.

SEC. 13. **Categories of Land Uses for Planning Purposes.** In determining and defining the NFPP, RPFPs, PPFPs, and CLUPs, land uses shall be grouped into four major functional uses as follows, in accordance with Section 10 hereof:

A. ***Protection Land Use*** - intends to achieve environmental stability and ecological integrity, ensure a balance between resource use and the preservation of some areas with environmental, aesthetic, educational, cultural and historical significance, and protect people and man-made structures from the ill-effects of natural hazards. Areas under this category are those under the coverage of Republic Act No. 7586 or the National Integrated Protected Areas System (NIPAS) law; those areas outside NIPAS but nonetheless require protection because of their outstanding physical and aesthetic features, anthropological significance and biological diversity; and those areas prone to natural hazards;

B. ***Production Land Use*** - aims to determine the most efficient, sustainable, and equitable manner of utilizing, developing and managing land for productive purposes. Areas included in this category are agricultural lands, coastal and marine zones, production forest, mineral lands, energy resource lands, industrial, and tourism development areas where productive activities could be undertaken to meet the country's requirements for economic growth and development;

C. ***Settlements Development*** - aims to ensure for the present and future generation the: i) effective integration of activities within and among settlements, allowing efficient movement of people and production of commodities through the provision of appropriate land, infrastructure, and facilities; and ii) access of the population to housing, education, health care, recreation, transportation and communication, sanitation, and basic utilities such as water, power, waste disposal, and other services;

D. ***Infrastructure Development*** - seeks to provide basic services and foster economic and other forms of integration necessary for producing or obtaining the material requirements of Filipinos, in an efficient, responsive, safe and ecologically friendly built environment. It covers these sub-sectors: transportation, communications, indigenous energy exploration and development, water resources, and social infrastructure.

CHAPTER III
IMPLEMENTING STRUCTURE AND MECHANISM

Article One
Land Use Policy Council

SEC. 14. **Creation of the Land Use Policy Council (LUPC).** The Land Use Policy Council (LUPC) is hereby created. It shall exercise the powers and responsibilities of the National Land Use Committee (NLUC) and the powers and functions vested by law to the Housing and Land Use Regulatory Board (HLURB) pertaining to land use and shall function as a standing committee under the National Economic and Development Authority (NEDA). The LUPC shall be the highest policy making body on land use and final arbitrator on land use conflicts between or among agencies, branches, or levels of the government. It shall integrate efforts, monitor developments relating to land use and the evolution of policies, and regulate and direct land use planning processes.

SEC. 15. **LUPC Executive Board.** The LUPC 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. The Board shall be composed of nineteen (19) members.

(a) The Secretary of Socio-Economic Planning as Chairperson;

(b) The Secretaries of Environment and Natural Resources and Agriculture as Vice-Chairpersons;

(c) The Secretaries of Agrarian Reform; Trade and Industry; Public Works and Highways; Transportation and Communications; Tourism; and Interior and Local Government;

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

(e) A representative each from four (4) basic sectors directly involved in land use, namely: 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) The Executive Director of the LUPC, as ex-officio member, who shall likewise act as Secretary to the Board.

A consultative body shall likewise be convened every two months composed of representatives from the Leagues of Municipalities, Cities, and Provinces, other government agencies not represented in the LUPC Board, and from non-government sectors such as the private sector, NGOs and POs, and the academic community.

SEC. 16. **Powers and Functions.** The LUPC shall have the following powers and functions:

(a) Advise the President and the NEDA Board on all matters concerning land use and physical planning;

(b) Integrate and harmonize all laws and policies relevant to land use to come up with a rational, cohesive, and comprehensive national land use framework;

(c) Formulate policies and promulgate, in consultation with all concerned sectors, national standards and guidelines on land use and zoning under Section 5 hereof, and issue the corresponding rules and regulations to enforce compliance

therewith;

(d) Prepare a NPFP and harmonize and consolidate the RPFPs based on land use plans at the local levels that shall serve as guide in formulating subsequent national development plan and pertinent sectoral plans consistent with the provisions of this Act;

(e) Establish a National Land Resource Information and Management System that 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 and outputs including scales and symbols used in territorial and sectoral maps;

(f) 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;

(g) Recommend to the President of the Philippines the adoption, passage, or amendment of laws to ensure that sectoral programs, plans, projects, and activities, including local government initiatives affecting land use are consistent with national development objectives;

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

(i) Monitor and coordinate the activities of concerned agencies and entities of the government, as well as LGUs, in the enforcement and implementation of policies and regulations relating to land use and resource management and development;

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

(k) Create its own secretariat services, adopt its own organizational plan and staffing pattern, and assist the LGUs in the formation of local land use committees;

(l) Design and implement a long-term capability-building program for LGUs to enable them to undertake a participatory and effective land use planning;

(m) Hear and resolve conflicts in land use planning, classification, and allocation that may arise between or among agencies of the national government, and/or between national and local, national and regional, and/or regional and local planning or development agencies, including the local governments;

(n) Act as appellate body for decisions of provincial planning bodies on local land use plans and zoning ordinances, as well as decisions of local zoning board of appeals granting or denying applications for locational clearances or zoning certificates;

(o) Adopt rules of procedures for the exercise of the regulatory and quasi-judicial powers as well as for the orderly and expeditious conduct of meetings and other business of the Council; and

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

SEC. 17. **Offices, Units and Staff Support.** The LUPC Secretariat under the general supervision of the Executive Director shall be organized from existing offices and personnel of the NEDA and the HLURB subject to civil service rules and regulations.

SEC. 18. **Powers and Functions of the LUPC Executive Director.** The Executive Director shall have the following powers and functions:

(a) Acts as the executive head of the LUPC and Secretary of the Board and perform the powers and function incident to said positions;

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

(c) Hear and decide case, in areas without local zoning administrators and/or local zoning board of appeals, involving: (i) opposition to any land use or development project; and (ii) petitions for recall or revocation of any zoning or locational clearance permit, both on the ground that the same is violative of land use planning laws and/or zoning ordinances; and,

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

Decisions of the Executive Director may be appealed to the LUPC Board.

SEC. 19. **Qualifications of the Executive Director.** The Executive Director 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. The LUPC Executive Director shall be appointed by the President of the Philippines and shall have the rank of an Undersecretary.

SEC. 20. **The Deputy Executive Director.** The Executive Director shall be assisted by a Deputy Executive Director who shall be appointed by the President of the Philippines upon the Board's recommendation. The Deputy Executive Director shall have the same qualifications as the Executive Director and shall have the rank of an Assistant Secretary.

The Deputy Executive Director shall be the operational and administrative manager of the LUPC and shall assist the Executive Director in routine housekeeping functions.

SECTION 21. Central and Regional Offices.- The LUPC Chairperson shall organize a central office and a regional LUPC secretariat office in every administrative region from the personnel and resources of the NEDA and the HLURB subject to civil service rules and regulations. A regional LUPC office shall be headed by a Regional Director.

Article Two
Land Development Councils and Land Use Committees

SEC. 22. **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). Local government units without existing LDCs as mandated by the Local Govemment Code of 1991 shall organize their respective LDCs within six (6) months from the effectivity of this Act.

Local land use committees refer to the provincial, city, or municipal land use committees (PLUCs, C/MLUCs) formed by the LDCs. Existing and newly formed LDCs shall create within six (6) months from the 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 are defined in this Act: *Provided*, That the 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 positions/views/issues raised and articulated by concerned communities through their respective barangay representatives who shall participate during the public hearings.

Until such time that the LUPC shall have created its regional offices, the regional land use committees under the Regional Development Councils shall act as the counterparts of the LUPC and shall perform such functions defined under this Act.

Article Three
Adoption, Approval, and Review of Land Use Plans

SEC. 23. **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 subject to the power of review of their respective provinces only with respect to the consistency of the CLUPs and ZOs with Section 6 hereof in the preparation of the PPFP.

SEC. 24. **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, ZOs, or PPFP as the case may be, through their respective sanggunian but subject to the power of review of the LUPC through its regional LUPC secretariat office as provided in Section 21 herein and only with respect to the consistency of the CLUPs and ZOs with Section 5 hereof.

Article Four
Responsibilities of the National Government Agencies and LGUs

SEC. 25. **National Base Mapping Program.** A national mapping program shall be implemented, coordinated, and monitored through the creation of an Inter-agency Technical Committee (ITC) composed of the National Mapping and Resource Information Authority (NAMRIA), as the lead agency, the LUPC, 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 Mines and Geosciences Bureau (MGB), the Philippine Institute of Volcanology And Seismology (PHIVOLCS), the Department of Agrarian Reform (DAR), the National Water Resources Board (NSWRB), the Department of Energy, and other concerned government agencies/bureaus. The ITC shall be constituted, and the mapping program initiated, within thirty (30) days from the effectivity of this Act.

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 prescribed in accordance with this Act. The completed maps shall be integrated in the NPFP pursuant to Section 9 hereof.

SEC. 26. **National Geo-hazard Mapping Program.** Within thirty (30) days from the effectivity of this Act, a nationwide geo-hazard mapping program shall be initiated jointly thru the LUPC by the PHIVOLCS, the Philippine Atmospheric Geophysical and Astronomical Services Administration (PAGASA), the NAMRIA, the Mines and Geosciences Bureau (MGB), and the Department of Energy, 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 geo-hazard zoning maps that will outline areas in the Philippines which are 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 subsequently incorporate and integrate the generated geo-hazard zoning maps in their respective CLUPs and ZOs. Said geo-hazard maps shall serve as guide for all the LGUs in the preparation of their own hazards-constrained development plans. The NPFP, pursuant to Section 5 hereof, shall incorporate these geo-hazard maps.

All infrastructure activities including real estate and subdivision projects and the development of tourist spots requiring an Environmental Compliance Certificate (ECC) shall be required to submit an Engineering Geological and Geo-hazard Assessment Report (EGGAR).

SEC. 27. **Scope and Nature of Responsibilities of Other National Government Agencies.** All concerned national government agencies/bodies shall periodically report to the LUPC on the various activities and accomplishments relative to land use. Likewise, they shall provide their respective sectoral/development plans and render technical and administrative support if called upon by the LUPC relative to the implementation of the provisions of this Act.

SEC. 28. **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 LUPC through the Sangguniang Panlalawigans 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. 29. **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 Republic Act No. 8435 or the Agricultural and Fisheries Modernization Act of 1997 (AFMA).

SEC. 30. **Conversion of Agricultural Lands.** Agricultural lands are deemed converted to non-agricultural uses upon approval by the DAR of the application for conversion. 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 developed or possessing the potential for development of high value crops, and all agricultural lands that are ecologically fragile and whose conversion will result in serious environmental problems shall be given full protection from conversion, the areas under which are subject to review every seven (7) years by the DA, with the mandatory public consultations: *Provided, further*, That consistent with the State policy on giving priority to the completion of the Comprehensive Agrarian Reform Program (CARP), all lands subject to CARP including those lands covered under the notice of compulsory acquisition/voluntary offer to sell, production or profit-sharing, or commercial farm deferment shall also be protected from conversion pending the distribution and installation of the farmer beneficiaries, but thereafter, Section 65 of Republic Act No. 6657 or the Comprehensive Agrarian Reform Law (CARL) shall apply: *Provided, finally*, That pending the completion of mapping activities of the specific areas under the NPAAAD and the Strategic Agricultural and Fisheries Development Zones (SAFDZs) under the AFMA, the revision thereof pursuant to the foregoing, and their incorporation 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. 31. **Sub-classification or Re-classification of Agricultural Lands by LGUs.** Sub-classification or re-classification of agricultural lands to other uses under Section 20 of the Local Government Code of 1991 shall exclude the protected agricultural lands as stated in the preceding section. Moreover, such sub-classification/reclassification is not synonymous to conversion. The DA and DAR shall provide the LGUs with a complete list and maps of protected agricultural lands within their territorial jurisdictions.

Article Two
Management and Development of Watersheds

SEC. 32. **Critical Watershed Areas.** The DENR, in coordination with the DA, LGUs, and other government agencies, including government-owned and-controlled corporations, and with mandatory public consultations, shall identify and delineate critical watershed areas that need to be protected, rehabilitated, enhanced, and/or withdrawn from uses that contribute to their further degradation.

SEC. 33. **Formulation and Implementation of Integrated Watershed**

Management Plans. With the assistance of the DENR and upon mandatory consultations with the concemed 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 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 and other stakeholders in the implementation of the plan.

Article Three
Coastal Zones

SEC. 34. **Coastal Land Zone Sub-classification.** All public lands in the coastal zones shall be subclassified into any of the following: fishponds, mangroves, protection from tidal surge, for preservation of biodiversity, habitats and sanctuaries for endangered wildlife, fisherfolk settlement, or recreational/tourism areas. No sub-classification of coastal zones to different uses shall be done without the following:

a. Conduct of a comprehensive resource and environmental assessment by the DENR and concerned LGUs; and

b. Prior consultation with local Fisheries and Aquatic Resource Management Councils (FARMCs) formed under Republic Act No. 8550 or the Fisheries Code.

SEC. 35. **Criteria on 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 shall not be converted to other uses;

b. Areas that meet all accepted criteria on elevation, soil type, soil depth, topography, supply for successful fishpond development, and are not identified as mangrove protected areas, shall be utilized for aquaculture purposes;

c. Areas sub-classified as mangrove and still suitable for use as such, or due to environmental conditions need to be preserved as mangrove, but is devoid of mangrove stands shall not be converted to other uses. The DENR shall ensure that these lands shall be reforested within a given period of time;

d. Areas that are neither sub-classified as mangrove nor fishpond may be devoted to recreational or tourism purposes: *Provided*, That such undertaking will not result in environmental degradation;

e. Areas which are considered as traditional fishing grounds shall be used primarily for such purpose;

f. Areas which have been allocated for small infrastructure 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 or arrangements shall undergo zoning and evaluation to determine their boundaries and actual sizes and corresponding uses; and,

h. Areas which are classified for fisherfolk settlement and housing shall be allocated to traditional fisherfolk who are inhabitants of the coastal communities and members of legitimate fisherfolk organizations and/or holders of stewardship lease contracts or titles to ancestral domains or any form of property right arrangements who participate in coastal resource management initiatives, subject to the usual census procedures of the National Housing Authority.

SEC. 36. **Zoning of Foreshore Areas.** Local government units, in coordination with the DENR, shall conduct zoning of their respective foreshore areas to assist government and community fishers identify priority areas for conservation and development, and to enable them to set targets for mangrove reforestation and rehabilitation.

SEC. 37. **Disposition of Public Lands for Fishpond.** Upon the effectivity of this Act and consistent with Section 45 of the Fisheries Code, but subject to existing rights and the preceding section, no fishpond lease agreement (FLA) shall be issued over tidal swamps, mangroves, and other swamps, marshes, ponds, foreshore lands, and coastal areas within public lands, including those already declared available for fishpond development.

The LUPC, 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.

Article Four
Mineral Lands

SEC. 38. **Criteria for the Utilization and Allocation of Land for Mining Purposes**. Consistent with Section 5 of this Act and the provisions of Republic Act No. 7942 or the Mining Act of 1995, and to ensure that the objectives of maintaining ecological balance and maximizing economic returns to mining operations are realized, the allocation and utilization of lands for mining purposes shall be guided by the following:

a. The principles of sustainable development and responsible mining;

b. All mineral resources in forest lands and agricultural lands except in protection areas and SAFDZS are open to mineral exploration for the purpose of determining the presence of economically potential mineral resource, after which such areas shall be allocated as mineral lands;

c. In case of small-scale mining, adequate and acceptable safeguards shall be instituted by the holders of mining rights or permits to prevent environmental degradation of the mining sites and adjacent areas;

d. Mineral reservations which have become non-operational for more than ten (10) years as determined by the Mines and Geosciences Bureau shall be placed under appropriate surface management by the DENR; and

e. Consistent with the Mining Act of 1995, areas closed to mining operations

shall be periodically reviewed through mineral exploration to be undertaken by the DENR for the purpose of determining whether or not their continued closure is consistent with the national interest and, if warranted, recommend their reclassification as mineral lands.

SEC. 39. **Reversion of Mineral Lands.** All mineral lands with exhausted mineral resources, as determined by the Mines and Geo-sciences Bureau upon the recommendation of the DENR, shall revert to its original land classification, that is, as forest land or agricultural land. In the case of forest lands, the DENR may classify such areas for other purposes in consultation with concerned LGU's, the Department of Tourism, and other national government agencies.

Article Five
Energy Resource Lands

SEC. 40. **Guidelines for the Utilization and Allocation of Lands for Energy Resource Exploration, Development, Production, Utilization, and Distribution Purposes.** To ensure that the objectives of maintaining ecological balance and maximizing the power potential from indigenous energy resources in the most economical and environmentally-acceptable means are realized, the allocation and utilization of lands for said purposes shall be guided by the following, consistent with existing regulations and laws on energy resources:

a) Indigenous energy resource exploration and development for the purpose of a National Energy Resource Inventory and Data Base as well as Energy Resource Block Map shall be allowed subject to the implementation of complementary watershed and other land management plans;

b) Indigenous energy resource exploration, development, production, utilization, and distribution shall be subject to the appropriate requirements and processes of the Philippine Environmental Impact Statement (EIS) system. Each project shall secure an Environmental Compliance Certificate (ECC) prior to project implementation to ensure adequate and appropriate environmental management measures and optimum methods for resource access and recovery are utilized; and

c) Energy reservations or portions thereof which have become or have been established to be non-economically viable to operate or are no longer used for energy purposes shall be released to give way to other land uses, subject to existing laws covering energy reservations.

SEC. 41. **Reversion of Energy Resource Lands.** All exhausted indigenous energy resource lands not covered by proclamations shall automatically revert to the category of forestlands or agricultural lands open to disposition, whichever is appropriate, unless the DENR shall classify such areas for other purposes. Exhausted energy resource lands shall refer to specific energy resource sites whose energy reserves of the desired type/s are no longer in sufficient quantity or quality to justify additional expenditure for their extraction and utilization.

Article Six
Settlements Development

SEC. 42. **Town, City, and Settlements Development.** The development of

town, city, and settlements through the zoning ordinances of cities and municipalities shall be guided by urban zoning standards designed to maximize existing urban spaces.

SEC. 43. **Designation of Waste Disposal Site.** Each city or municipality shall identify, designate and allocate an area 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 or any other competent authority, shall identify solid waste disposal sites in order to fast-track the conduct of environmental impact assessment study and to facilitate processing of the environmental compliance certificate. The 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 the Local Government Code, 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 programs by cities and municipalities, and shall submit the same to the LUPC for review and approval.

SEC. 44. **Designation and Zoning of Socialized Housing Zones.** Each city or municipality in urban or urbanizable areas shall designate lands for socialized housing and resettlement areas for the immediate and future needs of the underprivileged and homeless in their territory, pursuant to existing laws and regulations.

The designated sites for socialized housing shall be located in residential zones, and shall be zoned as socialized housing zones that are integrated in the city or municipality's zoning ordinance duly approved by the HLURB, pursuant to existing laws and regulations.

SEC. 45. **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 LUPC.

Article Six
Industrial Development Areas

SEC. 46. **Criteria for Designating Industrial Development Areas.** The identification and establishment of industrial development areas shall conform to the provisions of Republic Act No.7916, otherwise known as the Philippine Economic Zone Authority (PEZA) Law; the CARL, and the AFMA, taking into consideration the following:

a. Identified network of areas for agricultural development and protected agricultural areas pursuant to the AFMA;

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 Protected Areas System (NIPAS) and non-NIPAS areas that require protection;

e. National and Urban Development and Housing Framework;

f. Identified Socialized Housing Zones;

g. National Framework for Physical Planning and other existing national programs and policies.

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 Seven
Tourism Development Areas

SEC. 47. **Criteria for Designating Tourism Development Areas.** The identification, selection, and development of tourism development areas and tourism estates shall be done in consultation and coordination with the concerned LGUs, national government agencies, the private sector, and the affected communities. Tourism development 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 CLUPs and ZOs of the cities or municipalities where these are located.

SEC. 48. **Identification and Preservation of Cultural Heritage.** The National Commission for Culture and Arts (NCCA), in coordination with the Department of Tourism other concerned agencies, local government units, local communities, and the private sector, shall identify areas and structures which shall be preserved as part of the national and cultural heritage.

Article Eight
Infrastructure Development

SEC. 49. **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 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 subject to Sections 5 and 29 hereof, and Section 47 of the AFMA. 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 improving rural infrastructure and the development of the agriculture and fisheries sectors;

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 pursuant to existing laws and regulations shall be held prior to the conduct of all infrastructure projects that will necessarily involve dislocation or displacement of people in the area: *Provided*, *further*, That the proponent of the infrastructure project shall follow the rules on just and humane eviction or demolition under Section 28 of the UDHA, notwithstanding the provisions of Republic Act No. 8975, prohibiting lower courts from issuing temporary restraining orders, preliminary injunctions, or preliminary mandatory injunctions.

SEC. 50. **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 Presidential Decree No. 1586 and Republic Act No. 4846.

Existing projects that did not go through the process of an environmental impact assessment and pose threats to the environment, integrity of historic, archeological, or scientifically significant areas; or are 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 rules on mandatory public consultations and just and humane eviction or demolition shall also be observed prior to the termination, gradual phase-out, or relocation of projects that will necessarily involve dislocation or displacement of people in the area.

Article Nine
Training, Education, and Value Formation

SEC. 51. **Value Formation.** In order to create a well informed, responsible and committed citizenry who values 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. 52. **Information and Education Campaign.** The LUPC shall undertake 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. 53. **Formulation of a System of Incentives and Awards.** The LUPC shall come out with a system of incentives and awards to LGUs that regularly update their CLUPs/ZO within the prescribed period, as follows:

a. Provinces, Highly Urbanized Cities, and Independent Component Cities once every eight (8) years; and

b. Component cities and municipalities once every eight (8) years.

SEC. 54. **Priority in Giving Technical Assistance to LGUs.** In providing technical assistance and other forms of support related to land use management and the 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. 55. **Fine for Non-Completion and Non-Commencement of Development of Agricultural Lands with Approved Order of Conversion.** A landowner and 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, That the order of conversion shall be deemed revoked automatically and the land shall revert to its original agricultural use and covered by the DAR through compulsory acquisition for distribution to qualified beneficiaries.

b. On failure to complete fifty percent (50%) of the approved conversion plan within a specified time frame: Fifty percent (50%) of the zonal value of the subject land and the revocation of 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 CARP and processed for land distribution as soon as possible.

SEC. 56. **Authority to Impose Fine.** The DAR shall impose the penalty provided for under the preceding section.

SEC. 57. **Withdrawal of Local Development Permits or Licenses.** Upon receipt of notice from the DAR, the concerned agencies and the city or municipality shall withdraw or revoke any development permit and other licenses that may be

necessary to develop the agricultural land subject of conversion.

SEC. 58. **Utilization of Fines.** The fines collected under Sections 55, 60, 61, and 62 hereof shall automatically accrue to the Agrarian Reform Fund consistent with the provisions of the CARL, as amended.

SEC. 59. **Failure to Formulate, Enforce, and/or Implement the CLUPs (CLUPs) and Zoning Ordinances (ZOs).** Consistent with due process, the LUPC, 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 of the CLUPs/ZOs to conform to the prescribed national guidelines and standards as provided in Section 5 hereof and thereafter, with NPFP as stated in Section 6 hereof;

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

c. Failure to provide appropriate budgetary allocation to effect its implementation; and,

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

Any public official or employee, regardless of whether elected or appointed or holding office or employment in a casual, temporary, holdover, permanent, or regular capacity, found to be responsible for 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;
b. Three (3) to six (6) months, in case of noncompletion of the CLUP; or,
c. Three (3) to six (6) months, in case of non-conformity with the national guidelines pursuant to Sections 5, 10, and 29 hereof.

SEC. 60. **Penalty for Premature or Illegal Conversion.** Any person found guilty of premature or illegal conversion as defined in this Act shall be penalized with imprisonment of seven (7) to twelve (12) years or a fine equivalent to fifty percent (50%) of the market value of the subject land, or both, at the discretion of the Court and the 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 president, chief executive officer, manager, the chairman and all the members of the board, and other responsible officers thereof.

SEC. 61. **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 whether elected or appointed, the penalty shall, in addition thereto, include dismissal through permanent separation from the service and forfeiture of all benefits and entitlements accruing to the public position and perpetual disqualification to run or apply for any elective or appointive public office: *Provided, further,* That if the offender is a juridical person, the penalty of imprisonment shall be

imposed on the president, chief executive officer, manager, the chairman and all the members of the board, and other responsible officers thereof, and the fine shall be equivalent to the zonal value of the land or forty percent (40%) of the shareholders equity, as determined at the time of judgment whichever is higher, plus forfeiture of the land in favor of the State for sale though public auction, the proceeds of which shall automatically accrue to the agrarian reform fund as provided for in Section 58 of this Act.

SEC. 62. **Penalty for Reclassification of Protected Agricultural Lands and Exceeding the Limit of Areas Allowed for Reclassification.** Any person initiating, causing, inducing, or abetting the reclassification of protected agricultural areas as defined in Section 29 hereof into non-agricultural uses and exceeding the limits set forth under Section 20 of the Local Government Code of 1991, shall be penalized with imprisonment of 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, include dismissal through permanent separation from the service whether elected or appointed and forfeiture of entitlements accruing to the public position, and perpetual disqualification to run or apply for any elective or appointive public position: *Provided, further*, That if the offender is a juridical person, the penalty shall be imposed on the president, chief executive officer, manager, the chairman and all the members of the board, and other responsible officers thereof.

SEC. 63. **Payment of Disturbance Compensation.** Following the order of priority such as agricultural lessees and share tenants, regular farm workers, seasonal farm workers, other farm workers, actual tillers or occupants of public lands, collective, or cooperative of the above beneficiaries, and others directly working on the land affected by agricultural land use conversion shall be entitled to the payment of disturbance compensation equivalent to five (5) times the average of the gross harvests on the landholding during the last five (5) preceding calendar years or a certain percentage of the converted land, whichever is higher, as determined by the Department of Agrarian Reform.

CHAPTER VI
TRANSITORY AND FINAL PROVISIONS

Article One
Transitory Provisions

SEC. 64. **Convening of the LUPC.** Within thirty (30) days from the effectivity of this Act, the Secretary of Socio-Economic Planning shall convene the LUPC. The Chief Executive Officer of the HLURB shall sit temporarily as Executive Director and *ex-officio* member of the LUPC Executive Board until such time that a regular Executive Director has been appointed by the President.

SEC. 65. **Implementing Rules and Regulations.** Within sixty (60) days from the effectivity of this Act, the LUPC shall promulgate the rules and regulations to implement the provisions of this act. Said rules and regulations shall be submitted to

the Congressional Oversight Committee for approval.

SEC. 66. **Congressional Oversight Committee on the Land Use Act.** There is hereby created a Congressional Oversight Committee composed of seven (7) members from the Senate Committee on Environment and Natural Resources and seven (7) members from the House of Representatives Committees on Natural Resources and Housing and Urban Development. The members from the Senate shall be appointed by the Senate President based on proportional representation of the parties or coalitions therein with at least two (2) senators representing the minority. The members from the House of Representatives shall be appointed by the Speaker also based on proportional representation of the parties or coalitions therein with at least two (2) members representing the minority.

The oversight committee, which shall function for a period not more than three (3) years, shall have the power to review the implementing rules issued by the LUPC within thirty (30) days from the promulgation of the said rules and oversee the implementation of this Act: *Provided*, That the secretariat of the Oversight Committee shall be drawn from the existing secretariat personnel of the committees comprising the oversight and the funding shall be taken from the appropriations of both the House of Representatives and the Senate.

SEC. 67. **Effectivity of the Creation of the LUPC.** Until such time that the LUPC has been organized and fully operational, the NLUC and HLURB shall continue exercising their powers and function pertaining to land use 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.

SEC. 68. **Transfer of Powers and Functions.** Within six (6) months after the approval of this Act, the powers and functions of the HLURB on land use as provided for under Section 5a, 5b, 5c, 5d, 5e, 5f, and 5g of Executive Order No. 648, series of 1981, shall be transferred to the LUPC. The foregoing transfer shall include all applicable funds and appropriations, records, equipment, property and personnel.

SEC. 69. **Transfer of Rights, Assets, and Liabilities.** The LUPC shall, by virtue of this Act, be subrogated to such rights and assume such liabilities of the HLURB and such funds, records, property, assets, equipment and personnel, including unexpended appropriations and/or allocations of the HLURB for land use activities and land use adjudicatory and related support functions: *Provided*, That existing officers and employees of the HLURB assigned to land use planning and land use adjudication matters shall continue to assume their posts in a holdover capacity until their new appointments are issued.

SEC. 70. **Structure and Staffing Pattern.** Except for the position of Executive Director and Deputy Executive Director, there shall be no hiring of new personnel for the LUPC. Within ninety (90) days from the effectivity of this Act, the LUPC Chairperson shall formulate and submit to the Congressional Oversight Committee for its review and approval the LUPC's proposed organizational structure and staffing pattern. After such review and approval, the proposed organizational structure and staffing pattern of the

LUPC shall be submitted to the President for final approval through the DBM within ninety (90) days.

The authorized positions created therein shall be filled by regular appointment by the President or the LUPC Chairman, as the case may be: *Provided*, That in the filling of positions created, the Chairman shall ensure that the personnel of the NEDA and HLURB affected by this Act shall comply with the qualifications standards set by the Civil Service Commission (CSC) for the positions they shall be appointed to: *Provided, finally*, That if such individuals possess the same qualifications, seniority shall be given priority.

SEC. 71. **Separation from the Service.** No employee of the NEDA and HLURB shall be separated and/or phased-out from the service as a result of the implementation of this Act: *Provided, however*, That those who are qualified to retire shall be allowed to do so and be entitled to all benefits provided under any of the existing retirement laws.

SEC. 72. **Appropriations.** The appropriations for the National Land Use Committee under the National Economic and Development Authority, and the Housing and Land Use Regulatory Board pertaining to land use activities, plans, and programs and land use adjudicatory and related support functions under the current General Appropriations Act shall be used to carry out the initial operationalization of the Land Use Policy Council. Thereafter, such sums as may be necessary for its staggered implementation shall be included in the annual General Appropriations Act.

SEC. 73. **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 within one (1) year from the effectivity of this Act.

Article Two
Final Provisions

SEC. 74. **Repealing Clause.** Section 10 of the AFMA and Sections 447 (a2vii) and 458 (a2viii) of the Local Government Code and their related laws and administrative issuances are hereby modified by Section 30 hereof. The pertinent provisions of Executive Order No. 72, series of 1993, are also modified accordingly. Section 11 of the AFMA as to the penalty for agricultural inactivity and premature conversion is also modified by Section 60 hereof. Letter of Instruction No. 1350, series of 1983, and 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. 75. **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 Republic Act Nos. 7279, 6657, 8371, and 8550.

SEC. 76. **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. 77. **Effectivity Clause.** This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) national newspapers of general circulation.

Approved,