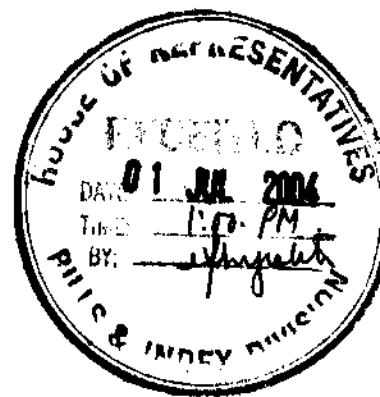


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

THIRTEENTH CONGRESS
First Regular Session

House Bill No. 272



Introduced by **HONORABLE JOSE C. DE VENECIA, JR.**

Explanatory Note

Available data from the National Statistics and Coordination Board (NSCB) indicates that of the total Philippine land area of 30 million hectares, about 10.3 million hectares or 34% are devoted for agricultural uses, 8.99 million hectares or 30% are woodlands, around 0.54 million hectares or about 2% are utilized for establishments (residential and commercial buildings), and 389 hectares or 0.01% for industrial estates. Philippine forests have been steadily decreasing at an average rate of 2% per annum. From 7.4 million hectares in 1980, there are only 5.4 million hectares left in 1997.

The conversion of agricultural lands to non-agricultural uses has been accelerating in all regions of the Philippines at an alarming rate. According to the Department of Agriculture, for ricelands alone, the 3.8 million hectares planted thirty years ago have dropped by 16% to 3.2 million hectares. Moreover, housing developers and the government are in constant search of land for residential/settlements development due to increasing urban migration, urban squatting and the continuing appreciation of land prices.

The country has no Land Use Code that will serve as a sustainable growth map for both public and private investors. A Land Use Code is necessary for targeting and delineating areas open for investment in line with the country's development plans. There is a need for certain lands to be set aside to establish "agricultural reserves" for food security. The Code is expected, eventually, to help resolve conflicts arising from various economic uses of lands versus the housing needs of the population.

A framework is needed for the allocation, utilization, management and development of the country's land resources. There is a need for a Land Use Code that will allocate land to various competing uses, preserve prime farm lands especially irrigated fields for agricultural purposes, and ensure community participation in defining local land use.

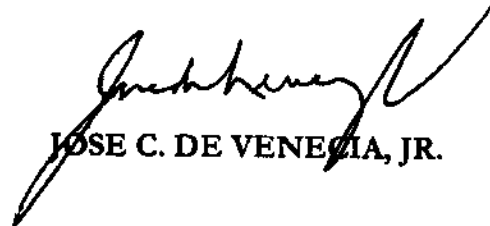
The bill provides that a National Land Use Framework be established to define the indicative priorities for land utilization and allocation. A Land Use Policy Administration will also be created to set national land use planning and zoning guidelines and standards. This will guide local

government units in formulating comprehensive land use plans, and in enacting their zoning ordinances.

Each city or municipality in urban and urbanizing areas will be mandated to identify and allocate land within their territorial jurisdiction to ensure the availability of adequate land to meet the shelter needs of poor residents. These lands can be used as sites for socialized housing pursuant to RA 7279 or the Urban Development Housing Act of 1992.

Incentives and awards will be offered to local government units to encourage them to regularly update their land use plans and zoning ordinances. Sanctions and penalties for non-compliance with the Land Use Code will also be provided for in the bill.

In view of the foregoing, immediate approval of this bill is requested.



JOSE C. DE VENEZIA, JR.

Republic of the Philippines
House of Representatives
Quezon City

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House Bill _____ **272**

Introduced by **HONORABLE JOSE C. DE VENECIA, JR.**

**AN ACT CREATING A NATIONAL LAND USE CODE,
PROVIDING IMPLEMENTING MECHANISMS THEREFOR AND FOR
OTHER PURPOSES**

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

SECTION 1. Title. - This Act shall be known as the National Land Use Code of 2004.

SEC. 2. Declaration of Policies and Principles. - It is declared the policy of the State to:

- (a) Provide for and implement a rational, holistic and just allocation, utilization, conservation, control, management and development of the country's remaining and existing land resources;
- (b) ensure food security and sufficiency, and environmental protection;
- (c) rationalize population distribution and settlements developments;
- (d) intervene in cases when lands necessary for agricultural production and when ecological systems are endangered. These areas shall be non-negotiable for conversion to other uses;
- (e) ensure equitable access to country's land resources;
- (f) identify and preserve areas and structure which form part of our national and local heritage;
- (g) uphold the communal system of land utilization and protection; and
- (h) provide for the legal framework for land use planning as a major area for development planning.

SEC. 3. Definition of Terms. - For purposes of and as used in this Act, the following terms shall be defined as follows:

- (a) **Food Security** - availability, accessibility and affordability of food for present and future generation of Filipinos in a sustainable manner.

- (b) **Food Self-Sufficiency** - meeting the country's food requirements through intensive food production in a sustainable manner, based on the country's existing and potential resource endowments and related production advantages;
- (c) **Land Use** - the rational utilization of land, including its allocation, protection, rehabilitation, development and management;
- (d) **Comprehensive Land Use Plan (CLUP)** - a document embodying a set of policies accompanied by maps and similar illustrations which represent the community-desired population distribution and a permanent, defined and controlled allocation of land primarily for protection and production, as well as future allocation of remaining lands, not intended for protection and production, for other land-using activities. Likewise it identifies the location, character and extent of the area's land resources, including present land areas that need immediate attention such as reforestation, disaster mitigation and agricultural development in determining other uses of land aside from protection and production;
- (e) **Land Use Planning** - the act of defining in permanence the allocation, utilization, development and management of lands designated for protection and production, and providing guidelines for the utilization of other existing and remaining lands within a given territory or jurisdiction intended for other uses;
- (f) **Land Use Policy Administration (LUPA)** - an administrative, regulatory, quasi-judicial body provided for under this Act;
- (g) **Environmentally-Critical Areas** - refer to areas declared by law as: (1) areas for natural parks, watershed reserves, wildlife preserves, and sanctuaries; (2) areas set aside as aesthetic potential tourist spots; (3) areas which constitute the habitat for any endangered or threatened species of indigenous Philippine flora and fauna; (4) areas of unique historic, archaeologic, or scientific interests; (5) areas which are traditionally occupied by indigenous peoples communities as provided for in Republic Act No. 8371; (6) areas with critical slopes; (7) areas frequently visited and/or hard hit by natural calamities such as geologic hazards, floods, typhoons and volcanic activities; (8) areas classified as prime agricultural lands; (9) recharge areas or aquifers; (10) water bodies; and (11) coral reefs;
- (h) **Disaster Prone Areas** - areas in the country located along the typhoon belts and the Philippine Fault System, areas that are threatened by volcanic eruptions, drought, severe flooding, storm surges, soil erosion and landslides;
- (i) **Administration** - as proposed in this Act refers to the Land Use Policy Administration (LUPA);
- (j) **Zoning** - 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 conditions for their regulation, subject to the limitations imposed by-law and competent authority; and
- (k) **Zoning Ordinance or ZO** - a local legislation passed by the sanguniang pambayan or panglunsod approving the development control/zoning plan, in accordance with an approved or adopted CLUP for the city/municipality.

SEC. 4. National Land Use Policy Framework. - The State shall define and determine, through a national land use development plan, certain uses of land that must be put in permanence

in furtherance of the objectives set forth. This provision shall institutionalize existing policies on areas that are non-negotiable for conversion such as those included in but not limited to the National Network of Protected Agriculture Areas. In this light, the plan shall give priority for the protection and production uses of land.

- (a) **Protection land use** - shall refer to the State's intervention in ensuring the rehabilitation, conservation, sustainable development, management and control of the following areas: (1) areas declared as belonging to the National Integrated Protected Areas (NIPAS) System per R.A. 7586; (2) areas formerly declared as forested lands or forest reserves but have been diminished by illegal human activities such as logging, settlements/occupation, unsustainable farming and other forms of destructive livelihood such as charcoal-making; (3) areas that need to be protected and rehabilitated but are outside the NIPAS; (4) areas prone to natural disasters; and, (5) ancestral domain lands as provided for by R.A. No. 8371.
- (b) **Production land use** - Production land use shall refer to the State's intervention in identifying and setting aside specific lands for food and agricultural production. Using the network of areas for agricultural development, the DA and DAR, in consultation with concerned local government units, private sector and communities shall identify key production areas for rice and corn and shall be set aside to achieve 100 percent self sufficiency. It shall likewise identify and delineate at the city and municipal levels a network of protected areas for agricultural development which shall be non-negotiable for conversion and which shall, in principle, be protected from encroachment and conversion to other uses to ensure that lands are efficiently and sustainably used for food production, and thereby help achieve food security. The specific types of land shall include, but shall not be limited to the following: (1) All irrigated and potentially irrigable areas; (2) All alluvial plain lands that are suitable for agricultural production and/or can be devoted to food production; (3) All sustainable lands that are traditional sources of food; (4) All crop lands required to attain a certain scale of production to sustain the economic viability of existing agro-based industries in the municipality, city or province; (5) All lands in areas not highly prone to natural hazards that are suitable for the production of tree crops and other cash crops; (6) All CARPable lands including those lands covered under Notice of Compulsory Acquisition/Voluntary Offer to Sell, Production or Profit Sharing and Commercial Farm Deferment of the CARP.

The DA and DAR shall review the status of utilization of the above priority areas for agricultural development and submit its recommendation duly endorsed by the concerned local land use committees for any change in priority to the Administration for review and approval.

The network of protected areas for agricultural development shall be the basis for the rationalization of land use for other purposes.

Other uses not within the purview of protection and production land uses shall be decided upon by the regional, provincial, city and municipal government units.

SEC. 5. Coverage. - This National Land Use Code shall cover all alienable and disposable lands, including all privately titled lands. It shall also include land originally declared as forest lands and forested lands that have been diminished due to destructive man-made and illegal activities such as logging in areas declared to be under a commercial log ban, squatting and the practice of unsustainable practices and livelihood. Such areas, however, shall be reserved mainly for reforestation and production land use purposes, except when otherwise declared by law.

SEC. 6. National Land Use Development Planning. - 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 land use planning shall include among others the implementing rules and regulations of this Act.

The LUPA shall, in consultation with the concerned sectors through mandatory conduct of public hearings, formulate national land use planning and zoning guidelines and standards, which shall guide LGUs in formulating their CLUPs and enacting their ZOs.

Provincial Physical Framework Plans shall define the objectives, strategies and indicative uses of land and other physical resources within the context of the province, consistent with the national and regional objectives and strategies and shall serve as basis for the preparation of the land use plans of its component cities and municipalities. *Provided however*, that protection and production land use guidelines provided for in the NPFP shall strictly be the bases in determining lands for protection and production that shall be included in the land use plan.

City or Municipal land use plans shall translate the objectives, strategies and indicative uses of land and other physical resources proposed in the NPFP, RPFP, and PPFP into specific uses and shall serve as basis for the preparation of the zoning plan to include embodiment of local aspirants concerning desirable physical development and growth of the locality. *Provided however*, that protection and production land use guidelines provided for in the NPFP shall strictly be the bases in determining lands for protection and production that shall be included in the land use plan.

SEC. 7. Local Land Use Planning and Zoning. - The CLUPs of cities and municipalities shall be formulated in consonance with the results of mandatory consultations with the various sectors in the community and subject to nationally prescribed standards. Zoning shall cover all alienable and disposable lands, government owned lands, and private lands in territorial jurisdiction of the city or municipality incorporating those declared protected areas. The zoning plan and ordinance of LGUs shall be based on their approved respective CLUPs. All municipalities and cities shall prepare and enact their respective CLUPs and ZOs within one year from the effectivity of this Act.

SEC. 8. Reconstitution of the HLRB and Composition of the Land Use Policy Administration. - To implement the provisions of this Act, the Housing and Land Use Regulatory Board (HLRB) shall within a period of six (6) months from the effectivity of this Act, be reconstituted into a new body, to be known as the Land Use Policy Administration (LUPA), herein referred to as the Administration, attached to the Office of the President, the members of which shall be as follows:

- (a) The Secretary of the Department of Agriculture, as Chairman;
- (b) The Secretary of the Department of Agrarian Reform, as Co-Chairman;
- (c) The Director-General of the National Economic and Development Authority;

- (d) The Secretaries of the Department of Agriculture, Environment and Natural Resources, Tourism, Public Works and Highways, Interior and Local Government, Energy, Science and Technology, Transportation and Justice;
- (e) The Chairman of the Housing and Urban Development Coordinating Council; and,
- (f) The Secretary-General of the Commission, who shall be appointed by the President and shall have a cabinet rank.

A consultative body will be established composed of the representatives from the private sector, non-government and people's organizations, the academic community and the indigenous cultural community. It shall regularly meet and coordinate to discuss the implementation of this Act, as well as issues that will be raised by sectors that may be affected by the implementation of this Act.

SEC. 9. *Qualifications of the Secretary-General.* - The Secretary-General must have a background or significant training preferably in the field of Environmental and/or Physical Planning, Urban and Regional Planning, Environmental Science, Land Resources Management, Development Planning and Management for a period of at least five (5) years. He/she must have held a permanent Career Executive position during the period he/she was practicing the above-mentioned professions.

SEC. 10. *Central and Regional Offices.* - The Administration may organize at the central and regional levels such line and/or staff offices as may be necessary for it to be able to effectively discharge its policy-making, planning, enforcement, investigative and adjudicatory functions. Line functions shall be headed by Bureau or Regional Directors, while staff functions shall be headed by Division Chiefs.

SEC. 11. *Responsibilities of the Land Use Policy Administration (LUPA).*

- (a) Review and revise the National Physical Framework Plan for the years 1993-2002 prepared by the National Economic Development Authority into national guidelines governing protection and production land uses that will be implemented in the regional, provincial and municipal level. This will include translating the Philippine Development Plans into physical and spatial terms and serve as guide for, as well as integrate and consolidate, the land use plans and classification schemes of all agencies and instrumentalities of government;
- (b) Undertake and/or promote the gathering of data, the conduct of studies and the development and application of technology pertaining to land use planning and real estate management, including studies on the management of identified production, protection and other areas;
- (c) Review, formulate and recommend to the President and the NEDA Board, policies and guidelines on land use and physical planning and real estate management; and land classifications, inventory and information systems;
- (d) Promulgate, in consultation with all concerned sectors, national and regional standards and guidelines, on land use and physical planning, real estate development, and zoning, which shall be observed by all agencies, offices and instrumentalities of the national and local governments, and the private sector in

the formulation and implementation of their respective plans, programs and projects;

- (e) Review the physical framework and/or land use plans adopted by provinces and highly-urbanized and independent cities, to ensure their consistency with the national and regional physical framework plans and its standards, regulations and guidelines; relative thereto, it may approve any such plans as a whole or in parts, and require such revision or modification thereof as may be necessary. No such plan shall become effective and implementable until and unless approved by the Administration; however, after the lapse of 100 days from receipt thereof, all land use plans duly submitted by the local government units shall be deemed approved whether or not acted upon by the Administration.
- (f) Issue rules and regulations to enforce compliance with the provisions of this Act, and the rules, standards and regulations promulgated pursuant thereto, unless another agency has been tasked by specific provisions hereof, as well as other existing laws on land use planning and zoning and real estate development; and adopt appropriate systems and procedures for investigating and ensuring compliance therewith;
- (g) Initiate, develop, encourage, promote and support, in coordination with other agencies concerned, the establishment of a unified or synchronized and simplified data base, records management, mapping and regulatory system, procedures and mechanisms for land use and physical planning, real estate management and regulation of other land rights and interests, for the purpose of accelerating and attainment of identified flagship or critical priority projects of the government that involve physical components;
- (h) Issue locational clearances and development permits to land use and development projects considered by NEDA to be of national or regional significance;
- (i) Issue motu proprio, after the conduct of appropriate investigation, notices of violation, cease and desist and/or closure and demolition orders, ejectment and summary abatement orders, and impose the administrative fines set forth in this Act, in cases where any establishment, entity or enterprise is found to have violated any provision of this Act, or of any rule, standard or regulation, or of any order, decision or resolution of the Administration;
- (j) Hear and decide cases and complaints for violation of any provision of this Act, or its implementing rules, standards and regulations and ordinances of the national and local governments, relating to land use classification and planning, development, management and zoning; and award damages incident thereto or arising therefrom;
- (k) Hear and resolve conflicts in land use planning, classification, and allocation that may arise between agencies of the national government, and/or between national and local, national and regional, and/or regional and local planning or development agencies, including local governments;
- (l) Act as appellate body from decisions of provincial planning bodies on local land use plans and zoning ordinances, as well as decisions of local zoning boards of appeals granting or denying applications for locational clearances or zoning certificates;

- (m) 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 Administration;
- (n) Coordinate with, and assist other government agencies and instrumentalities as well as the private sector in planning, developing and implementing their land use classification, and real estate development programs, and to furnish, to the extent possible, technical assistance and guidance,
- (o) Coordinate with other government agencies, sixty (60) days after its establishment, to accomplish the following:
 - 1. Mapping:
 - a) of all agricultural lands declared as non-negotiable for conversion pursuant to the guidelines provided for in Administrative Order No. 20 entitled: Interim Guidelines on Agricultural Land Use Conversion and the Network of Protected Areas for Agriculture;
 - b) of all existing forest lands, forest limits, national parks, and other ecological systems (water bodies and wildlife habitat) including endangered ecosystems;
 - 2. Review:
 - a) guidelines governing Environmental Compliance Certificates (ECCs) to include subdivisions and golf courses;
 - b) the list, for possible expansion, of Environmentally Critical Area provided for in Proclamation Certain Areas and Types of Projects as Environmentally Critical and Within the Scope of the Environmental Impact System Established under Presidential Decree No. 1586 (Establishing an Environmental Impact Statement System including Other Environmental Management Related Measures and For Other Purposes);
 - c) applications and on-going land use conversion activities vis-à-vis the policies governing special economic zones, industrial estates and the like; and,
 - d) the coverage of the NIPAS and the Integrated Forestry Management Agreements,

SEC. 12. Offices, Units and Staff Support. - The Administration shall be assisted by a secretariat and such other technical, legal and administrative support staff organized into such central and regional offices as may be deemed necessary by the Administration, under the general supervision of the Secretary-General.

SEC. 13. Land Development Councils. - The formulation of the CLUP shall be the primary responsibility of the Local Development Councils (LDCs). The LGUs without existing LDCs as mandated by RA 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 formed by the LDCs. Existing and newly formed LDCs shall create within one year 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 defined in this Act. Membership therein must, among

others, include representatives from concerned NGOs and POs such as but not limited to peasants, fisherfolk, urban poor and indigeneous cultural communities.

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 perform such functions as defined in this Act.

SEC. 14. *Responsibilities of Other National Government Agencies.* - All concerned national government agencies/bodies especially those with specific functions in land use and land management shall periodically report to the Commission on the various activities and accomplishments relative to land use. Likewise, they shall provide technical and administrative support, if called upon by the Administration relative to the implementation of the provisions of this Act.

SEC. 15. *Imposition of Penalty for Premature Conversion.* - Any person who knowingly, or deliberately causes any agricultural lands within the priority areas for agricultural development, as specified in Section 2, paragraph 2.2 of this Act, to become economically unproductive and inutle for continued agricultural activities, and not due to any natural causes so as to satisfy the provision of Section 114(a) thereof and/or undertakes premature conversion of any agricultural lands shall be punished by imprisonment of not less than two (2) months to not more than ten (10) years or a fine of five hundred thousand (P500,000.00) pesos for the first three (3) hectares, and one hundred thousand (P100,000.00) pesos for each additional hectare or fraction thereof, or both at the discretion of the court.

Furthermore, such actions would cause the termination of the project or activity to be undertaken and suspension of the project proponent from undertaking any land development activity in the city or municipality.

SEC. 16. *Penalty for Other Prohibited Acts.* - Any person initiating, or causing, inducing, or abetting the violation of any prohibitory provision of this Act, shall, upon conviction, be imprisoned from six (6) months to not more than six (6) years or a fine starting at a minimum of twenty-five thousand (P25, 000.00) pesos but not more than one hundred fifty thousand (P150, 000.00) pesos at a maximum, or both at the discretion of the court. However, acts prohibited in this Act which are already punishable under existing local ordinances shall not be subjected to the penalty provided herein.¹

SEC. 17. *Convening of the Administration.* - Within thirty (30) days upon the effectivity of the Act, the Secretary of the Department of Agrarian Reform, as Chairman of the Administration, shall convene the Administration. The Chief Executive Officer of the HLRB shall sit temporarily as a member of the Administration until such time that a regular Secretary General of the Administration has been appointed by the President.

SEC. 18. *Review, Formulation and Issuance of Rules and Regulations.* - Immediately after its formation, the Administration shall 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 Administration of the status of the implementation of such rules and regulations.

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Unless provided in this Act, the Administration shall be primarily responsible for the promulgation and issuance of all implementing rules and regulations, including planning guidelines and standards which will take into consideration the unique physical and cultural character and needs of different regions/localities. These rules and regulations shall become effective fifteen (15) days after their publication in the Official Gazette and announcement of their adoption in at least one (1) newspaper of general circulation.

All existing rules and regulations shall be in force and effect unless revoked by the Administration or competent authority.

SEC. 19. *Repealing Clause.* - All general and special laws, acts, decrees, executive orders, proclamations and administrative regulations, or any parts thereof which are inconsistent with this Act are hereby repealed or modified accordingly, except Executive Order 648, Executive Order 72, Republic Act 7279, and Executive Order 124.

SEC. 20. *Separability Clause.* - If, for any reason or reasons, any parts or provisions 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. 21. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,