

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



EIGHTEENTH CONGRESS

First Regular Session

House Bill No. 706

Introduced by **HON. ROZZANO RUFINO B. BIAZON**

EXPLANATORY NOTE

There already exist rules for most, if not all, issues pertaining to land use, including land registration, local governance, taxation, agrarian reform, protected areas, ancestral domain, fisheries, agricultural modernization, mining, and urban development and housing, among other things. For instance, environmentally critical areas are well defined by Agricultural and Fisheries Modernization Act. Laws on land classification, such as the Land Registration Act of 1902 and the Public Land Act of 1936, have long been in place. Among the more recent laws are the Urban Development and Housing Act, focusing on urban land development and shelter, and the Indigenous People's Rights Act covering ancestral domains.

Then, there is the Local Government Code, which grants to municipalities and cities the power to prescribe limits on the use of property, adopt comprehensive land use plans, enact zoning ordinances, and reclassify land within their jurisdictions. Numerous functions formerly lodged with the national government have also been devolved to the local government units (LGUs), such as the granting of development permits for subdivision projects and the enforcement of environmental laws.

The Comprehensive Land Reform Law also allows the Department of Agrarian Reform to reclassify land through conversion, giving priority to industrial centers, tourism development areas and sites for socialized housing. Other laws, such as the Economic Zone Act, the Fisheries Code, the People's Small Scale Mining Act and the Tourism Development Act, are also focused on delineating the use of land.

Yet all these laws are, apparently, not enough. Relentless population growth and numerous priorities such as food production, human settlements, industry and environmental protection continue to compete over the use and exploitation of limited land resources, thereby putting more pressure to come up with a more comprehensive system of land use.

Land use is an issue of governance. A comprehensive law should bring together all the laws and rules that have anything to do with land use. This should lay the foundation for the efficient management of land and other physical resources without compromising its

future availability. It involves choices – between conflicting uses, opportunities and interests. Any discussion on land use, therefore, must necessarily seek to resolve and rationalize the conflicting claims of various stakeholders and interest groups.

The government recognizes the conflicting interests in land use in the context of a growing national population. For instance, it acknowledges that the conflict generated by the indiscriminate conversion of agricultural land for other uses redounds to a problem with land allocation and use.

While government recognizes the existence of various laws on land use that have now served as the mandate of various government agencies dealing with land concerns, it also now acknowledges that these laws are not enough to systematize and synchronize government decisions on where, how and how much land should be used for a particular need.

This bill aims to provide the overall framework for the rational allocation, disposition, sustainable use, and management of land resources for a variety of ecological and economic uses, and to prevent premature conversion of agricultural lands for other uses.

This bill particularly aims to formulate a Physical Framework Plan and to define the indicative uses of land and other physical resources from the national level down to the cities and municipalities that shall guide local government units (LGUs) in their planning process.

The government strongly believes that there should be an orderly allocation of land for agricultural, residential, commercial, industrial and tourism purposes. It is for this reason that passage of this bill is urgently needed.


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Introduced by **HON. ROZZANO RUFINO B. BIAZON**

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

Be enacted by the Senate and 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 shall be the policy of the State to provide for a rational and just allocation, utilization, management and development of the country's land resources to ensure their optimum use consistent with the principles of sustainable development.

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

- (a) Protection of prime agricultural lands for food production activities and give highest priority to the completion of the Comprehensive Agrarian Reform Program (CARP);
- (b) Food security in basic food commodities with emphasis on food self-sufficiency in rice and corn production and through efficient and sustainable use of land resources consistent with the principles of sound agricultural development, natural resources development, and agrarian reform;
- (c) Sustainable development and management of water resources towards water security;
- (d) Rational population distribution and settlement development;

- (e) Equitable and sustainable economic growth, and a balanced and dispersed industrial and tourism development guided by principles of agrarian reform, urban land reform and rural development;
- (f) Sustainable management of natural resources;
- (g) Maintenance and preservation of environmental integrity and stability;
- (h) Harmony between the rights and the varied interests of every Filipino within the framework of people empowerment, decentralization, social justice and equity;
- (i) Respect to and protection of the sustainable traditional resource rights of the Indigenous Cultural Communities/Indigenous People (ICCs/IP) to their ancestral domain to ensure their economic, social and cultural well-being as well as recognition of the applicability of customary laws and sustainable traditional resource use and management, knowledge, and practices in ancestral domains;
- (j) Protection of the rights of basic sectors to ensure equitable access to the country's land and other resources through state regulation of land valuation to prevent uncontrolled land speculation resulting in tremendous increase in land pricing; and
- (k) An integrated approach to the utilization, allocation, development and management of water as a limited resource that will complement and support sustainable land utilization.

It is also the policy of the State to institutionalize land and water use and physical planning as a mechanism for identifying, determining and evaluating alternative land use patterns consistent with existing laws, decrees, executive orders, rules and regulations. A national land and water use allocation system and a land and water resources information and management system shall be developed to support this Act.

SEC. 3. *Scope.* – This Act shall apply to all lands, including the water therein, whether public or private, owned and/or possessed by any person, communities or groups of people to guide and/or govern the use, allocation and management of such lands and other resources, including the activities that bear an impact on said resources.

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

- (a) “*Administration*” refers to the Land Use Policy Administration (LUPA), which is the administrative, regulatory and quasi-judicial body provided for under this Act and shall be the final authority in all matters relating to land use planning.
- (b) “*Agricultural lands*” refer to lands devoted to or suitable for the cultivation of the soil, planting of crops, growing of fruit trees, raising of livestock, poultry, fish or aqua-culture production, including the harvesting of such farm products, and other farm activities and practices performed in conjunction with such farming operations done by persons whether natural or juridical.

- (c) "*Agricultural land use conversion*" refers to the undertaking of any development activities which modify or alter the physical characteristics of agricultural lands to render them suitable for non-agricultural purposes with an approved order of conversion issued exclusively by the Department of Agrarian Reform (DAR).
- (d) "*Alienable and disposable lands of the public domain*" refer to lands of the public domain which have been delineated, classified and certified as such and available for disposition under Commonwealth Act No. 141, as amended, otherwise known as the Public Land Act.
- (e) "*Ancestral domains*" refer to all areas generally belonging to ICCs/IP as defined in Republic Act No. 8371 or the "Indigenous People's Rights Act of 1998."
- (f) "*Coastal zone*" refers to a band of dry and adjacent ocean space (water and submerged land) in which terrestrial processes and uses directly affect oceanic processes and uses, and vice versa; its geographic extent may include areas within a landmark limit of one (1) kilometer from the shoreline to include mangrove swamp, brackish water ponds, swamps, beaches, foreshore lands and other areas within a seaward limit of 200 meters isobath to include coral reefs, algal flats, sea grass beds and other soft-bottom areas.
- (g) "*Customary laws*" refer to a body of written and/or unwritten rules, usage, customs and practices traditionally and continually recognized, accepted, and observed by respective ICCs/IP.
- (h) "*Development plan*" refers to a document that defines the activities or measures that government intends to implement in order to achieve a defined set of development goals. A plan may include an analysis of problems and resources, definition of goals and objectives, policy guidelines, project and target achievements, and an implementation mechanism that defines the roles and contribution expected from agencies and the private sector. This also refers to the socio-economic, the physical framework plan or sectoral plan of the national government or its instrumentality or a particular local government unit.
- (i) "*Ecologically fragile agricultural lands*" refers to lands within critical watershed, brackish and freshwater wetlands, pasture lands and croplands that require rehabilitation and whose continued unsustainable use would adversely affect the productivity of lowland agricultural areas and the stability of the upland system.
- (j) "*Environmentally critical areas*" refer to areas declared by law as (i) areas for natural parks, watershed reserves, wildlife preserves, and sanctuaries; (ii) areas set aside as aesthetic potential tourist spots; (iii) areas that constitute the habitat for any endangered or threatened species of indigenous Philippine wildlife [flora and fauna]; (iv) areas of unique historic, archeological, or scientific interests; (v) areas that are traditionally occupied by the ICCs/IP; (vi) areas with critical slopes; (vii) areas frequently visited and/or hard hit by natural calamities [geologic hazards, floods, typhoons and volcanic activities]; (viii) recharge areas of aquifers; (ix) mangrove areas; (x) coral reefs; (xi) mossy and virgin forests; (xii) rivers and riverbanks; (xiii) swamp forest and marshlands; and (xiv) foreshore lands.

- (k) "*Exhausted mineral lands*" refer to specific sites whose mineral deposits are not long in sufficient quantity or quality to justify additional expenditure for their extraction and utilization.
- (l) "*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.
- (m) "*Food security*" refers to the policy objective of meeting the food availability, accessibility and affordability requirements of present and future generation of Filipinos in a sustainable manner, through local production, or importation, only when there is shortage established based on micro-level situation, or both, based on the country's existing and potential resources endowments and related production advantages, and consistent with the overall national development objectives and policies.
- (n) "*Forest lands*" refers to those lands of the public domain that have been subjected to land evaluation and classification and have been legally designated as such for production forest and protection/amenity forest.
- (o) "*Foreshore Land*" refers to a string of land margining a body of water, part of 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.
- (p) "*Framework for Physical Planning*" refers to an indicative plan promoting the most appropriate and rational use of land and other physical resources. It provides policy guidelines for all decisions relating to land use and environmental management, to prevent and mitigate the adverse effects of inappropriate resource utilization of the country's food security and food self-sufficiency on rice and corn, the people's welfare and their environment. It embodies both policies and strategies necessary to carry out goals and objectives.
- (q) "*Geo-hazard and disaster prone areas*" refers to areas frequently visited and/or prone to experience natural calamities – for example, typhoons, flooding, storm surges, or liquefaction – specifically weather/climatic, hydrologic and geologic.
- (r) "*Idle lands*" refers to (i) agricultural lands more than five (5) hectares in area, whether contiguous or not, one-half (1/2) of the area in excess of the said five (5) hectares of which remain uncultivated or unimproved by the owner of the property or person having legal interest therein for a period exceeding one (1) year. Agricultural lands planted to permanent or perennial crops with at least fifty (50) trees to a hectare shall not be considered idle lands. Lands actually used for grazing purposes shall likewise not be considered idle lands. (ii) Lands other than agricultural, located in urban and urbanizable areas on which no improvements, as herein defined, have been made by the owner, as certified by the city, municipality or provincial assessor.

- (s) "*Improvements*" refers to all types of buildings and residential units, walls, fences, structures or construction of all kinds of fixed character or are adhered to the soil but shall not include trees, plants, growing fruits, and other fixtures that are mere super impositions on the land, and the value of improvements shall not be less than fifty percent (50%) of the assessed value of the property.
- (t) "*Indigenous Cultural Communities/Indigenous People (ICCs/IP)*" refer to groups of people or homogenous societies identified in Republic Act No. 8371 or the "Indigenous People's Rights Act of 1998".
- (u) "*Inland waters*" refers to waters that are not coastal and marine waters not subject to acquisitive prescription and consistent with the provisions of Presidential Decree No. 1067, otherwise known as the "1976 Water Code of the Philippines".
- (v) "*Land*" refers to resources, both natural and man-made, found on the surface below and above the ground including inland waters and the air thereon.
- (w) "*Land use*" refers to the manner of utilization of land, including its allocation, development, and management.
- (x) "*Land use plan*" refers to a document embodying a set of policies accompanied by maps and similar illustrations which represent the community-desired pattern of population distribution and a proposal for the future allocation of land to the various land using activities. It identifies the allocation, character and extent of the areas of land resources to be used for different purposes and includes the process and the criteria employed in the determination of the land use.
- (y) "*Land use planning*" refers to the act of defining the allocation, utilization, development, and management of all land within a given territory or jurisdiction according to the inherent qualities of the land itself and supportive of sustainable economic, demographic, socio-cultural and environmental objectives as an aid to decision-making and legislation.
- (z) "*Land Classification*" refers to the classification of lands of public domain into agricultural, forest or timber, mineral lands, or natural parks as provided by the 1987 Constitution.
- (aa) "*Land Sub-classification*" refers to the act of determining and assigning the uses of classified public lands such as forest or timberlands, natural parks and mineral lands in accordance with existing laws.
- (bb) "*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.
- (cc) "*Mineral lands*" refers to lands in which minerals exist in sufficient quantity or quality to justify the investment necessary for their extraction and/or development.

- (dd) “*Non-agricultural land use conversion*” refers to the act of changing the current use of a piece of non-agricultural land into some other uses.
- (ee) “*Non-Government Organization (NGO)*” refers to a private, non-profit organization that is committed to the task of political and socio-economic, physical, cultural and environmental development and established primarily to provide service to the marginalized sectors in society.
- (ff) “*People’s Organization (PO)*” refers to a private, non-profit, voluntary and community-based organization established primarily to provide service to its members and the community in general.
- (gg) “*Physical framework plan*” refers to an indicative plan promoting the most appropriate and rational use of land and other physical resources. It provides policy guidelines for all decisions relating to land use and environmental management, to prevent or mitigate the adverse effects of inappropriate resource utilization on the people’s welfare and their environment. It embodies both policies and strategies necessary to carry out goals and objectives.
- (hh) “*Premature or illegal conversion*” means the undertaking of any activity where the results will modify or alter the physical characteristics of agricultural lands to render them suitable for non-agricultural purposes without an approved order of conversion from the Secretary of Agrarian Reform.
- (ii) “*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.
- (jj) “*Production land use*” refers to the direct and indirect utilization of land to generate outputs resulting from the following activities: agricultural, fish farming or aquaculture, timber or agro-forestry, grazing and pasture, mining, industrial, and tourism.
- (kk) “*Protected areas*” refers to identified portions of land set aside by reason of their unique physical and biological significance, managed to enhance biological diversity, and protected against human exploitation.
- (ll) “*Protection land use*” refers to the utilization of land primarily for the rehabilitation, conservation, and protection purposes and the promotion of the country’s ecological and life-support systems.
- (mm) “*Public lands or lands of the public domain*” refer to lands that have not been subject to private property rights or subject to sale or other modes of acquisition of concession, under the general laws, and are devoted to public use.
- (nn) “*Reclassification of agricultural lands*” refers to the act or process of allocating the declared alienable or disposable lands of the public domain to specific uses such as for agricultural, residential, industrial, or commercial.

- (oo) "*Resettlement areas*" refers to areas identified by the appropriate national agency or by the local government unit with respect to areas within its jurisdiction, which shall be used for the relocation of the underprivileged and homeless.
- (pp) "*Settlement*" refers to the habitat or built-up environment where human beings preferred to live in.
- (qq) "*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 and determination of relationships among settlement areas, and the provision of basic services and facilities of identified major settlement areas or growth centers.
- (rr) "*Shoreline*" refers to a strip of land covering at least one (1) kilometer from the point where seawater reaches during the highest high tide.
- (ss) "*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 Republic Act No. 7279 otherwise known as the "Urban Development and Housing Act (UDHA) of 1992."
- (tt) "*Socialized Housing Zones*" refers to lands identified and designated by local government units as sites for socialized housing pursuant to Article IV of Republic Act No. 7279 and its implementing guidelines; these lands to be identified and designated shall include areas that are presently occupied by the urban poor, as well as those identified as resettlement areas as defined herein.
- (uu) "*Sustainable development*" refers to the development objective of meeting the needs of the present without compromising the ability of future generations to meet their own needs consistent with the principles of social equity, efficiency and environmental integrity.
- (vv) "*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.
- (ww) "*Urbanizable areas*" refers to the sites and land that, considering present characteristics and prevailing conditions, display marked and great potential of becoming urban areas within a period of five (5) years.
- (xx) "*Water security*" is defined as sufficient access throughout the year to the minimum daily requirement of clean water to maintain a healthy life.
- (yy) "*Water use*" is defined as the appropriation of water for domestic, municipal, irrigation, power generation, inland fisheries, poultry and livestock, industrial and commercial, environmental, and recreational use.

(zz) “*Watershed*” refers to attachment areas or drainage basin from which the waters of a stream or stream system are drawn.

(aaa) “*Zoning*” refers to the regulatory tool for delineating the specific uses of lands in accordance with the approved land use plan within the territorial jurisdiction of a city or municipality and specifying the conditions for their regulation, subject to the limitation imposed by law and competent authority.

(bbb) “*Zoning ordinance*” refers to a local legislation passed by the Sangguniang Pambayan or Panglungsod approving the development control/zoning plan, in accordance with an approved or adopted land use plan for the city or municipality, and providing for the regulations and other conditions on the uses of land including the limitation on the infrastructures that may be placed thereon within the territorial jurisdiction of a city or municipality.

CHAPTER II

NATIONAL FRAMEWORK FOR LAND USE PLANNING

Article One

Hierarchy of Physical Framework and Land Use Plans

SEC. 5. *National land use planning and zoning guidelines and standards.* – Within six (6) months from the effectivity of this Act, the Administration shall, in consultation with the concerned sectors through mandatory conduct of public hearings, formulate a national land use planning and zoning guidelines and standards that shall guide all local government units (LGUs) in formulating their comprehensive land use and zoning plans. Standards and guidelines on land use shall be set at the national level for major island groupings based on the data provided by the national base mapping program set forth in Section 26 hereof. Natural closure areas such as watersheds and ecosystems must also be taken into consideration in land use planning.

SEC. 6. *City and Municipal Land Use Plans.* – Consistent with nationally prescribed standards and guidelines pursuant to the preceding section, the cities and municipalities shall, in consultation with the concerned sectors through mandatory conduct of public hearings, prepare their respective land use plans to determine the specific uses of their lands and other physical resources, including the delineation of actual boundaries on the ground within the territorial jurisdiction of the city or municipality and the translation and integration of sectoral plans in their respective land use plans.

SEC. 7. *Provincial and Regional Physical Framework Plans.* – The provinces and the regional land use committees shall, in consultation with the concerned sectors through mandatory conduct of public hearings, prepare their respective provincial and regional physical framework plans that shall define the indicative uses and other physical resources therein and the delineation of actual boundaries on the ground within the territorial jurisdiction of the province based on the nationally prescribed standards and guidelines as well as the city and municipal plans. Provincial Physical Framework Plans (PPFP) shall consolidate, integrate, harmonize, and reconcile the land use plans of the component cities and municipalities of respective provinces. Regional Physical Framework Plans (RPFP) shall

consolidate, integrate, harmonize, and reconcile the land use plans of respective provinces and independent and highly urbanized cities located in the concerned regions. Such plans shall be in consultation with the concerned sectors through mandatory conduct of public hearings.

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

SEC. 9. *National Physical Framework Plan.* – There shall be a hierarchy of plans from the city and municipal, to the provincial, to the regional, and to the national plans. Based on the completed land use plans at the city and municipal level, the PPFP, and the RPPFP, the Administration shall formulate the National Physical Framework Plan or the NPFP. The NPFP shall define the objectives, policies and strategies on the indicative uses of land and other physical resources of the country to guide and support the implementation of the national development plan. Upon its completion, all planning processes pertaining to the use of land resources shall conform to the standards and guidelines set forth therein.

Article Two

Local Land Use Planning and Zoning

SEC. 10. *Basis of City or Municipal Land Use Plans.* – The land use plans of cities and municipalities shall be formulated in consonance with the results of mandatory consultations of the various sectors in the community and subject to the nationally prescribed standards and guidelines pursuant to Section 5 hereof.

SEC. 11. *Coverage of Zoning.* – Zoning shall cover all alienable and disposable lands, government-owned lands, and private lands in the territorial jurisdiction of the city or municipality except those declared protected areas under “protection land use” and “production land use,” as defined under Section 14 herein.

SEC. 12. *Period to conduct land use planning and zoning.* – Within one (1) year from the promulgation of the standards and guidelines set forth by the Administration pursuant to Section 5 herein, all cities and municipalities shall prepare their respective land use and zoning plans. The actual zoning of all communities based on the standards and guidelines promulgated pursuant to Section 5 of this Act is required prior to the formulation of the NPFP.

Article Three *Framework for Land Use Planning*

SEC. 13. *Basic Land Use Planning Considerations.* – In determining the various land uses as provided in Section 22, the physical characteristics of the land, including the following, shall be considered:

- (a) Geology, geomorphology, geologic hazards (seismic, volcanic, sink holes, and landslide, among others), soil composition, terrain and slope;
- (b) Demography (population size, density, urban and rural areas, etc.);
- (c) Economic and related development activities;
- (d) Existing and potential use;
- (e) Environmental and other natural resource constraints; and
- (f) Existing government policies on land allocation, utilization, management and disposition.

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

(a) ***Protection land use*** – the adoption of which intends to protect, preserve and enhance critical ecosystems from any human encroachment; regenerate and rehabilitate degraded land and other physical resources; ensure safeguards against environmental hazards including those resulting from unregulated activities; and, enhance and sustain the benefits derived from maintaining the integrity of the nation's land resources. Areas to be covered under this category are those under the NIPAS as provided by Republic Act No. 7586 and those outside the NIPAS that require rehabilitation and protection as identified by the Department of Environment and Natural Resources (DENR), in coordination with the concerned local government unit, and in consultation with concerned sectors in the community;

(b) ***Production land use*** – the adoption of which aims to determine the most efficient, sustainable, and equitable manner of utilizing, developing and managing land for productive purposes. Areas included under this category are agricultural lands, coastal zones excluded by the DENR that are in environmentally critical conditions, production forest, mineral lands, industrial and/or commercial development areas, and tourism development areas;

(c) ***Settlements development*** – the adoption of which seeks to promote an orderly, equitable, and sustainable development of human settlements responsive to the needs of its inhabitants and the environment. Classification shall be made based on the predominant economic and socio-cultural activities, as urban or rural, and based on the topography and slope of land as upland, hillside, lowland or coastal. Major uses under this category shall include: *residential* – including relocation and resettlement sites for socialized housing as provided in Republic Act No. 7279 and socialized housing zones; *institutional* (i.e., sites of both local and national government offices, education and health facilities); *recreational* –

including parks, urban forests, open and green spaces; and *roads and transportation networks and facilities*; and

(d) **Infrastructure development** – which shall cover areas, identified by LGUs, the National Economic Development Authority (NEDA) and other concerned government agencies as sites for priority infrastructure projects that will include, among others: power plants/stations and major substations; irrigation and flood control; sewerage and drainage facilities; water supply system and treatment plants; airports, seaports, fishports; major roads, bridges, and railway trunklines; farm-to-market roads; agricultural research and development farms and/or stations; waste disposal facilities; telecommunication stations and similar facilities; disaster mitigation facilities; and market sites.

Provided, that the determination of functional uses of lands within ancestral domains need not necessarily follow the land use categories provided in this Act. The concerned ICCs/IP may formulate separate land use categories for delineated ancestral domains, in accordance with their particular needs and traditional resource and management systems and through the assistance of the NCIP.

SEC. 15. *Categories of Water use for planning purposes.* – For purposes of this Act, the categories for water use for planning purposes shall be in accordance with existing laws. Notwithstanding such laws, the categories to be adopted must complement and support the foregoing categories for land use planning. Within six (6) months from the effectivity of this Act, after the conduct of public consultations, the National Water Resources Board (NWRB) and the Administration shall jointly adopt and issue implementing guidelines, rules and regulations that will promote the integration of sound water resource utilization, allocation, management and development with the requirements of rational land use planning.

CHAPTER III **IMPLEMENTING STRUCTURE AND MECHANISM**

Article One **Land Use Policy Administration**

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

SEC. 17. *Executive Board.* – The Administration shall have an Executive Board, hereinafter referred to as the Board, whose main function is to direct the implementation of the provisions of this Act, and shall be composed of nineteen (19) members, to wit:

(a) The Executive Secretary as Chairperson;

- (b) The Director-General of the NEDA as Vice-Chairperson;
- (c) The Secretaries of Environment and Natural Resources; Agriculture; Agrarian Reform; Trade and Industry; Public Works and Highways; Transportation and Communications; Energy; Science and Technology; Tourism; Interior and Local Government; and Justice;
- (d) The Chairperson of the Housing and Urban Development Coordinating Council (HUDCC);
- (e) Four (4) representatives from basic sectors with direct involvement in sustainable land use – *i.e.*, urban poor, peasants, fisherfolk, and indigenous peoples – who shall be appointed by the President based on the nomination and recommendation of the sectors they respectively represent; and
- (f) The Administrator of the LUPA, as *ex-officio* member, who shall likewise act as the Secretary to the Board.

A consultative body composed of seven (7) members from the private sector, particularly the business groups, NGOs and POs, and the academic community shall likewise be convened twice a year.

SEC. 18. *Powers and Functions.* – The Administration shall have the following powers and functions:

- (a) Formulate policies on, and promulgate, in consultation with all concerned sectors, national and regional standards and guidelines on land use and physical planning, and issue corresponding rules and regulations to enforce compliance thereof;
- (b) Formulate a National Physical Framework Plan and its regional counterparts based on the land use plans at the local levels that shall serve as guide in translating the National Development Plan into physical and spatial terms;
- (c) Establish a National Land Use Information System, which shall integrate and process information on land use an allocation generated by the various national government agencies, define information requirements at various levels, and standardize information inputs/outputs including scales and symbols in the case of territorial and sectoral maps;
- (d) Undertake the gathering of data, the conduct of studies pertaining to land use planning, including studies on the management of identified lands uses, and such other studies not undertaken by other government agencies;
- (e) Review the physical framework and/or land use plans adopted by provinces and highly urbanized and independent cities, to ensure consistency with the National Land Use Planning and Zoning Guidelines and Standards as provided in Section 16, hereof; 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;

- (f) Issue the planning guidelines and initiate the preparation of the physical framework and land use plans at the regional and local levels, respectively. A mechanism for the translation of sectoral plans into spatial and physical dimensions for integration into the various local land use plans shall likewise be formulated.
- (g) Oversee and monitor concerned government agencies and entities of the government in the enforcement and implementation of policies and regulations related to land use and resources management and development.
- (h) Coordinate with, and assist other government agencies, LGUs, and instrumentalities in planning, developing, and implementing their land use classification programs, and to furnish, to the extent possible, technical assistance and guidance.
- (i) Hear and resolve conflicts in land use planning, classification, and allocation that may arise between agencies of the national government, between national and local, national and regional, and/or regional and local planning or development agencies, including local government units subject to Section 24 and 25, hereof.
- (j) Call on and deputize any department, bureau, office, agency or instrumentality of the government, including the police forces, and /or private entities and organization for cooperation, support and assistance in the performance of its functions.
- (k) Adopt its own organizational plan and staffing pattern, and create central and regional offices for an effective and efficient way of providing service to the people.
- (l) Perform such other functions, and exercise such other powers as may be necessarily implied, inherent, incidental to, or related to the foregoing.

SEC. 19. *Offices, Units and Staff Support.* – The Administration shall be assisted by a Secretariat under the general supervision and control of the Administrator.

SEC. 20. *Powers and Functions of the Administrator.* – The Administrator shall have the following powers and functions:

- (a) Act as the Executive Head of the Administration and perform the powers and functions incident to said position;
- (b) Be responsible for the implementation and overall execution of the policies, rules and regulations, and decisions adopted by the Board; and as such, the Administrator shall issue the corresponding implementing administrative issuances, and promulgate opinions and interpretative circulars and rulings to ensure expeditious and effective implementation thereof; and
- (c) Perform such other powers and functions as may be inherent, incidental, or related to the foregoing.

Any decision of the Administrator may be appealed to the LUPA Board within thirty (30) days upon receipt of such decision by the person or party aggrieved therefrom.

SEC. 21. *Qualifications of the Administrator.* – No person shall be appointed Administrator of the LUPA unless he or she is a citizen and resident of the Philippines, of good moral character, and of proven competence in any of the following fields: (a) environment and/or physical planning; (b) land resources management; or (c) development planning and management, for a period of ten (10) years. The Administrator shall be appointed by the President and shall have the rank of a Cabinet Secretary.

The Administrator shall be at least thirty-five (35) years of age on the date of their appointment, of good moral character, and recognized executive ability and competence in previous public or private employment.

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

The Deputy Administrator shall be the operational administrative manager of the LUPA and shall assist the Administrator in whatever capacity and perform other functions and duties that may be assigned to him or her by the Administrator.

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

Article Two

Adoption, Approval and Review of Land Use Plans

SEC. 24. *Component cities and municipalities.* – Component cities and municipalities shall have the power and authority to adopt and approve their respective land use plans through their respective Sanggunians and the enactment of zoning ordinances but subject to the power of review of their respective provinces.

SEC. 25. *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 land use plans through their respective Sanggunians and the enactment of zoning ordinances but subject to the power of review of the Administration, through its Regional Land Use Committees. Until such time that the Administration shall have created its counterpart committees at the regional level, the Regional Land Use Committees under the Regional Development Council shall act as the counterpart of the Administration and shall perform such functions as defined under this Act.

Article Three

Responsibilities of the National Government Agencies and Local Government Units

SEC. 26. *National Base Mapping Program.* – A National Base Mapping Program shall be implemented, coordinated, and monitored through the creation of an inter-agency technical committee composed of the LUPA, as the lead agency, the National Mapping and Resources Information Authority (NAMRIA), the Bureau of Soils and Water Management (BSWM), the Forest Management Bureau (FMB), the Land Management Bureau (LMB), the Protected Areas and Wildlife Bureau (PAWB), the Philippine Institute of Volcanology and Seismology (PHIVOLCS), the Department of Agrarian Reform (DAR), the National Water Resources Board (NWRB), and other concerned government agencies.

For purposes of uniformity and standardization, the LGUs, properly 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.

SEC. 27. *National Geo-hazard Mapping Program.* – A Geo-hazard Mapping Program on a national to regional scale shall be implemented jointly through LUPA, by the PHIVOLCS, the Philippine Atmospheric Geophysical and Astronomical Services Administration (PAGASA), and the Mines and Geologic Bureau (MGB), in coordination with the National Disaster Coordinating Council (NDCC), the Regional Disaster Coordinating Councils, and other concerned government agencies. The program shall include the generation of indicative geo-hazard zoning maps that will outline areas in the Philippines prone to ground rupturing, liquefaction, landslides, flooding, river erosion, coastal erosion, sinkhole collapse, earthquake, tsunami, lava flows, lahar flows, pyroclastic flows, base surge, and other similar natural hazards.

For purposes of uniformity and standardization and in order to develop a safe environment, the LGUs shall incorporate and integrate the generated geo-hazard zoning maps in the preparation of their respective PPFP, Development Master Plans, and CLUPs. Said geo-hazard maps shall serve as guide for all the LGUs in the preparation of their own hazards-constrained PPFP, Development Master Plans and Land Use Zoning Plans.

SEC. 28. *Scope and Nature of Responsibilities of Other National Government Agencies.* – All concerned national government agencies or bodies shall periodically report to the Administration 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 Administration relative to the implementation of the provisions of this Act.

SEC. 29. *Monitoring the Implementation of the Physical Framework and Land Use Plans.* – The local development councils shall submit an annual report on the implementation of their land use plans and zoning ordinances to the LUPA through the *Sanggunian Panlalawigan* or in the case of highly urbanized and independent cities, through their respective *Sanggunians*.

Article Four
Local Land Use Committee

SEC. 30. *Local Land Use Committee.* – Local government units without existing Local Development Councils, as mandated by Republic Act No. 7160 shall create their respective Local Development Councils (LDCs) within one (1) year from the effectivity of this Act. Henceforth, existing and newly formed LDCs shall create within one (1) year from the effectivity of this Act or from their creation, as the case may be, a Local Land and Water Use Committee to assist them in performing such functions as defined in this Act: *Provided, That* membership therein must 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 likewise be invited during committee deliberations and public hearings.

CHAPTER IV
SPECIAL AREAS OF CONCERN

Article One
Agricultural Lands

SEC. 31. *Priority Areas for Agricultural Development.* – Prioritizing 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.*”

SEC. 32. *Conversion of Agricultural Lands.* – Agricultural lands are deemed converted to non-agricultural uses upon approval of the application for conversion by the DAR. Pending the completion of the mapping, the identification of specific areas under the NPAAAD and SAFDZs, and the approval of the National Physical Framework Plan, there shall be a moratorium in all applications for conversion of agricultural lands into non-agricultural uses commencing from the effectivity of this Act.

Thereafter, 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 shall be determined by the Department of Agriculture (DA) with mandatory consultations with LGUs, private sector, NGOs and POs – shall be protected from conversion. Moreover, such protection shall include, but not limited to, areas under the NPAAAD: *Provided, That* all irrigated and irrigable lands, all lands with existing or potential for high value crops and all agricultural lands that are ecologically fragile and whose conversion will result into serious environmental problems shall be given full protection from conversion. Such protected agricultural lands and areas, mentioned herein, shall be subject to review every five (5) years by the DA, after the conduct of mandatory public hearings.

Consistent with the State policy on giving priority to the completion of the CARP, all the remaining lands under the CARP, including those lands covered under the notice of compulsory acquisition/voluntary offer to sell, production of profit-sharing, and commercial farm deferment of the CARP, shall likewise be fully protected from any conversion pending

the distribution and installation of the farmer beneficiaries. Thereafter, Section 65 of Republic Act No. 6657 shall apply.

The DAR shall not give due course to any application for conversion of these protected areas, mentioned in this section.

SEC. 33. *Land Sub-classification by LGUs.* - Sub-classification of agricultural lands to other uses, which shall exclude the protected agricultural lands, as stated in the preceding section, by the LGUs shall be governed by Section 20 of Republic Act No. 7160 or the "Local Government Code of 1991." The result of such sub-classification shall constitute the actual plan for allocating the future uses of lands within the territorial jurisdictions of LGUs and is not synonymous to conversion. After the completion of the mapping, the DA and DAR shall provide the LGUs with a complete list and maps of protected agricultural lands.

Article Two

Other Land Use Conversion

SEC. 34. *Conversion of Non-Agricultural Lands.* - The approved land use plans and zoning ordinance of cities or municipalities shall be the basis for authorizing the change of non-agricultural lands to other uses, such as from residential to commercial and/or industrial subject however to national guidelines and standards, and subsequently, the National Physical Framework Plan upon its approval. A public hearing is required before any land use plan or zoning ordinance is passed. The *Sangguniang Panglungsod* or *Pambayan* shall approve any application for change of land use of non-agricultural lands based on the recommendation of local land use committees.

Article Three

Coastal Zones

SEC. 35. *Classification of Coastal Zones.* - All public lands in the coastal zones shall be sub-classified as fishponds, mangrove, fisherfolk settlement and recreation or tourism areas.

SEC. 36. *Guidelines for the Allocation and Utilization of Lands within the Coastal Zones.* - The allocation and utilization of lands within the coastal zones shall be guided by the following:

- (a) Areas vegetated with mangroves species shall be preserved for mangrove production and will 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 devoid of any mangrove stands may 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 such lands devoid of mangrove stands will not be converted to other uses. The DENR shall ensure that these lands are reforested within a given period of time.

- (d) Areas that are neither sub-classified as mangrove or fishpond may be devoted for recreational and/or tourism purposes, provided such undertaking will not result in environmental degradation.
- (e) Areas that are considered as traditional fishing grounds shall be used primarily for such purpose.
- (f) Areas that are allocated for small infrastructure needed by fisherfolk shall be allowed.
- (g) Areas that 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.
- (h) Areas that are classified for fisherfolk settlement and housing shall be allocated to:
 - (1) traditional fishers who are inhabitants of the coastal communities; and
 - (2) members of legitimate fisherfolk organizations who participate in coastal resource management initiatives and/or holders of stewardship, lease contracts and CADC/CADT or any form of property rights arrangements.

SEC. 37. *Coastal Zones Land Sub-classification by LGUs.* - Sub-classification of coastal zones to different uses, which shall exclude the protected areas, as stated in this Act, may be made by the LGUs with prior consultation with local FARMCs.

SEC. 38. *Reversion of Fishponds to Mangrove.* - Fishponds covered by existing fishpond lease agreement, but, are abandoned or not operating efficiently, and are found suitable for mangroves shall be allowed to be reverted back as mangrove forest.

Article Four *Production Forest*

SEC. 39. *Coverage of Production Forest.* - Production forests include the residual dipterocarp forests; pine forests available for logging; rangelands for grazing; areas under industrial forest plantation management; areas for community forest program's integrated social forestry; and other forestlands for special uses excluding critical watersheds as identified by the DENR, in coordination with concerned LGUs and national government agencies, and in consultation with concerned sectors. Based on slope classification, production forests are those within the eighteen (18) to fifty (50) percent slope regardless of forest cover.

SEC. 40. *Criteria for the Sub-classification of Public Lands for Timber Production, Agro-forestry, Grazing and Pasture, and other Purposes.* - The sub-classification of public lands shall be guided by the following:

- (a) Geology, geomorphology, soil and slope;

- (b) Classified public lands within the eighteen (18) to fifty (50) percent slope shall be sub-classified for timber production, agro-forestry, grazing or pasture land activities, provided that the use of such areas shall not result in soil degradation or any adverse ecological condition;
- (c) Watershed may be subject to multiple uses, provided that the area is utilized, managed and developed for the primary purpose by which it has been established, excluding critical watersheds as identified by the DENR, in coordination with concerned LGUs and national government agencies, in consultation with concerned sectors;
- (d) All public lands above fifty (50) percent slope shall be sub-classified into appropriate protection or production land uses, provided that such land use shall not engender significant adverse environmental effects; and
- (e) The overall carrying capacity of classified public lands, including their existing and potential land uses shall serve as the basis for determining their sub-classification.

Article Five

Mineral Lands

SEC. 41. *Guidelines for the Utilization and Allocation of Lands for Mining Purposes.* – To ensure that the objectives of maintaining ecological balance and maximizing economic returns to mining operations are realized and consistent with Republic Act No. 7942 otherwise known as the “Philippine Mining Act of 1995”, the allocation and utilization of lands for mining purposes shall be guided by the following:

- (a) Mining operations shall be undertaken with due consideration to the utilization, development and protection of land and other physical resources;
- (b) Small-scale mining shall be allowed provided safeguards are instituted to prevent environmental degradation of the mining site and adjacent areas; and
- (c) Mineral reservations that had become non-operational for more than five (5) years shall be placed under appropriate surface management by the DENR.

SEC. 42. *Reversion of Mineral Lands.* – All exhausted mineral lands shall automatically revert to the category of forest lands, unless otherwise the DENR has classified such areas for other purposes: *Provided, however, that* in the case of mineral lands with slope below eighteen (18) percent and outside the areas under protection land use, the DENR shall recommend to Congress their further classification as alienable and disposable land of the public domain.

SEC. 43. *Criteria for the Classification of Mineral Lands as Alienable and Disposable Lands.* – Exhausted mineral lands shall be classified as alienable and disposable lands upon the satisfaction of all of the following conditions:

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

- (b) The rehabilitation of exhausted mineral lands can be accelerated if such areas are released for other purposes;
- (c) The area can promote and sustain economic activities that would support development of settlements, without incurring significant environmental problems. The area shall then be subject to an environmental impact assessment, the findings of which shall serve as basis for making any recommendation on its re-classification; and
- (d) The land is found to be environmentally safe from natural hazards.

Article Six *Industrial Development Sites*

SEC. 44. *Designation of Industrial 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, Republic Act No. 7279, otherwise known as the Urban Development and Housing Act of 1992, Republic Act No. 6657, otherwise known as the Comprehensive Agrarian Reform Law, and Section 32, hereof, taking into consideration the following:

- (a) Identified network of areas for agricultural development and protected agricultural areas pursuant to Sections 32 and 33, hereof;
- (b) National policies on the regional dispersal of industries and agri-based industrial development;
- (c) Identified growth areas and corridors in the National Development Plan;
- (d) National Integrated Protection Area System and other protected areas;
- (e) National Urban Development Framework;
- (f) Identified Socialized Housing Zones;
- (g) National Settlements Development Plan; and
- (h) National Infrastructure Development Plan.

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. 45. *Designation of Tourism Development Areas.* - The identification, selection and development of tourism development areas shall be done in consultation and

coordination with concerned LGUs, national government agencies, the private sector, and the affected communities. Consistent with Section 32 hereof, these areas shall likewise include those covered by legislation and other executive issuances.

Article Eight

Natural Resources

SEC. 46. *Reversion of Alienable and Disposable Lands to Forestlands.* – Upon the recommendation of the Secretary of the DENR, duly reviewed and endorsed by the Administration, and after due consultations with the concerned LGUs and affected parties, Congress may authorize the reversion of alienable and disposable lands of the public domain or portions thereof to forestlands

SEC. 47. *Determination of Forest Limit.* – Within one (1) year after the release of the budget appropriated for the purpose of classifying, reclassifying and delineating all lands of the public domain, the DENR shall submit the final inventory of lands after which, Congress shall within a period of one hundred twenty (120) session days, determine by law the specific limit of forestlands and national parks. Thereafter, such forestlands and national parks shall be conserved and may not be diminished, except by law.

SEC. 48. *Priority Watershed Areas.* – The DENR, in coordination with the DA, the LGUs, and other government agencies, including government-owned and controlled corporations and in consultation with concerned sectors, shall identify and delineate critical watershed areas that need to be reforested and/or withdrawn from other uses.

SEC. 49. *Management and Development of Inland Water Resources.* – Management of inland water shall be at the watershed level. The Municipal Development Council with assistance from the DENR and other concerned agencies shall undertake the preparation for an integrated land and water use plan. An authority responsible for the formulation and implementation of the watershed management plan shall be formed at the watershed level. The watershed authority shall be composed of concerned line agencies and community stakeholders.

Article Nine

Settlements Development

SEC. 50. *Town, City and Settlements Development.* – The development of town, city and settlements through the zoning ordinances of cities and municipalities shall be guided by zoning standards formulated by the LUPA.

SEC. 51. *Settlements with Geo-hazard Areas.* – Settlements within geo-hazard areas may be allowed provided that mitigating and/or protective measures are adopted to address the potential danger or risk to lives and property within such settlements. In coordination with the concerned agencies of government, the LUPA shall provide assistance to concerned LGUs and settlers in instituting safety and corrective measures to address the potential danger or risk.

SEC. 52. *Protection of Ecological Harmony.* – To ensure the ecological harmony of town, city and settlements, certain projects that can alter the present use of a zoned area shall not be issued a building permit, business permit, and/or development permit unless approved by the LUPA. The identification of these projects shall be done in coordination with the LGU concerned.

SEC. 53. *Designation of Waste Disposal Sites.* – Each city or municipality shall identify, designate and allocate land within their territorial jurisdiction to serve as waste disposal site within one (1) year from the effectivity of this Act. The LGUs, in coordination with the DENR and/or competent authority, shall identify solid waste disposal sites in order to fast track the conduct of environmental impact assessment study and to facilitate processing of the environmental compliance certificate. This site or area shall be identified in the city or municipality's land use plan and zoning ordinance. 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 program by cities and municipalities, and shall submit the same to the Administration for review and approval.

SEC. 54. *Designation of Socialized Housing Sites in Urban and Urbanizing Areas.* – Each city or municipality in urban and urbanizing areas shall identify, designate and allocate land within their territorial jurisdiction to be used as sites for socialized housing pursuant to Article IV of Republic Act No. 7279. The local government units, in coordination with the Administration and the HUDCC, shall identify and designate socialized housing sites to ensure the availability of adequate land to meet the shelter needs of urban poor residents in their respective city or municipality. These socialized housing sites shall be identified and designated as socialized housing zones in the city's or municipality's land use plan and shall be established through appropriate zoning ordinances.

Within ninety (90) days from the effectivity of this Act, the Administration, in coordination with concerned agencies, pursuant to *HUDCC Resolution No. 521, Series of 1992, Executive Order No. 124, Series of 1993* and other pertinent guidelines on the matter, shall promulgate the necessary guidelines for the identification and designation of socialized housing sites. All cities and municipalities in urban and urbanizing areas shall identify and designate their socialized housing sites within one (1) year from the effectivity of this Act and must submit the list of these sites and their respective hectarage to the HUDCC. These sites shall be used exclusively for housing that qualifies as socialized housing as defined in Republic Act No. 7279.

SEC. 55. *Zonification of the Identified Site for Socialized Housing.* – The identified sites for socialized housing shall be located in residential zones, identified by the city or municipality's Zoning Ordinance duly approved by the HLURB. However, for cities and municipalities where the identified sites are not within the said residential zones, the location shall be within the priority sites and those which conform with the suitability criteria as defined in Section 6.3 and 6.4 of the Guidelines in *HUDCC Resolution No. 521, Series of 1992*. The identified sites shall be zoned as socialized housing zones as defined herein.

The current Zoning Ordinance of the LGUs therefor shall be reviewed and revised such that the socialized housing component shall be integrated.

SEC. 56. *Valuation of Lands for Socialized Housing.* – Equitable land valuation guidelines for socialized housing shall be set by the Department of Finance (DOF) on the basis of the market value reflected in the zonal valuation, or in its absence, on the latest real property tax declaration. For sites already occupied by qualified beneficiaries under Republic Act No. 7279, and sites identified as Socialized Housing Zones as defined in this Act, the DOF shall factor into the valuation, the blighted status of the land as certified by the local government unit or the National Housing Authority.

SEC. 57. *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 Administration.

Article Ten *Infrastructure Development*

SEC. 58. *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 (NGA), the LGUs and the private sector shall identify and periodically review, update and/or revise the list of priority infrastructure projects. In determining and evaluating the list of priority infrastructure projects, consideration shall be given to those that:

- (a) Respond to immediate and vital requirements of the national economy with priority on food security and self-sufficiency concerns;
- (b) Upgrade existing facilities to international standards;
- (c) Address the need for sustainable settlements development; and
- (d) Help mitigate the destructive effects of natural disaster-causing phenomena or those that shall serve as alternative to existing infrastructures found in natural hazard-prone areas.

Provided that, the provision and implementation of infrastructure support shall be made compatible with existing environmental conditions and the physical, whether natural or man-made, and cultural character of the area. Mandatory public consultations shall be held prior to the conduct of all infrastructure projects that will necessarily involve dislocation or displacement of people living in the area; *Provided further, that* the concerned NGA that will implement the infrastructure projects in areas occupied by the urban poor and in identified socialized housing zones shall follow the rules on mandatory consultations, as stated in the provisions of the “Local Government Code of 1991”, as well as the rules on just and humane demolitions or evictions under Section 28 of the “Urban Development and Housing Act of

1992” and the said NGA shall submit a report complying with the aforementioned provisions of law to the concerned LGU prior to project implementation

SEC. 59. *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 and/or and environment impact assessment in accordance with Presidential Decree Nos. 1586 and 4846 for areas of unique historical, archaeological, or scientific interest.

Existing infrastructures found to be improperly located as well as those posing threats to the environment, integrity of historical, archaeological, or scientifically significant areas, or impinging on critical ecosystems may be terminated immediately, or gradually phased out and relocated, or maintained up to their life span, subject however to mitigating measures: *Provided, that* the concerned NGA that will implement the infrastructure projects in socialized housing zones are mandated to follow the rules on mandatory consultations, as stated in the provisions of the Local Government Code, as well as the rules on just and humane demolitions or evictions under Section 28 of Republic Act No. 7279: *Provided further, that* said NGA shall submit a report complying with the aforementioned provisions of law to the concerned LGU prior to project implementation.

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

Article Eleven

Fisheries Preservation

SEC. 60. *Disposition of Public Lands for Fishpond.* – Upon effectivity of this Act, no fishpond lease agreement (FLA) shall be issued for tidal swamps, mangroves and other swamps, marshes, ponds, foreshore land and coastal areas within public lands including those presently declared available for fishpond development; *Provided, however,* that existing fishponds covered by FLAs shall be exempted from this provision.

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

SEC. 61. *Immediate Restoration of Converted Mangrove Areas.* – The Administration, in coordination with FARMCs and other concerned agencies shall immediately take steps in the restoration of all abandoned, undeveloped and underutilized fishponds to their original mangrove state.

SEC. 62. *Tourism and Recreation Zone.* – The designation of areas for tourism and resorts near to, or over fishery areas or ports thereof, shall be with the consent of concerned LGUs and FARMCs, subject to the policies and guidelines of this Act.

Article Twelve
Education and Value Formation

SEC. 63. *Mandatory Curriculum Content.* – In order to create a well-informed, responsive and critical citizenry who value the protection, conservation and development of the country's limited land and other physical resources, the State shall mandate the inclusion of sustainable land use education, or any subject related thereto in the curricula of primary, secondary and tertiary education.

SEC. 64. *Information and Education Campaign.* – The Administration shall coordinate a nationwide education information campaign in land use and physical planning to be implemented by local and national government agencies. The DILG and concerned agencies shall formulate and implement a land use management capability-building program for national and local government officials, community leaders, NGOs, POs, religious sector, and the general public.

CHAPTER V
INCENTIVES, SANCTIONS AND PENALTIES

Article One
Incentives and Awards

SEC. 65. *Formulation of a System of Incentives and Awards.* – The Administration shall come out with a system of incentives and awards to LGUs that regularly update their Comprehensive Land Use Plans and/or Zoning Ordinances within the prescribed period as follows:

- (a) Provinces, Highly Urbanized Cities, and Independent Cities – once every ten (10) years or less; and
- (b) Component Cities and Municipalities – once every five years or less.

SEC. 66. *Priority in Giving Technical Assistance to LGUs.* – National government agencies shall give priority to cities and municipalities with approved development plans or zoning ordinances in terms of providing technical assistance and other forms of support as may be deemed necessary.

Article Two
Sanctions and Penalties

SEC. 67. *Fine on Non-completion and Non-commencement of Development of Agricultural Lands with Approved Order of Conversion.* – Any landowner and/or his designated developer or duly authorized representative, who fails to commence and/or complete the development of agricultural lands with approved order of conversion shall be penalized, jointly and 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 (1) year from the date of the order of conversion:

- (1) Six percent (6%) for the first three hectares;
- (2) Fifteen percent (15%) for the next three hectares; and
- (3) Thirty percent (30%) for the remaining area.

Provided, that in such case, the order of conversion shall be revoked, by operation of law, and revert back to its original use as agricultural land and shall be covered by the DAR through compulsory acquisition for distribution to qualified beneficiaries.

(b) On failure to complete sixty percent (60%) of the approved conversion time with a specified time frame, the DAR shall automatically issue an order revoking the conversion plan on the undeveloped portion, which shall revert back to its original use as agricultural land. The said land shall be covered under the CARP and processed for land distribution as soon as possible.

SEC. 68. *Authority to Impose Fine.* – The DAR shall impose the penalty provided under the preceding section.

SEC. 69. *Withdrawal of Local Development Permits and/or Licenses.* – Upon receipt of notice from the DAR, the concerned agencies, city or municipality shall withdraw and/or revoke any development permit and/or other licenses that may be necessary to develop the agricultural land subject of conversion.

SEC. 70. *Utilization of Fines.* – The fines collected under Section 67 hereof shall automatically accrue to the Agrarian Reform Fund consistent with the provision of Republic Act No. 6657.

SEC. 71. *Failure to formulate, enforce, and/or implement the Comprehensive Land Use Plans (CLUPs) and Zoning Ordinances (ZOs).* – Consistent with due process, the Administration in coordination with the DILG shall investigate, review and recommend the filing of charges against local chief executives and other local officials and employees responsible for the formulation, enforcement, and/or implementation of the CLUPs in case of any of the following:

- (a) Failure to implement and enforce the CLUP and/or ZO due to negligence of duty;
- (b) Failure to provide appropriate budgetary allocation to effect its implementation;
- (c) Failure to complete the preparation of the CLUP despite the availability of funds, resources, and support by the *Sanggunian* concerned; and
- (d) Failure of the CLUPs and/or ZOs to conform to the prescribed national guidelines and standards as provided in Section 5, hereof and thereafter, with the National Physical Framework Plan as stated in Section 9, hereof.

Any public official or employee, regardless of whether or not elected or appointed or holding office or employment in a casual, temporary, holdover, permanent or regular capacity, found to be responsible 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 allowance and suspension from:

- (1) Six (6) to nine (9) months, in case of non-implementation of the CLUP and/or ZO;
or
- (2) Three (3) to six (6) months, in case of non-completion of the CLUP and/or ZO.

SEC. 72. *Premature or Illegal Conversion.* – Paragraph 2, Section 11 of Republic Act No. 8435, otherwise known as the “*Agricultural and Fisheries Modernization Act of 1997*”, is hereby amended to read as follows:

“Any person found guilty of premature or illegal conversion as defined in this Act shall be penalized with imprisonment of **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 accessory penalty of forfeiture of the land and any improvements thereon: **PROVIDED THAT IF THE OFFENDER IS A JURIDICAL PERSON, THE PENALTY SHALL BE IMPOSED ON THE RESPONSIBLE OFFICER THEREOF.**”

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

- (a) Cancellation or withdrawal of the authorization for land use conversion; and
- (b) Blacklisting or automatic disapproval of pending and subsequent conversion applications that may be filed with the DAR by the same persons, natural or juridical.

SEC. 73. *Person(s) abetting illegal conversion.* – Any person initiating, causing, inducing, or abetting illegal conversion shall, upon conviction, be imprisoned for not less than seven (7) years but not more than twelve (12) years and pay a fine of not less than two hundred fifty thousand (P250,000.00) pesos, or both at the discretion of the court: *Provided, that* if the offender is a public official or employee, the penalty shall, in addition thereto, include perpetual disqualification to hold public office and forfeiture of all his/her benefits and entitlements accruing to his public position

SEC. 74. *Imposition of Penalty for Reclassification of Protected Agricultural Lands.* – Any person initiating, causing, inducing, or abetting the reclassification of protected agricultural areas as defined in Section 32 hereof, into non-agricultural uses shall be punished with imprisonment of not less than seven (7) years but not more than twelve (12) years and a fine of not less than two hundred fifty thousand (P250,000.00) pesos, or both at the discretion of the court: *Provided, that* if the offender is a public official or employee, the penalty shall, in addition thereto, include perpetual disqualification to hold public office and forfeiture of all his/her benefits and entitlements accruing to his public position; *Provided, further, that* if the offender is a juridical person, the penalty shall be imposed on the responsible officers thereof.

CHAPTER VI MISCELLANEOUS, TRANSITORY AND FINAL PROVISIONS

Article One *Mandatory Review*

SEC. 75. *Mandatory Review Every Seven Years.* – Congress shall undertake a mandatory review of this Act at least once every seven (7) years from the effectivity of this Act, or as often as it may deem necessary to ensure that land use policies and guidelines remain responsive to changing circumstances. For this purpose, Congress may call on the Administration to undertake the necessary researches, consultations and public hearings.

Article Two *Transitory Provisions*

SEC. 76. *Convening of the Administration.* – Within thirty (30) days after the effectivity of this Act, the Executive Secretary, as Chairman, shall convene the LUPA. The Deputy Director General for Land Use of the NEDA and the Chief Executive Officer of the HLURB shall sit temporarily as *ex-officio* members of the LUPA Executive Board until such time that a regular Administrator shall have been appointed by the President.

SEC. 77. *Preparation of Implementing Rules and Regulations and other immediate tasks.* – Within one hundred twenty (120) days from the effectivity of this Act, the Administration, in coordination with the Senate and House Committees on Natural Resources, Agriculture, Agrarian Reform, Housing and Urban Development, Rural Development, National Cultural Communities, Appropriations and Ways and Means, shall undertake the preparation of the implementing rules and regulations of this Act with mandatory consultations with social development NGOs and POs and the private sector.

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

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

Within one (1) year from the effectivity of this Act, the Administration shall review and revise, if appropriate, all existing national planning guidelines and standards to facilitate the exercise of land use planning and zoning functions of local government units.

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

SEC. 78. *Effectivity of the Reconstitution of the National Land Use Committee (NLUC) into the LUPA.* – Until such time that the LUPA has been organized and fully operational, the NLUC and the HLURB shall continue exercising their powers and functions

and their personnel shall receive the same salary, emoluments and privileges. Hiring, separation, replacement and appointment of personnel shall be in accordance with existing Civil Service rules and regulations: *Provided, however, that* preferential consideration shall be given to existing officers and employees of the NLUC and HLURB who possess the appropriate and necessary skills and eligibility and meets the qualification standards for the positions.

SEC. 79. *Appropriations.* – The amount necessary to carry out the provisions of this Act shall be included in the General Appropriations Act of the year following its enactment into law and thereafter.

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

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

SEC. 80. *Review of existing land use plans.* – Provinces, cities and municipalities with existing land use plans shall review, revise, reconcile and harmonize the same with the guidelines and standards set forth under this Act.

Article Three *Final Provisions*

SEC. 81. *Repealing Clause.* – Section 9 of Republic Act No. 8435 and all other laws and administrative issuances are hereby modified by Section 32 hereof. All other general and special laws, acts, decrees, executive orders, proclamations, administrative rules and regulations, or part thereof, inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 82. *Separability Clause.* – If for any reason any section or provision of this Act, or any portion thereof, or the application of such section, provision or portion to any person, group or circumstances is declared invalid or unconstitutional, the remainder of this Act or the application of such section, provision or portion thereof to other persons, groups or circumstances shall continue to be in full force and effect.

SEC. 83. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved.