

Land Use Reclassification and Land Use Conversion in the Philippines: Inter-agency complementations and overlaps

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INTRODUCTION

Reclassification of agricultural land refers to the act of specifying how agricultural lands shall be utilized for non-agricultural uses such as residential, industrial, commercial, as embodied in the land use plan, subject to the requirements and procedure for land use conversion, undertaken by a Local Government Unit (LGU) in accordance with Section 20 of Republic Act (R.A.) 7160 and Joint Memorandum Circular (MC-54-1995) by the Housing and Land Use Regulatory Board (HLURB), Department of Agriculture (DA), Department of Agrarian Reform (DAR) and Department of Interior and Local Government (DILG). It also includes the reversion of non-agricultural lands to agricultural use (DAR, 2002).

Land Use Conversion is the act or process of changing the current physical use of a piece of agricultural land into some other use or for another agricultural use other than the cultivation of the soil, planting of crops, growing of trees, including harvesting of produce therefrom, as approved by DAR (DAR, 2002).

Land classification, reclassification and conversion laws

R.A. 6657 or the Comprehensive Agrarian Reform Law, allows the conversion of awarded lands under the Comprehensive Agrarian Reform Program (CARP) after the lapse of five (5) years from the granting of the award, if they are no longer economically feasible and sound for agricultural purposes, or the locality has become urbanized giving the subject lands greater economic value for residential, commercial or industrial purposes.

R.A. 7916 or Special Economic Zone Act identifies areas for economic zone development and prescribes the manner of identifying such areas.

R.A. 7160 or Local Government Code of 1991 provides the rules for reclassification of agricultural lands at the local level in terms of authority, grounds for reclassification and limitations.

R.A. 8435 or the Agricultural and Fisheries Modernization Act (AFMA) provides for the delineation of Strategic Agriculture and Fisheries Development Zones (ZAFDZs), preparation of land use and zoning ordinance as well as penalty for agricultural inactivity and premature conversion.

DA Administrative Order No. 01, Series of 2017: Guidelines on the Issuance of Certification for Land Use Reclassification provides the principles, procedures and documentary requirements for processing and approval of land use reclassification. It derives legal bases from pertinent sections of the Philippine Constitution, relevant Executive Orders, R.A. 6657, R.A. 8435 and DA's Charter of Agricultural Lands.

DAR Administrative Order No. 01, Series of 2002: Comprehensive Rules on Land Use Conversion provides for effective means of evaluating applications for land use conversion by the DAR regional and central offices.

Complementations and overlaps

The functions of national government agencies and local government units (LGUs) vis-a-vis land classification, reclassification and conversion are presented in Table 1. DAR has the exclusive authority to approve or disapprove the conversion of agricultural lands. However, there are six agencies involved in certain steps leading to land use reclassification and conversion.

Table 1. Functions of various agencies on land use reclassification and conversion

Agency	Functions and Certifications
Department of Agriculture (DA)	Status of classification of subject land under the Network of Protected Areas for Agricultural and Agro-Industrial Development (NPAAAD) and Strategic Agricultural and Fisheries Development Zones (SAFDZ)
	Status of irrigation coverage
	Whether or not the land has ceased to be economically feasible and sound for agricultural production
	Eligibility/non-eligibility for reclassification of agricultural land
Department of Agrarian Reform (DAR)	Status of coverage under the CARP and presence of farmers, tillers or occupants
	Recommends the grant or request for reclassification
	Issuance of Conversion Order
Department of Environment and Natural Resources (DENR)	Inclusion/non-inclusion of subject land in the Network of Protected Area System (NIPAS)
	Environmentally Critical Area (ECA) or will involve an Environmentally Critical Project (ECP)
Department of Trade and Industry (DTI)	Allocation of lands for development of agro-industrial centers
Housing and Land Use Regulatory Board (HLURB)	Actual zoning and classification of subject land based on Comprehensive Land Use Plan (CLUP)
Land Bank of the Philippines (LBP)	Payment of obligations by the applicant landowner of CARP-awarded lands
Local Government Units (LGUs)	Reclassification of lands

DA's processes on land reclassification complement DAR's procedures on land use conversion. Provisions on coverage for DA's A.O. 1, Series of 2017 and DAR's A.O. 2, Series of 2002 are mutually consistent. Reclassification is a pre-requisite for land conversion. However, in some case or location, certain documentary requirements in the reclassification process which are likewise required in the land use conversion process are being secured twice which lengthens the process and increases transaction cost.

Although DAR has the exclusive authority to approve or disapprove conversion of agricultural lands under RA 6657, LGUs are authorized to classify lands under Section 20 of the Local Government Code, and are mandated to exercise such authority in accordance with the Office of the President (OP) MC 54 dated June 8, 1993. Conversion in fact may be allowed even if the property has not yet been reclassified to non-agricultural use. (Arlanza *et. al.*, 2006).

The National Land Use Act (NLUA) Policy Brief by NES Philippines cited certain overlaps between and among the other related laws on land classification and reclassification. For instance, R.A. 8435 or AFMA, which identifies a network of protected areas for agriculture and agro-industrial development, in effect impinges on existing laws on protected areas under the DENR. Likewise, R.A. 8850 or the Philippine Fisheries Code (PFC) has provisions that run counter to earlier laws defining the utilization and disposal of mangroves.

CONCLUSION

The agencies involved have clear functions and contributions vis-a-vis the process of land use reclassification and conversion based on their inherent mandates. In order to avoid unnecessary additional costs in securing clearances due to documentary requirements there is a need to further review and streamline the procedures on land-related transactions by, between and among the agencies. This can contribute to a reduction in the cost of doing business in the country.

Review of other major laws related to land use reclassification and overlapping on provisions for protected areas needs to be continued in line with developing a comprehensive and widely acceptable land policy framework that supports the country's objectives on agricultural development, equity and sustainable economic growth.

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