

***PHILIPPINES AUSTRALIA LAND ADMINISTRATION  
AND MANAGEMENT PROJECT (PALAMP)***

**INSTITUTIONAL ARRANGEMENTS  
POLICY STUDY  
(ANNEXES)**

***JULY 2002***

***REPORT A4***



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*Institutional Arrangements Policy Study*

**ANNEX A: TERMS OF REFERENCE**

## **TERMS OF REFERENCE**

The aim of this study is to:

1. examine the existing institutional responsibilities for land administration and management, evaluate their effectiveness and appropriateness and identify areas and options for improvement such as streamlining of systems and organizations;
2. work with the senior executives of the stakeholder agencies to build consensus on a series of recommendations for improvement and change, and develop plans for the implementation of said changes; and
3. work with the senior executives of each stakeholder agency to start the implementation of the changes that can be made within the authority of the individual agency as well as certain changes which have to be effected through changes in existing laws.

The study will need to examine the charter of the key agencies involved in land administration and management; mandates, authority, structures and functions; budget levels, methods of operation and the lines of reporting. The high level goals and objectives of land administration and management in the Philippines will need to be enunciated, and an assessment made of their current status, relevance, and effectiveness and efficiency using a broad range of criteria. This should lead to:

1. a determination of the extent to which the current system is meeting these objectives;
2. an evaluation of how the institutional structures are contributing to or impeding the effectiveness and efficiency of the system(s);
3. an estimation of the associated cost-benefit implications of the current institutional model; and
4. options for improvement and their examination.

Throughout this study wide consultation and involvement of the stakeholder agencies and other key stakeholders such as the legal and surveying professions will be necessary. It is vital that the stakeholder agencies are involved in every step of the study so that ownership and consensus can be developed and agreement to the areas for improvement can be reached.

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**ANNEX B:  
GOP ADMINISTRATION STRUCTURE**

## **ANNEX B: GOP ADMINISTRATION STRUCTURE**

In general terms, functions and activities of the Government of the Philippines are delivered through the following administrative structure.

Councils: Highest policy making bodies of the Executive Branch. Provide advice to the President on policy issues of vital national or international significance. Collegial bodies headed by the President and composed of Cabinet officials and private sector representatives.

The Office of the President: Oversight agency responsible for providing policy and technical staff support to the President. Headed by a Secretary who is also a member of the Cabinet.

Departments: Primary sub-division of the Executive Branch of government. Departments report directly to the President through the Secretary of each Department, who is also a member of the Cabinet. Departments contain organization units within them and may have agencies, authorities, regulatory bodies and/or government-owned or controlled corporations attached to them (see below). Within Departments, the main organization units are as follows:

- **The Service**: provides support services for the Department and its other organizational units and does not provide services to external clients. The standard units for delivery of support services are: corporate planning; information systems management; financial management and administrative services; legal and legislative affairs services.
- **Bureau**: constitutes the production and delivery arms of the Department, structured by function, by type of output or by sub-sector (e.g. Land Management Bureau, Forest Management Bureau). ‘Line Bureau’ receive budget appropriations for their exclusive use. ‘Staff Bureau’ do not receive a separate budget appropriation but instead are funded as part of the ‘Office of the Secretary’.
- **Regional Office**: provides services to different regions within the Philippines, and may in turn have Provincial and Community (local) offices. They may be organized as integrated delivery units for all services of a Department and report through a Regional Director to the Secretary (e.g. the Regional, Provincial and Community offices of the Department of Environment and Natural Resources). Alternatively, they may be organized as regional service arms of a Bureau and report, in the first instance, to the Director of the Bureau who in turn reports to the Secretary.

Attached Agencies: Agencies ‘attached’ to Departments are of five main types as follows.

- **Authorities**: established as agencies that are legally distinct from Departments with separate budget appropriations (e.g. National Mapping and Resource Information Authority) or funded from off-Budget sources (e.g. Public Estates Authority, Philippines Port Authority). They are structured, operate and report in accordance with the laws creating them.

- Commissions: are of two types, namely Constitutional Commissions (with powers and functions mandated by the Constitution) and ‘departmental’ Commissions created for matters requiring special government attention including special policy formulation, regulatory or service delivery tasks. Composed of full-time or ex officio members including a full-time Chairperson. Operations are headed by a Director.
- Boards: perform rule making, rule enforcing, arbitration or adjudicatory functions. Boards’ regulatory powers can be appealed only to the courts. Typically comprise full-time or ex-officio members with a full-time Chairperson and operations headed by a Director.
- Institutes: education or training institutions devoted to specific technical fields.
- Centers: agencies devoted to innovative/creative studies, research or related efforts.

Government owned or controlled corporations:

Corporations established under corporations law, wholly or partially owned and controlled by the GOP. They typically provide services on a commercial, self-funding basis and are structured along the lines of a private sector company.

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**ANNEX C:  
ROLES AND FUNCTIONS  
OF GOP AGENCIES WITH  
INTERESTS IN LAND**

**ANNEX C: ROLES AND FUNCTIONS OF  
GOP AGENCIES WITH INTERSTS IN LAND**

| <b>Agency</b>   | <b>Annex C<br/>page no.</b> |
|---|-----------------------------|
| Land Management Bureau (DENR)                                       | 2                           |
| National Mapping & Resource Information Management Authority (DENR) | 5                           |
| Land Registration Authority (DOJ)                                   | 8                           |
| Bureau of Land Acquisition & Distribution (DAR)                     | 12                          |
| Bureau of Land Development (DAR)                                    | 15                          |
| National Commission on Indigenous Peoples                           | 18                          |
| Bureau of Internal Revenue (DOF)                                    | 20                          |
| Bureau of Local Government Finance (DOF)                            | 23                          |
| National Tax Research Center (DOF)                                  | 25                          |
| Environmental management Bureau (DENR)                              | 27                          |
| Forest Management Bureau (DENR)                                     | 29                          |
| Mines and Geosciences Bureau (DENR)                                 | 31                          |
| Protected Areas and Wildlife Bureau (DENR)                          | 33                          |
| Bureau of Soils and Water Management (DA)                           | 35                          |
| Housing & Urban Development Coordinating Council                    | 37                          |
| Housing and Land Use Regulatory Board                               | 40                          |
| Department of Interior and Local Government                         | 44                          |
| National Land Use Committee   | 47                          |
| Public Estates Authority  | 49                          |
| Land Bank of the Philippines  | 53                          |
| Philippine Council for Sustainable Development                      | 55                          |
| Commission for the Settlement of Land Problems (DOJ)                | 57                          |

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|---|
| <p><b>Agency Name:</b>                <b>Land Management Bureau (LMB) and related services</b></p>  |
| <p><b>Institutional status:</b></p> <p>LMB is staff bureau of the Department of Environment and Natural Resources (DENR). The Director of the LMB is appointed by the President and reports to the DENR Secretary. Land management services at the sub-national level, formerly the Land Management Service (LMS), are delivered by DENR staff through its Regional, Provincial and Community office structure.</p>   |
| <p><b>Relevant Legislation:</b></p> <ol style="list-style-type: none"> <li>1. Executive Order No. 131 of 30 January 1987 reorganizing the Ministry of Natural Resources and renaming it the Department of Environment, Energy and Natural Resources.</li> <li>2. Executive Order No 192 of 10 June 1987 providing for the reorganization of DENR. Sets out DENR’s mandate, powers and functions.</li> <li>3. Executive Order No. 292 of 25 July 1997 instituting the Administrative Code of 1987.</li> <li>4. Act No. 2259 of 11 February 1913 (Cadastral Act) providing special proceedings for the settlement and adjudication of land titles.</li> <li>5. Commonwealth Act No. 141 of 7 November 1936 (Public Land Act) amending and compiling laws relative to the lands of the public domain.</li> <li>6. Republic Act No. 3872 of 18 June 1964 amending sections of the Public Land Act dealing with definitions of who can apply for free patents.</li> <li>7. Republic Act No. 3844 of 8 August 1963 ordaining the Agricultural Land Reform Code and to institute land reforms in the Philippines.</li> </ol>               |
| <p><b>Agency role:</b></p> <p>Advise the DENR Secretary on rational land classification, management and disposition of public land.</p>   |
| <p><b>Agency functions:</b></p> <ol style="list-style-type: none"> <li>1. Recommend policies and programs for efficient and effective administration, surveys, management and disposition of alienable and disposable lands of the public domain and other lands outside the responsibilities of other government agencies, such as reclaimed areas and other areas not needed for or are not being utilized for purposes for which they have been established.</li> <li>2. Advise the regional offices on the efficient and effective implementation of policies, programs and projects for more effective public lands management.</li> <li>3. Assist in the monitoring and evaluation of land surveys, management and disposition of lands to ensure efficiency and effectiveness.</li> <li>4. Issue standards, guidelines, regulations and orders to enforce policies for the maximization of land use and development.</li> <li>5. Develop operating standards and procedures to enhance the Bureau’s objectives and functions.</li> <li>6. Assist the Secretary as Executive Officer charged with carrying out the</li> </ol> |

provisions of the Public Land Act (CA 141, as amended) who shall have direct executive control of the survey, classification, lease, sale or nay other forms of concessions or disposition and management of the lands of the public domain.

The Regional Offices recommend and, upon approval, implement programs and projects for land management and disposition.

The DENR's mandated functions (through LMB) include:

1. Promulgate rules and regulations necessary to ... accelerate cadastral and emancipation patent surveys, land use planning and public land titling.
2. Exercise exclusive jurisdiction on the management and disposition of all lands of the public domain and continue to be the sole agency responsible for classification, sub-classification, surveying and titling of lands in consultation with appropriate agencies.

**Structure:**

LMB is located in Metro Manila and comprises:

- Planning and management Staff;
- Administration and Finance Division;
- Records Management Division;
- Land Administration and Utilization Division;
- Geodetic Surveys Division;
- Legal Division.

DENR operates 15 Regional Offices, 74 PENROs and 170 CENROs. Land management services staff based in the PENROs/CENROs report to the DENR Secretary through the Offices of the Assistant Regional Executive Directors for Technical Services, Regional Executive Directors, the Office of the Assistant Secretary for Field Operations and the Office of the Undersecretary for Environment and Natural Resource Operations.

**Operating costs and receipts:**

Operating costs (FY 2002): Land Management Bureau P61.1m (est.); Regional land services/operations P667.6m (est.)

Receipts (FY 2000, est.): P33.4m, plus P18.3m from lease/sale of patrimonial properties (source: Fees/Finance study). All LMB fees and charges are remitted directly to the National Treasury.

**Staffing:**

For FY 2002 the LMB is funded for an estimated 290 filled positions, while regional land services are funded for an estimated 4,300 filled positions. In 2001 the LMB had 305 positions (filled and unfilled) including 69 in the Director's Office, 96 in the Survey Division, 60 in Records Management Division and 48 in Land Utilization and Disposition Division.

**Principal issues:**

1. Potential overlap in application of Public Land Act and Indigenous Peoples Rights Act (administered by NCIP) to classification of public land.
2. Several agencies working independently in land disposition and giving rights to land for different purposes (notably DENR, DAR, NCIP).
3. Several agencies undertaking land survey, prescribing own standards and keeping own records with duplication of land maps/records across agencies.
4. 50% of pre-war LMB records are lost or destroyed. Others are in fragile condition.
5. Multiple agencies involved in land use planning and development, prescribing own standards and approval procedures.
6. LMB/LRA dual involvement in approval of land subdivision surveys of titled land.

**Key institutional overlaps:**

LMB, NAMRIA, MGB, LRA, DAR/BLD, NCIP on land surveys and land information records.

LMB, LRA, HLURB on review and approval of subdivision plans/surveys.

LMB, LGUs on land sub classification.

LMB, FMB, DAR, LRA, Regional Trial Courts, NCIP, HUDCC/Office of the President on land disposition and giving rights to land.

LMB, FMB, MGB, PAWB, EMB, DAR/BLD, DA, DOT, DTI, PEA, HLURB on land management and development.

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| <p><b>Agency Name: National Mapping and Resource Information Authority (NAMRIA)</b></p>  |
| <p><b>Institutional Status:</b></p> <p>NAMRIA is an Attached Agency of the Department of Environment and Natural Resources (DENR). The Administrator of NAMRIA is appointed by the President and reports to the DENR Secretary.</p>  |
| <p><b>Relevant Legislation:</b></p> <ol style="list-style-type: none"> <li>1. Executive Order No. 131 of 30 January 1987 reorganizing the Ministry of Natural Resources and renaming it as the Department of Environment, Energy and Natural Resources.</li> <li>2. Executive Order No 192 of 10 June 1987 providing for the reorganization of DENR. Sets out DENR's mandate, powers and functions.</li> <li>3. Executive Order No. 292 of 25 July 1997 instituting the Administrative Code of 1987.</li> <li>4. Commonwealth Act No. 141 of 7 November 1936 (Public Land Act) amending and compiling laws relative to the lands of the public domain.</li> <li>5. Executive Order No. 280 of 14 August 2000 amending EO No. 45 of 5 January 1993 adopting as the standard reference system of surveys in the Philippines.</li> </ol>  |
| <p><b>Agency role:</b></p> <p>Act as a central mapping agency to serve the needs of the line services of the Department and other government offices with regard to information and research. Expand NAMRIA capability in the production and maintenance of maps, charts and similar photogrammetry and cartography materials.</p>   |
| <p><b>Agency functions:</b></p> <ol style="list-style-type: none"> <li>1. Conduct research on remote sensing technologies such as satellite imagery analysis, airborne multi-spectral scanning systems, and side-looking airborne radar.</li> <li>2. Provide remote sensing services and vital data on the environment, water resources, agriculture and other information needed by other government agencies and the private sector.</li> <li>3. Integrate all techniques of producing maps from ground surveys to various combinations of remote sensing techniques in a cost effective and acceptable manner.</li> <li>4. Integrate geographic and related information to facilitate access to and analysis of data and its transformation into useful information for resource policy formulation, planning and management.</li> <li>5. Serve as the central depository and distribution facility for natural resources data in the form of maps, statistics, text, charts and operate information services and networks to facilitate transfer, sharing, access and dissemination of natural resource information in all regions and provinces of the country.</li> <li>6. Establish a nationwide geodetic network of control points that serve as common</li> </ol> |

| reference system for all surveys in the country, and conduct hydrographic and coastal surveys to produce hydrographic and nautical charts vital to sea and water travel, as well as the exploitation of marine resources.   |                   |                          |                 |               |
|---|-------------------|--------------------------|-----------------|---------------|
| 7. Formulate and implement a nationwide development program on aerial photography, cartography and remote sensing mapping activities.   |                   |                          |                 |               |
| 8. Establish and implement technical standards and quality specifications on map productions and its reproduction.  |                   |                          |                 |               |
| 9. Provide photogrammetry, cartographic and remote sensing mapping services in order to accelerate the development of comprehensive data bank and information systems on base maps and charts.  |                   |                          |                 |               |
| 10. Undertake land classification surveys.  |                   |                          |                 |               |
| <b>Structure:</b>   |                   |                          |                 |               |
| NAMRIA is headed by a Board of Governors comprising the Secretary, DENR (Chair) and the heads of National Defense, Agriculture, Public Works and Highways, and Transport and Communications (in practice these are represented by officers at not less than Undersecretary level). NAMRIA is located in metro Manila. Five Departments report to the Administrator: |                   |                          |                 |               |
| <ul style="list-style-type: none"> <li>• Coast and Geodetic Surveys;</li> <li>• Mapping;</li> <li>• Remote Sensing Data Analysis (including Land Classification Division);</li> <li>• Information Management;</li> <li>• Support Services and Engineering.</li> </ul>   |                   |                          |                 |               |
| <b>Outlays and Receipts:</b>  |                   |                          |                 |               |
| <b>Outlays (P'000)</b>  |                   |                          |                 |               |
| Year  | Personal Services | Other Operating Expenses | Capital Outlays | Total Outlays |
| 1998 Actual   | 145,754           | 50,156                   | 10,323          | 206,323       |
| 1999 Actual   | 149,347           | 65,970                   | 74,036          | 289,353       |
| 2000 Actual   | 161,058           | 185,777                  |                 | 346,83        |
| 2001 Actual   | 154,668           | 79,873                   |                 | 234,541       |
| 2002 Budget   | 170,255           | 140,278                  | 14,980          | 325,513       |
| <b>Receipts (P'000)</b>   |                   |                          |                 |               |
| Year  | Fees and Charges  | Others (if any)          | Total Receipts  |               |
| 1998 Actual   | 522               | 7,501                    | 8,023           |               |
| 1999 Actual   | 8,205             | 312                      | 8,517           |               |
| 2000 Actual   | 8,608             | 580                      | 9,188           |               |
| 2001 Actual   | 9,556             | 644                      | 10,200          |               |
| 2002 Budget   | 10,511            | 708                      | 11,219          |               |
| NAMRIA operation costs are fully funded by the national budget. All fees and charges are remitted to the National Treasury.   |                   |                          |                 |               |

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| <p><b>Staffing:</b></p> <p>NAMRIA had 756 filled positions in FY2001. It is funded for 760 filled positions in FY2002.</p>   |
| <p><b>Principal issues:</b></p> <ol style="list-style-type: none"><li>1. IPRA/Public Land Act overlap in relation to land classification.</li><li>2. Multiple agencies undertaking land survey, prescribing own standards and keeping own records.</li><li>3. No common data standards and codes to facilitate interfacing and future integration of databases.</li><li>4. Lack and fragmented land information bases (including survey records). No comprehensive data on land held by the Government.</li><li>5. Quality of surveys not measurable under current system.</li></ol> |
| <p><b>Key institutional overlaps:</b></p> <p>NAMRIA, LMB, MGB, DAR/BLD, NCIP, LGUs on land surveys and land information records.</p>   |

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| <b>Agency Name:</b>          | <b>Land Registration Authority (LRA)</b>  |
| <b>Institutional status:</b> | LRA is an Attached Agency of the Department of Justice (DOJ). The Administrator (head) of the LRA is appointed by the President and reports to the Secretary of Justice. The LRA includes and is responsible for the Register of Deeds.   |
| <b>Relevant Legislation:</b> | <ol style="list-style-type: none"> <li>1. Land Registration Act of 1902, Act No 496, as amended by Presidential Decree No 1529 (1978). Introduced the Torrens System of land registration and provided for creation of related administering bodies and procedures. PD 1529 aimed to update the Act and to codify the various laws relating to the registration of property. Chapter II of the PD deals with the duties of the LRA and Register of Deeds. Chapter III deals with the original registration of land. Chapter IV deals with the Certificate of Title, Chapter V deals with subsequent registrations. Chapter VII deals with the Assurance Fund. Chapter XI deals with fees and Chapter XII deals with forms.</li> <li>2. Commonwealth Act No 141 of 1936 ('Public Land Act'): Section 48 as amended allows persons who have continuously occupied land for a certain period to commence judicial proceedings for confirmation of their incomplete/imperfect title. Section 107 as amended seeks to ensure that Homestead, Sales, Free or other public land patents are transmitted to the Register of Deeds for registration.</li> <li>3. Act 2259 of 11 February 1913 ("Cadastral Act"). Established a system for settlement and adjudication of land titles.</li> <li>4. RA 1151 of 17 June 1954 as amended created the Land Registration Commission.</li> <li>5. Presidential Decree No 1 of 24 September 1972 provided for the integrated restructuring plan of the Government.</li> <li>6. Presidential Decree 1529 of 11 June 1978 amended and codified the laws relative to the registration of property and defined the powers and functions of the Land Registration Commission and its successors (including LRA).</li> <li>7. Executive Order No 649 of 9 February 1981 reorganized the Land Registration Commission into the National Land Titles and Deeds Registration Administration and reorganized the Office of Registrars therein.</li> <li>8. Executive Order No 292 of 25 July 1987 instituted the Administrative Code of 1987.</li> </ol> |
| <b>Agency role:</b>          | Implement all orders, decisions and decrees relative to registration of lands.  |
| <b>Agency functions:</b>     | <p>The LRA is responsible for:</p> <ol style="list-style-type: none"> <li>1. Provision of assistance to the courts in land registration cases.</li> <li>2. Issuance of decrees of registration pursuant to final judgements of the courts.</li> <li>3. Supervision and control over all Register of Deeds and other personnel of the Authority.</li> </ol>  |

4. Resolution of cases elevated by or on appeal from decisions of the Register of Deeds.
5. Executive supervision of all clerks of the court with respect to the discharge of their duties in relation to the registration of lands.
6. Implementation of all orders, decisions and decrees promulgated relative to the registration of lands.
7. Verification and approval of subdivision and consolidation survey plans of property titles under Act No 496 except those covered by Presidential Decree No 957 on splitting and consolidation of titles.
8. Overall responsibility for management and storage of title records including policy and procedures in relation to records management.

The Regional/Provincial/City Register(s) of Deeds are responsible for:

1. Implementation of all orders, decisions and decrees relative to the registration of land titles in the region/province/city.
2. Assessment of the registrability of instruments presented for registration.
3. Registration of instruments.
4. Provision of public repositories of records of instruments affecting registered or unregistered lands and chattel mortgages.

**Structure:**

The LRA is located in Quezon City, Metro Manila, and is headed by an Administrator and two Deputy Administrators. It comprises a Legal Affairs department and a Department of Registration. Divisions within this structure include:

- Law Division;
- Clerks of Court Division;
- Ordinary and Cadastral Decree Division;
- Subdivision and Consolidation Division;
- Reconstitution Division;
- Inspection and Investigation Division;
- Micrographics and Computer Division;
- A number of other support services Divisions.

There are 15 Regional Register of Deeds and 162 Register of Deeds spread across the country. The legislation prescribes that there shall be at least one Register of Deeds for each Province and one for each city. Each Register of Deeds is the physical repository of all the Certificates of Title and supporting documents.

| <b>Outlays and Receipts:</b>  |                   |                          |                 |               |
|---|-------------------|--------------------------|-----------------|---------------|
| <b>Outlays (P'000)</b>  |                   |                          |                 |               |
| Year  | Personal Services | Other Operating Expenses | Capital Outlays | Total Outlays |
| 1998 Actual   | 465,466           | 121,457                  | 3,394           | 590,317       |
| 1999 Actual   | 488,261           | 165,320                  | 54,799          | 708,380       |
| 2000 Actual   | 511,318           | 170,273                  | 24,744          | 706,335       |
| 2001 Actual   | 425,209           | 66,877                   | 100             | 492,186       |
| 2002 Budget   | 405,421           | 50,366                   | 100             | 455,887       |
| <b>Receipts (P'000)</b>   |                   |                          |                 |               |
| Year  | Fees and Charges  | Others (if any)          | Total Receipts  |               |
| 1998 Actual   | 952,543           | 195                      | 952,738         |               |
| 1999 Actual   | 1,190,333         | 1,262                    | 1,191,595       |               |
| 2000 Actual   | 1,217,915         | 0                        | 1,217,915       |               |
| 2001 Actual   | 1,367,800         | 0                        | 1,367,800       |               |
| 2002 Budget   | 1,491,190         | 0                        | 1,491,190       |               |
| LRA operational costs are fully funded from the national budget. All LRA fees and charges are remitted to the National Treasury.  |                   |                          |                 |               |
| <b>Staffing (2001):</b>   |                   |                          |                 |               |
| The LRA is funded for 2,408 filled positions in FY 2002 (including Register of Deeds).  |                   |                          |                 |               |
| <b>Principal issues:</b>  |                   |                          |                 |               |
| <ol style="list-style-type: none"> <li>1. Registration system only includes A&amp;D land already allocated to a person or corporation - residual land (e.g. Forests, unallocated Public Land) not included in the system.</li> <li>2. Security of title, whether granted by administrative or judicial process, can be overturned by the courts. Consequences of dual administrative/judicial processes for land titling.</li> <li>3. Proliferation of fake titles including duplicated and fraudulently prepared titles.</li> <li>4. Potential for duplication of titles arising from ability of both DENR and LRA to approve subdivision/consolidation surveys.</li> <li>5. High costs to users for original registration of title (including taxes).</li> <li>6. Multiple formats for certificates of title.</li> <li>7. Variations in procedures, practices and forms as between Register(s) of Deeds at regional/local levels.</li> <li>8. Variations to a certificate of title requires application to the courts.</li> <li>9. Incomplete records and inadequate records management facilities.</li> <li>10. Dispersal of information relating to patents, surveys and cadastral and municipal maps spread across three agencies (LRA, LMB and LMS). Absence of a consolidated index of records and plans.</li> <li>11. Possible implications of BOO computerization project for future restructuring of agencies/functions.</li> <li>12. Multiple agencies involved in land disposition/giving rights to land depending on purpose and working independently.</li> </ol> |                   |                          |                 |               |

**Key institutional overlaps:**

LRA, Regional Trial Court, DENR, DAR, NCIP, HUDCC/Office of the President on land disposition/giving rights to land.

LRA, LMB, HLURB on review and approval of land subdivision surveys.

LRA, LMB, NAMRIA, MGB, DAR, NCIP on land survey and information records.

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| <p><b>Agency Name:</b>        <b>Bureau of Land Acquisition and Distribution (BLAD)</b></p>  |
| <p><b>Institutional Status:</b></p> <p>BLAD is a staff bureau within the Department of Agrarian Reform (DAR). The Director of BLAD is appointed by the President and reports to the Secretary of Agrarian Reform.</p>  |
| <p><b>Relevant Legislation:</b></p> <ol style="list-style-type: none"> <li>1. Executive Order No. 129 of 30 January 1987 as amended by Executive Order No. 129-A of 26 July 1987 reorganized and strengthened the DAR</li> <li>2. Presidential Decree No. 27 of 21 October 1972 as amended by Executive Order 228 decreed the emancipation of tenants from the bondage of soil and transfer to them of the ownership of the land and provided instruments and mechanisms for this.</li> <li>3. Executive Order No. 292 of 25 July 1987 instituted the Administrative Code of 1987.</li> <li>4. Presidential Proclamation No. 131 and Executive Order No 229 of 22 July 1987 vested in DAR quasi-judicial powers to determine and adjudicate agrarian reform matters.</li> <li>5. Republic Act No. 6657 of 26 July 1987 (Comprehensive Agrarian Reform Law) instituted a program to promote social justice and industrialization and provided the mechanism for its implementation.</li> <li>6. Executive Order No. 407 of 14 June 1990 as amended by Executive Order No. 448 of 14 February 1991 accelerated the acquisition and distribution of agricultural lands, pasture lands, fishpond, agro-forestry lands and other lands of the public domain suitable for agriculture.</li> <li>7. Republic Act No 7905 of 23 February 1995 strengthened the implementation of the Comprehensive Agrarian Reform Program. .</li> </ol> |
| <p><b>Agency role:</b></p> <p>Deals with the acquisition, distribution and transfer of land ownership of private agricultural lands covered by the agrarian reform program to tillers and farm workers.</p>  |
| <p><b>Agency functions:</b></p> <ol style="list-style-type: none"> <li>1. Develop policies, plans and programs, and standard operating procedures for the acquisition and distribution of private agricultural lands, including measures to ensure that the lands distributed by the government to the beneficiaries shall be subsequently transferred or sold only to qualified tenant-tillers, agricultural workers and other landless citizens.</li> <li>2. Streamline procedures governing the titling of lands transferred to the beneficiaries of agrarian reform and the documentation of leasehold and other tenure arrangements.</li> <li>3. Review and evaluate documents for the generation, registration and issuance of emancipation patents and certificate of land ownership awards (CLOAs), land valuation and landowners compensation claims as to their completeness,</li> </ol>   |

accuracy and validity.

4. Develop standards for the valuation of lands placed under the AR Program and formulate appropriate land compensation schemes for affected landowners.
5. Formulate general policies and guidelines for the identification of tillers and agricultural lands to be purchased or expropriated, subject of petitions or applications for the exercise of the right of preemption or redemption, or voluntarily offered for coverage under the agrarian reform program, and portions of the public domain which may be opened for settlements.
6. Design socio-economic survey plans and prescribe standards, guidelines and procedures in the conduct of such surveys in areas sought to be acquired or administered by DAR.
7. Maintain a current inventory of tillers, land owners, land holdings, including crops and production thereon and other related records.
8. Develop alternative tenure or working arrangements or relationships in agrarian reform areas aimed at ensuring security of tenure and equitable distribution of income.
9. Formulate policies, guidelines, standards, procedures and programs for the development and conduct of land tenure research.
10. Identify areas of research relevant to land tenure, determine priority needs, and prepare land tenure research designs/proposals.
11. Undertake operational research and evaluation studies on land tenure programs and projects.
12. Monitor research findings on land tenure and other related studies by various research agencies.
13. Initiate verification and/or investigation of questionable or inconsistent documents as well as data or information critical for expeditious disposition of land transaction by authorities concerned.

Regional Offices are responsible for supporting field units and supervising program implementation. They prepare and submit plans and programs for the region on land tenure development.

Provincial Offices are responsible for the direction and coordination of the operation of the Agrarian Reform Teams within the province. They are responsible for setting priorities, specific targets, schedules and deadlines for the execution of approved plans, programs and projects on:

1. Land acquisition, distribution, transfer of land ownership to actual tillers, including land tiller-landowners identification, tenure security and leasehold arrangements, land surveys, land valuation and landowners compensation.
2. Landowner's compensation and diversion of landowner's capital to industrial development.
3. Legal services to farmers covered by agrarian reform and resolution of agrarian reform conflicts and land tenure problems
4. Development and implementation of alternative land tenure systems such as cooperative farming, agro-industrial estates and cooperative-cultivatorship schemes.

Agrarian Reform Teams are responsible for directly implementing the agrarian reform programs and delivering expected results:

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| <ol style="list-style-type: none"> <li>1. Implement policies and programs on land acquisition and distribution and transfer of land ownership to actual tillers, including farmer-landowner's identification, leasehold arrangements, land valuation, and landowners compensation and transfer actions.</li> <li>2. Provide assistance to various legal services including legal information and legal counseling, documentation and preliminary processing of application for free patents and applications to purchase lots, preliminary investigation of conflicting claims on lot boundaries and appraisal of properties, and mediation of different problems arising from tenancy relationship, execution and registration of lease contracts, initial investigation of administrative cases and other legal services.</li> </ol> |
| <p><b>Structure:</b></p> <p>BLAD is located within DAR central office in Quezon City, Metro Manila. Land acquisition and distribution services are part of the DAR regional and provincial offices and Agrarian Reform Teams spread across the country.</p>  |
| <p><b>Operating Costs and Receipts:</b></p> <p>BLAD's operating costs for FY 2002 are budgeted at P1,076.8 million (excludes program costs for land acquisition). No information is available on receipts. Some charges to beneficiaries are billed to their loan accounts for purchase of their land.</p>   |
| <p><b>Staffing:</b></p> <p>BLAD is funded for an estimated 6,560 filled positions in FY 2002.</p>  |
| <p><b>Principal issues:</b></p> <ol style="list-style-type: none"> <li>1. Several agencies involved in land disposition/giving rights to land with competing priorities and working independently.</li> <li>2. High backlog in settlement of disputes.</li> <li>3. DAR (through Land Bank of the Philippines) applies its own methods for valuation of land.</li> <li>4. Various agencies undertaking land survey, prescribing own standards, and keeping own records. Many records and maps are duplicated among agencies.</li> </ol>   |
| <p><b>Key institutional overlaps:</b></p> <p>BLAD, DENR, NCIP, LRA, Regional Trial Courts, HUDCC/Office of the President involved in giving rights to land.</p> <p>BLAD, BIR, NTRC, BLGF, LGUs involved in land valuation.</p> <p>BLAD, BLD, NAMRIA, LRA, LMB, NCIP maintaining land surveys and records.</p> <p>DARAB, CSLP and Regional Courts involved in adjudication of land disputes.</p>  |

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| <b>Agency Name:</b>          | <b>Bureau of Land Development (BLD)</b>  |
| <b>Institutional Status:</b> | BLD is a staff bureau within the Department of Agrarian Reform (DAR). The Director of BLD is appointed by the President and reports to the Secretary of Agrarian Reform.   |
| <b>Relevant Legislation:</b> | <ol style="list-style-type: none"> <li>1. Executive Order No. 129 of 30 January 1987 as amended by Executive Order No. 129-A of 26 July 1987 reorganized and strengthened the DAR</li> <li>2. Presidential Decree No. 27 of 21 October 1972 as amended by Executive Order 228 decreed the emancipation of tenants from the bondage of soil and for transfer to them of the ownership of the land and provided instruments and mechanisms for this.</li> <li>3. Executive Order No. 292 of 25 July 1987 instituted the Administrative Code of 1987.</li> <li>4. Presidential Proclamation No. 131 and Executive Order No 229 of 22 July 1987 vested in DAR quasi-judicial powers to determine and adjudicate agrarian reform matters.</li> <li>5. Republic Act No. 6657 of 26 July 1987 (Comprehensive Agrarian Reform Law) instituted a program to promote social justice and industrialization and provided the mechanism for its implementation.</li> <li>6. Executive Order No. 407 of 14 June 1990 as amended by Executive Order No. 448 of 14 February 1991 accelerated the acquisition and distribution of agricultural lands, pasture lands, fishpond, agro-forestry lands and other lands of the public domain suitable for agriculture.</li> <li>7. Republic Act No 7905 of 23 February 1995 strengthened the implementation of the Comprehensive Agrarian Reform Program.</li> </ol> |
| <b>Agency role:</b>          | Undertake land use management and land development activities in agrarian reform areas.  |
| <b>Agency functions:</b>     | <ol style="list-style-type: none"> <li>1. Draw-up plans and programs of land surveys and determine land survey projects that can be done by administration or by contract.</li> <li>2. Develop and prescribe procedures and techniques for land surveys in accordance with approved standards.</li> <li>3. Develop plans and programs, guidelines, procedures and techniques for soil surveys and classification and for complete aerial photogrammetry.</li> <li>4. Analyze and compile soil data and survey reports essential for the production of soil maps and identify particular areas for soil research.</li> <li>5. Develop land use patterns, procedures and compile adequate maps for proper land use.</li> <li>6. Draw up plans, programs and designs for agricultural development under the scheme of land consolidation.</li> </ol>  |

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| <ol style="list-style-type: none"> <li>7. Formulate policies, guidelines and procedures for the regulation of conversion of private agricultural lands to non-agricultural use in accordance with the provisions of existing laws, as amended, and other related issuances.</li> <li>8. Evaluate land use conversion applications.</li> <li>9. Establish a schedule of priorities in the construction of houses, waterworks, irrigation systems and other community facilities.</li> <li>10. Formulate policies and guidelines in the procurement, maintenance or rehabilitation of agricultural machinery and equipment, and review and evaluate plans, programs, specification and cost estimates of land development projects.</li> <li>11. Provide functional and technical assistance on the implementation of land development.</li> <li>12. Monitor and evaluate activities of field offices on land development.</li> </ol> <p>Regional Offices are responsible for supporting field units and supervising program implementation. They prepare and submit plans and programs for the region on land use management and land development.</p> <p>Provincial Offices are responsible for the direction and coordination of the operation of the Agrarian Reform Teams within the province. They are responsible for setting priorities, specific targets, schedules and deadlines for the execution of approved plans, programs and projects on:</p> <ol style="list-style-type: none"> <li>1. Land use management;</li> <li>2. Compact farming, land consolidation, land reclamation, integrated farming systems, sloping agricultural technology, and other land conservation measures in agrarian reform covered areas.</li> </ol> <p>The Agrarian Reform Teams are responsible for directly implementing the agrarian reform programs and delivering expected results:</p> <ol style="list-style-type: none"> <li>1. Organize and establish compact farms, land consolidation, integrated farm systems, sloping agricultural land technology, and other cooperative-cultivatorship schemes.</li> </ol> |
| <p><b>Structure:</b></p> <p>BLD is located within the DAR central office in Quezon City, Metro Manila. Land use management and land development services are part of the DAR's regional and provincial offices and the Agrarian Reform Teams spread across the country.</p>   |
| <p><b>Operating Costs and Receipts:</b></p> <p>BLD's operating costs for FY 2002 are budgeted at P58.7 million. No information is available on the level of any fee receipts.</p>   |
| <p><b>Staffing:</b></p> <p>BLD is funded for an estimated 340 filled positions in FY2002.</p>   |
| <p><b>Principal issues:</b></p> <ol style="list-style-type: none"> <li>1. Various agencies undertaking land survey, prescribing own standards, and keeping own records. Records and maps are duplicated among agencies.</li> </ol>  |

2. No common data standards and codes to facilitate interfacing and integration in the future.
3. Multiple agencies involved in land use planning and development, prescribing own standards and approval procedures.
4. Multiple agencies involved in land use conversion depending on purpose.

**Key institutional overlaps:**

BLD, NAMRIA, LRA, LMB, NCIP on standards and techniques and conduct of land survey and records management.

BLD, LMB, HLURB, HUDCC, DILG, NEDA/NLUC on land use planning.

BLD, DA, DENR, HLURB, DOT, DTI, NEDA on land use conversion.

BLD, DA, DENR, HLURB, PEA, LGUs on land development.

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| <b>Agency Name:</b>          | <b>National Commission on Indigenous Peoples (NCIP)</b>   |
| <b>Institutional status:</b> | NCIP is an attached agency of the Office of the President. The Commissioner of NCIP is appointed by and reports to the President.   |
| <b>Relevant Legislation:</b> | 1. Republic Act No. 8371 of 29 October 1997 providing for the Indigenous People Rights Act (IPRA), including establishment of the NCIP.   |
| <b>Agency role:</b>          | Protect and promote the interest and well-being of the Indigenous Cultural Communities (ICCs)/Indigenous Peoples (IPs) with due regard to their beliefs, customs, traditions and institutions.  |
| <b>Agency functions:</b>     | <ol style="list-style-type: none"> <li>1. Serve as the primary government agency through which ICCs/IPs can seek government assistance and as the medium through which assistance may be provided.</li> <li>2. Review and assess the conditions of the ICCs/IPs including existing laws and policies and propose relevant laws and policies to address their role in national development.</li> <li>3. Identify, delineate, and recognize ancestral lands/domains.</li> <li>4. Issue certificates of ancestral land/domain title.</li> <li>5. Protect and preserve ancestral lands/domains in accordance with a master plan.</li> <li>6. Issue appropriate certification as a precondition to the grant of a permit, lease, grant or any authority for the disposition, utilization, management and appropriation by any private individual, corporate entity or any government agency on any part or portion of the ancestral domain taking into consideration the consensus approval of the ICCs/IPs.</li> <li>7. Formulate and implement policies, plans, programs and projects for the economic, social and cultural development of ICCs/IPs and monitor the implementation.</li> <li>8. Enter into contracts, agreements or arrangements, with government or private agencies or entities as may be necessary to attain the objectives of RA 8371, and subject to the approval of the President, obtain loans from government and other lending institutions to finance NCIP programs.</li> <li>9. Convene periodic conventions or assemblies of IPs to review, assess as well as propose policies or plans.</li> <li>10. Advise the President of the Philippines on all matters relating to the ICCs/IPs and submit within sixty (60) days after the close of each calendar year, a report of its operations and achievements.</li> <li>11. Request and engage the services and support of experts from other agencies of government or employ private experts and consultants as may be required in the pursuit of NCIP objectives.</li> </ol> |

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| <p><b>Structure:</b></p> <p>The NCIP is located in Quezon City, Metro Manila and is supported by Regional Offices and field offices spread across the country. NCIP has 7 Commissioners belonging to the ICCs/Ips and appointed for three-year terms, one of whom serves as Chair. RA No. 8371 also provides within the NCIP for:</p> <ul style="list-style-type: none"> <li>• An Executive Director;</li> <li>• Ancestral Domain Office;</li> <li>• Education, Culture and Health Office;</li> <li>• Empowerment and Human Rights Office;</li> <li>• Socio-economic Services and Special Concerns Office;</li> <li>• Policy/Administrative/Legal Offices;</li> <li>• Regional (12) and Provincial Offices, and Community Service Centers.</li> </ul> |
| <p><b>Operating Costs and Receipts:</b></p> <p>NCIP operating costs are budgeted at P408.8 million for FY 2002. No information is available on fee/charge receipts but they would be minimal, if any. NCIP operational cost is fully funded by the national budget.</p>   |
| <p><b>Staffing:</b></p> <p>NCIP is funded for 1,561 filled positions in FY 2002.</p>  |
| <p><b>Principal issues:</b></p> <ol style="list-style-type: none"> <li>1. Potential for conflict between the provisions of the IPRA and Public Land Act in relation to the classification of Land.</li> <li>2. Status of CADTs/CALTs relative to other Certificates of Title.</li> <li>3. Current dispute between NCIP and DENR regarding NCIP's right to manage its survey activity and who should perform such activity.</li> </ol>   |
| <p><b>Key institutional overlaps:</b></p> <p>NCIP, DENR, DAR, LRA, Regional Trial Courts, HUDCC/Office of the President on land disposition/giving rights to land.</p> <p>NCIP and CSLP on protecting land claims of indigenous peoples.</p> <p>NCIP, DAR, DENR on land survey and land information records.</p>  |

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| <p><b>Agency Name: Bureau of Internal Revenue (BIR)</b></p>  |
| <p><b>Institutional Status:</b></p> <p>BIR is a line agency of the Department of Finance (DOF). The BIR Commissioner is appointed by the President and reports to the Secretary of Finance.</p>  |
| <p><b>Relevant Legislation:</b></p> <ol style="list-style-type: none"> <li>1. Act No 1189 of 2 July 1904 as amended by Act No 2339 of 27 February 1914 and Commonwealth Act No 466 of 15 June 1939. Revised, amended and codified the internal revenue laws of the Philippines.</li> <li>2. Presidential Decree No 640 of 21 January 1975 revised the staffing pattern of the BIR by creating services and divisions including additional regional offices.</li> <li>3. Presidential Decree No 1259 establishing the basis for land valuation and just compensation in expropriation proceedings and amending PD 76 and 64.</li> <li>4. Presidential Decree No 1216 of 14 October 1977 establishing fundamental principles governing real property taxation, donation of open space in subdivision projects by owners/developers.</li> <li>5. Executive Order No 608 of 1 August 1980 reorganized the BIR.</li> <li>6. Executive Order No 292 of 25 July 1987 instituting the Administrative Code.</li> <li>7. Executive Order No 132 of 26 October 1993 approving the streamlining of the BIR.</li> <li>8. Executive Order No 430 of 28 July 1997 further streamlining of the BIR in line with its computerized integrated tax system</li> <li>9. Executive Order No 175 of 3 November 1999 on organizational restructuring of the BIR to improve administrative control over certain categories of tax payers.</li> <li>10. Executive Order No 37 of 31 July 1986 regulating zonal valuation and others.</li> <li>11. Republic Act 6938 establishing real property tax exemption for all real property owned by duly registered cooperatives.</li> </ol> |
| <p><b>Agency role:</b></p> <p>Enforcement of internal revenue laws and regulations of the government including assessment and collection of taxes.</p>   |
| <p><b>Agency functions:</b></p> <ol style="list-style-type: none"> <li>1. Assess and collect all taxes, fees and charges and account for all revenues collected.</li> <li>2. Exercise duly delegated police powers for the proper performance of its functions and duties.</li> <li>3. Prevent and prosecute tax evasions and all other illegal economic activities.</li> <li>4. Coordinate with Provincial, City and Municipal Treasurers and Register of Deeds and Assessors on tax collection efforts.</li> <li>5. Prepare general reports and information on revenue administration and operation.</li> <li>6. Exercise supervision and control over its constituents and subordinate units.</li> </ol>  |

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|---|---------------------|--------------------------|-----------------|------------------|
| <p>The Regional Offices:</p> <ol style="list-style-type: none"> <li>1. Execute and implement national policies and programs prescribed by the national office for the enforcement of the internal revenue laws of the country.</li> </ol> <p>The Regional Data Centers:</p> <ol style="list-style-type: none"> <li>1. Operate, manage, secure and maintain of the decentralized information system</li> <li>2. Ensure the integrity of payment data transaction upload to the integrated tax system (ITS) database.</li> <li>3. Coordinate with the Regional Offices and Revenue District Offices that they service.</li> </ol> |                     |                          |                 |                  |
| <p><b>Structure:</b></p> <p>BIR central office is located in Quezon City, Metro Manila and supported by regional offices and revenue district offices, and regional data centers. The Asset Valuation Division of BIR is located within the Assessment Service.</p>   |                     |                          |                 |                  |
| <p><b>Outlays and Receipts:</b></p>   |                     |                          |                 |                  |
| <b>Outlays (P'000)</b>  |                     |                          |                 |                  |
| Year  | Personal Services   | Other Operating Expenses | Capital Outlays | Total Outlays    |
| 1998 Actual   | 2,159,084           | 1,166,612                | 234,924         | 3,560,620        |
| 1999 Actual   | 2,113,240           | 1,367,266                | 299,274         | 3,779,780        |
| 2000 Actual   | 2,311,661           | 1,119,084                | 350,743         | 3,781,488        |
| 2001 Actual   | 2,241,868           | 1,518,249                | 89,209          | 3,849,326        |
| 2002 Budget   | 2,249,912           | 892,351                  | 180,588         | 3,322,851        |
| <b>Receipts (P'000)</b>   |                     |                          |                 |                  |
| Year  | Fees and Charges    | Others (if any)          | Total Receipts  |                  |
| 1998 Actual   |                     |                          |                 |                  |
| 1999 Actual   |                     | 719,718                  | 719,718         |                  |
| 2000 Actual   |                     | 55,016                   | 55,016          |                  |
| 2001 Actual   |                     | 57,675                   | 57,675          |                  |
| 2002 Budget   |                     | 60,531                   | 60,531          |                  |
| <p><b>Staffing (2001):</b></p>  |                     |                          |                 |                  |
|   | Permanent Positions | Other Positions          | Total Positions | Filled Positions |
| Office of the Commissioner  | 99                  |                          | 99              | 89               |
| Policy and Planning Service   | 118                 |                          | 118             | 86               |
| Enforcement Service   | 125                 |                          | 125             | 117              |
| Large Taxpayers Service   | 558                 |                          | 558             | 489              |
| IS Operations Service   | 112                 |                          | 112             | 109              |

Annex C: Roles & functions of GOP agencies with interests in land

|  |       |  |       |       |
|--|-------|--|-------|-------|
| IS Development Service   | 116   |  | 116   | 99    |
| Information Planning and Quality Service   | 93    |  | 93    | 83    |
| Taxpayers Assistance Service   | 76    |  | 76    | 54    |
| Assessment Service   | 129   |  | 129   | 95    |
| Collection Service   | 265   |  | 265   | 214   |
| Legal Service  | 126   |  | 126   | 106   |
| Inspection Service   | 105   |  | 105   | 75    |
| Human Resource Development Service   | 147   |  | 147   | 128   |
| Financial and Administrative Service   | 356   |  | 356   | 38    |
| Regional Data Centers  | 255   |  | 255   | 204   |
| Regional Revenue Offices   | 10407 |  | 10407 | 9803  |
| Total  | 13087 |  | 13087 | 11789 |
| BIR is funded for 12,543 filled positions in FY 2002.  |       |  |       |       |
| <b>Principal issues:</b>   |       |  |       |       |
| <ol style="list-style-type: none"> <li>1. Numerous agencies undertake real property valuations employing different valuation methodologies (no uniform government-wide valuation standards).</li> <li>2. Valuation of land varies depending on the purpose of valuation (e.g., tax payment or sale).</li> <li>3. Valuation methods are driven by formulae rather than current assessment of market value.</li> <li>4. Resulting valuations are highly conservative and entail a potential loss of revenue to the Government.</li> <li>5. Staff undertaking valuation are frequently under- or unqualified for the task. Country lacks suitable tertiary education courses to produce adequate numbers of fully qualified valuers.</li> </ol> |       |  |       |       |
| <b>Key institutional overlaps:</b> (in relation to real property valuations)<br>BIR, BLGF, LGU Assessors.  |       |  |       |       |

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| <p><b>Agency Name: Bureau of Local Government Finance (BLGF)</b></p>   |
| <p><b>Institutional Status:</b></p> <p>BLGF is a line bureau of the Department of Finance (DOF). The Executive Director of BLGF is appointed by the President and reports to the Secretary of Finance.</p>   |
| <p><b>Relevant Legislation:</b></p> <ol style="list-style-type: none"> <li>1. Presidential Decree No. 1266 of 21 December 1977 providing for the establishment of regional offices of the DOF.</li> <li>2. Executive Order No 127 of 30 January 1987 providing for the reorganization of DOF.</li> <li>3. Executive Order No 292 of 25 July 1987 instituting the Administrative Code of 1987.</li> <li>4. Republic Act No. 7160 of 10 October 1991 providing for the Local Government Code of 1991.</li> </ol>   |
| <p><b>Agency role:</b></p> <p>Provide local government finance services.</p>   |
| <p><b>Agency functions:</b></p> <ol style="list-style-type: none"> <li>1. Assist in the formulation and implementation of policies on local government revenue administration and fund management.</li> <li>2. Exercise administrative and technical supervision over local treasury and assessment operations of local governments to ensure proper implementation of laws.</li> <li>3. Develop and promote plans and programs for the improvement of resource management systems, collection enforcement mechanisms and credit utilization schemes at the local levels</li> <li>4. Provide consultative services and technical assistance to the local governments and the general public on local taxation, real property assessment and other related matters.</li> <li>5. Administer the Municipal Development Fund</li> <li>6. Administer the debt relief program for LGUs.</li> </ol> |
| <p><b>Structure:</b></p> <p>BLGF central office is located in Manila with regional service units within DOF's 15 Regional Administrative Coordination Offices (RACO) and the Local Treasury and Assessment Services. Its main central office units are:</p> <ul style="list-style-type: none"> <li>• Office of the Executive Director;</li> <li>• Local Finance Policy Enforcement Service;</li> <li>• Financial Operations Group;</li> <li>• Special Project Management Service;</li> <li>• Intelligence and Investigation Office;</li> <li>• Internal Administration Office.</li> </ul>  |

| <b>Outlays and Receipts:</b>  |                     |                          |                 |                  |
|---|---------------------|--------------------------|-----------------|------------------|
| <b>Outlays (P'000)</b>  |                     |                          |                 |                  |
| Year  | Personal Services   | Other Operating Expenses | Capital Outlays | Total Outlays    |
| 1998 Actual   | 83,770              | 21,397                   | 9,249           | 114,416          |
| 1999 Actual   | 83,190              | 22,480                   | 207             | 105,877          |
| 2000 Actual   | 89,433              | 28,296                   | 3,476           | 121,205          |
| 2001 Actual   | 91,677              | 27,794                   | 2,020           | 121,491          |
| 2002 Budget   | 84,015              | 28,000                   | 2,680           | 114,704          |
| BLGF's operation costs are funded by the national budget. BLGF does not receive fees and charges. |                     |                          |                 |                  |
| <b>Staffing (2001):</b>   |                     |                          |                 |                  |
|   | Permanent Positions | Other Positions          | Total Positions | Filled Positions |
| Office of the Executive Director  | 10                  | 2                        | 12              | 10               |
| Management and Technical Staff  | 3                   |                          | 3               | 3                |
| Intelligence and Investigation Office   | 13                  | 1                        | 14              | 14               |
| Internal Administration Office  | 31                  | 2                        | 33              | 31               |
| Local Finance Policy Enforcement Service  | 24                  | 3                        | 27              | 24               |
| Special Project Management Service  | 21                  | 4                        | 25              | 21               |
| Financial Operations Group  | 18                  | 3                        | 21              | 18               |
| Regional Offices  | 260                 | 66                       | 326             | 269              |
| Total   | 380                 | 79                       | 461             | 390              |
| BLGF is funded for 392 filled positions in FY 2002.   |                     |                          |                 |                  |
| <b>Principal issues:</b>  |                     |                          |                 |                  |
| As for BIR in relation to real property taxation issues.  |                     |                          |                 |                  |
| <b>Key institutional overlaps:</b>  |                     |                          |                 |                  |
| BLGF, BIR, and LGU Assessors in relation to real property valuation and taxation.                 |                     |                          |                 |                  |

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| <b>Agency Name:</b>          | <b>National Tax Research Center (NTRC)</b>   |
| <b>Institutional Status:</b> | NTRC is an attached agency of the Department of Finance (DOF). The Executive Director is appointed by the President and reports to the Secretary of Finance.   |
| <b>Relevant Legislation:</b> | <ol style="list-style-type: none"> <li>1. Republic Act No. 2211 of 15 May 1959 creating a Joint Legislative-Executive Tax Commission, defining its powers and functions.</li> <li>2. Presidential Decree No.74 of 6 December 1972 constituted the technical staff of the Joint Legislative-Executive Tax Commission to be known as the National Tax Research Center.</li> <li>3. Executive Order No. 292 of 25 July 1987 instituted the Administrative Code.</li> <li>4. Republic Act No. 7160 of 10 October 1991 provided for the Local Government Code.</li> </ol>   |
| <b>Agency role:</b>          | Conduct continuing research on taxation as input to formulation of plans and policies on the Philippine tax system.  |
| <b>Agency functions:</b>     | <ol style="list-style-type: none"> <li>1. Undertake a comprehensive study of the need for additional revenue for accelerated national development and the sources from which this might be equitably derived.</li> <li>2. Reexamine the existing tax system and tax policy structure and conduct researches on taxation for purposes of improving tax system and tax policy.</li> <li>3. Review all tax measures and revenue proposals coming from the executive and legislative branches of the Government.</li> <li>4. Recommend reforms and revisions as may be necessary to improve revenue collection and administration and to formulate tax policies and a more efficient tax structure.</li> </ol> |
| <b>Structure:</b>            | NTRC's Governing body is composed of 9 members: 3 appointees of the President which may or may not be officials of the Government, three Senators appointed by the President of the Senate, three Congressmen appointed by the Speaker of the House of Representatives. The Commission elects a Chairman and Vice-Chairman.  |

| <b>Outlays and Receipts:</b>  |                   |                          |                 |               |
|---|-------------------|--------------------------|-----------------|---------------|
| <b>Outlays (P'000)</b>  |                   |                          |                 |               |
| Year  | Personal Services | Other Operating Expenses | Capital Outlays | Total Outlays |
| 1998 Actual   | 24,610            | 9,197                    | 53              | 33,860        |
| 1999 Actual   | 25,284            | 11,636                   | 40              | 36,960        |
| 2000 Actual   | 27,034            | 13,471                   | 491             | 40,996        |
| 2001 Actual   | 26,803            | 10,617                   |                 | 37,420        |
| 2002 Budget   | 23,056            | 8,680                    | 800             | 32,536        |
| <b>Receipts (P'000)</b>   |                   |                          |                 |               |
| Year  | Fees and Charges  | Others (if any)          | Total Receipts  |               |
| 1998 Actual   |                   | 9                        | 9               |               |
| 1999 Actual   |                   | 4                        | 4               |               |
| 2000 Actual   |                   | 20                       | 20              |               |
| 2001 Actual   |                   | 5                        | 5               |               |
| 2002 Budget   |                   | 5                        | 5               |               |
| NTRC's operation costs are funded by the national budget. All fees and charges are remitted to the National Treasury. |                   |                          |                 |               |
| <b>Staffing (2001):</b>   |                   |                          |                 |               |
| The NTRC is funded for 117 filled positions in FY 2002.   |                   |                          |                 |               |
| <b>Principal Issues:</b>  |                   |                          |                 |               |
| As for BIR/BLGF in relation to real property valuation and taxation.  |                   |                          |                 |               |
| <b>Key institutional overlaps:</b>  |                   |                          |                 |               |
| NTRC, BIR, BLGF, LGUs on setting policies and standards for land valuation.   |                   |                          |                 |               |

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| <p><b>Agency Name:</b>                      <b>Environmental Management Bureau (EMB)</b></p>   |
| <p><b>Institutional status:</b></p> <p>EMB is a line bureau of the Department of Environment and Natural Resources (DENR). The Director of EMB is appointed by the President and reports to Secretary of Environment and Natural Resources.</p>  |
| <p><b>Relevant Legislation:</b></p> <ol style="list-style-type: none"> <li>1. Executive Order No. 131 of 30 January 1987 reorganizing the Ministry of Natural Resources and renaming it as the Department of Environment, Energy and Natural Resources.</li> <li>2. Executive Order No 192 of 10 June 1987 providing for the reorganization of DENR. Sets out DENR’s mandate, powers and functions.</li> <li>3. Executive Order No. 292 of 25 July 1997 instituting the Administrative Code of 1987.</li> <li>4. Executive Order No. 263 of 19 July 1995 adopting community-based forest management as the national strategy to ensure the sustainable development of the country’s forestland resources and providing mechanisms for its implementation.</li> <li>5. Republic Act No. 8749 of 23 June 1999 (Philippine Clean Air Act of 1999) providing for a comprehensive air pollution control policy and transforming the EMB to a line bureau of the DENR.</li> </ol>  |
| <p><b>Agency role:</b></p> <p>Advise the DENR Secretary on matters relating to programs for environmental management, conservation and pollution control.</p>  |
| <p><b>Agency functions:</b></p> <ol style="list-style-type: none"> <li>1. Recommend possible legislation, policies and programs for environmental management and pollution control.</li> <li>2. Advise the Regional offices in the efficient and effective implementation of policies, programs and projects for effective and efficient environmental management and pollution control.</li> <li>3. Formulate environmental quality standards such as the quality standards for water, air, land, noise and radiation.</li> <li>4. Formulate and enforce standards for the use of prime agricultural lands.</li> <li>5. Formulate and recommend rules and regulations for environmental impact assessments and provide technical assistance for their implementation and monitoring.</li> <li>6. Formulate rules and regulations for the proper disposition and solid waste, toxic and hazardous substances.</li> <li>7. Provide secretariat assistance to the Pollution Adjudication Board.</li> <li>8. Coordinate the inter-agency committees that may be created for the preparation of the State of the Philippines Environment Report and the National Conservation Strategy.</li> </ol> |

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|---|-------------------|--------------------------|-----------------|---------------|
| <p>9. Provide assistance to the Regional Offices in the formulation and dissemination of information on environmental and pollution matters to the general public.</p> <p>10. Assist the Secretary and Regional Officers by providing technical assistance in the implementation of environmental and pollution laws.</p> <p>11. Provide scientific assistance to the Regional Offices in the conduct of environmental research programs.</p> |                   |                          |                 |               |
| <p><b>Structure:</b></p> <p>EMB is located in Quezon City, Metro Manila and is supported by 15 regional offices.</p>  |                   |                          |                 |               |
| <p><b>Outlays and Receipts:</b> (Prior to 2000, EMB was a staff bureau with its budget included within the budget for the DENR 'Office of the Secretary')</p>   |                   |                          |                 |               |
| <b>Outlays (P'000)</b>  |                   |                          |                 |               |
| Year  | Personal Services | Other Operating Expenses | Capital Outlays | Total Outlays |
| 2000 Actual   | 140,061           | 108,537                  | 4,854           | 253,452       |
| 2001 Actual   | 135,536           | 121,092                  | 37,146          | 293,774       |
| 2002 Budget   | 122,463           | 176,528                  | 63,636          | 362,627       |
| <b>Receipts (P'000)</b>   |                   |                          |                 |               |
| Year  | Fees and Charges  | Others (if any)          | Total Receipts  |               |
| 2000 Actual   | 17,162            | 57,516                   | 74,678          |               |
| 2001 Actual   | 17,677            | 72,462                   | 90,139          |               |
| 2002 Budget   | 18,207            | 73,488                   | 91,695          |               |
| <p>EMB operating costs are funded by the national budget. All fees and charges are remitted to the National Treasury.</p>   |                   |                          |                 |               |
| <p><b>Staffing:</b></p> <p>EMB is funded for 536 filled positions in FY 2002.</p>   |                   |                          |                 |               |
| <p><b>Principal issues:</b></p> <p>Multiple agencies involved in setting standards for land use and land conversion/reclassification.</p>   |                   |                          |                 |               |
| <p><b>Key institutional overlaps:</b></p> <p>EMB, HLURB, LMB, DAR, DA, DTI and DOT on land conversion/reclassification.</p>   |                   |                          |                 |               |

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| <b>Agency Name:</b>          | <b>Forest Management Bureau (FMB)</b>   |
| <b>Institutional status:</b> | FMB is a staff bureau of the Department of Environment and Natural Resources (DENR). The Director of FMB is appointed by the President and reports to the Secretary of Environment and Natural Resources. Services previously undertaken by the Forest Management Service are performed by staff of DENR's sub-national offices.  |
| <b>Relevant Legislation:</b> | <ol style="list-style-type: none"> <li>1. Executive Order No. 131 of 30 January 1987 reorganizing the Ministry of Natural Resources and renaming it as the Department of Environment, Energy and Natural Resources.</li> <li>2. Executive Order No 192 of 10 June 1987 providing for the reorganization of DENR. Sets out DENR's mandate, powers and functions.</li> <li>3. Executive Order No. 292 of 25 July 1997 instituting the Administrative Code of 1987.</li> <li>4. Executive Order No. 263 of 19 July 1995 adopting the community-based forest management as the national strategy to ensure the sustainable development of the country's forestland resources and providing mechanisms for its implementation.</li> </ol>  |
| <b>Agency role:</b>          | Advise the DENR Secretary on matters pertaining to forest development and conservation.   |
| <b>Agency functions:</b>     | <ol style="list-style-type: none"> <li>1. Recommend policies and programs for the effective protection, development, occupancy, management and conservation of forest lands and watersheds, including the grazing and mangrove areas; reforestation and rehabilitation of critically denuded or degraded forest reservations, improvement of water resource use and development, development of natural parks, preservation of wilderness areas, game refuges and wildlife sanctuaries, ancestral lands and other natural preserves, development of forest plantations.</li> <li>2. Integrate environmental consideration in decision-making on forestry projects. This involves the conduct of environmental impact assessment on forestry projects prior to their implementation to determine their effects on the environment.</li> <li>3. Establish permanent forest estate, which include a thorough inventory and delineation of all remaining natural dipterocarp, pine and mangrove forests including grazing lands to form part of the protection and production estates as envisioned in the Master Plan for Forestry Development.</li> <li>4. Strengthen implementation of the current programs on forest protection to safeguard physical resources within the forestland from any form of forest destruction.</li> <li>5. Expand existing people-oriented forestry programs which include forest land</li> </ol> |

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| <p>management programs, community forestry projects, people empowerment centers, and upland development and community-based forest management projects.</p> <ol style="list-style-type: none"> <li>6. Continue the generation of livelihood programs for displaced workers of cancelled timber license agreements.</li> <li>7. Continue providing technical support to private investors.</li> <li>8. Promote sustainable use and development of forest resources.</li> <li>9. Ensure protection of the country's forest biological resources and its diversity, vital ecosystems functions and over-all environmental quality.</li> <li>10. Enforce forest laws and regulations.</li> </ol> |
| <p><b>Structure:</b></p> <p>FMB is located within the DENR central office in Quezon City, Metro Manila. Forest management services are part of the DENR regional, provincial and other field offices.</p>  |
| <p><b>Operating Costs and Receipts:</b></p> <p>FMB operating costs not estimated from 2002 Budget documentation but are in the order of P65.8 million for FY 2002. Forest management services are budgeted at around P1,531 million for FY2002. Receipts not estimated (see Fees/Finance Policy Study).</p>  |
| <p><b>Staffing:</b></p> <p>Staffing of FMB and regional forest management services not estimated, but would total in the order of 10,000 filled positions in FY 2002.</p>  |
| <p><b>Principal issues:</b></p> <ol style="list-style-type: none"> <li>1. Multiple agencies involved in public land disposition/giving rights to land with competing priorities.</li> <li>2. Multiple agencies involved in land management and development.</li> <li>3. Some forest lands delineated by DENR are being used for agricultural and other purposes. Need to update land classification.</li> </ol>  |
| <p><b>Key institutional overlaps:</b></p> <p>NAMRIA/FMB in relation to land classification issues.<br/>FMB, LMB, PAWB, MGB, PEA on management of public land.</p>  |

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| <p><b>Agency Name: Mines and Geosciences Bureau (MGB)</b></p>   |
| <p><b>Institutional Status:</b></p> <p>MGB is a line bureau of the Department of Environment and Natural Resources (DENR). The Director of the MGB is appointed by the President and reports to the Secretary of Environment and Natural Resources.</p>   |
| <p><b>Relevant Legislation:</b></p> <ol style="list-style-type: none"> <li>1. Executive Order No. 131 of 30 January 1987 reorganizing the Ministry of Natural Resources and renaming it as the Department of Environment, Energy and Natural Resources.</li> <li>2. Executive Order No. 192 of 10 June 1987 providing for the reorganization of DENR. Sets out DENR's mandate, powers and functions.</li> <li>3. Executive Order No. 292 of 25 July 1997 instituting the Administrative Code of 1987.</li> <li>4. Republic Act No. 7942 of 3 March 1995 instituting a new system of mineral resources exploration, development, utilization and conservation.</li> </ol>  |
| <p><b>Agency role:</b></p> <p>Advise the DENR Secretary on matters pertaining to geology and mineral resources exploration, development, utilization and conservation.</p>  |
| <p><b>Agency functions:</b></p> <ol style="list-style-type: none"> <li>1. Recommend policies, regulations or programs pertaining to mineral resources development and geology.</li> <li>2. Advise the DENR Secretary on the granting of mining rights and contracts over areas containing metallic and non-metallic resources.</li> <li>3. Advise the Regional offices on the effective implementation of mineral development and conservation programs as well as geological surveys.</li> <li>4. Develop and promulgate standards and operating procedures on mineral resources development and geology.</li> <li>5. Supervise and control the development and packaging of nationally applicable technologies on geological survey, mineral resource assessment, mining and metallurgy; provision of geological, metallurgical, chemical and rock mechanics laboratory services; and the conduct of marine geological and geophysical survey and natural exploration drilling programs.</li> </ol> |
| <p><b>Structure:</b></p> <p>MGB's central office is located in Quezon City, Metro Manila and supported by 15 regional offices. Its national office comprises the Office of the Director and the following Divisions: Planning and Policy Division; Administrative Division; Finance Division; Mineral Economics, Information and Publication Division; Lands Geological Survey Division; Marine Geological Survey Division; Mining Tenements Management Division; Mining Technology Division; Metallurgical Technology Division; Mining Environment and Safety Division.</p>  |

| <b>Outlays and Receipts:</b>  |                   |                          |                 |               |
|---|-------------------|--------------------------|-----------------|---------------|
| <b>Outlays (P'000)</b>  |                   |                          |                 |               |
| Year  | Personal Services | Other Operating Expenses | Capital Outlays | Total Outlays |
| 1998 Actual   | 203,737           | 74,076                   | 39,626          | 317,439       |
| 1999 Actual   | 283,097           | 79,995                   | 31,479          | 394,571       |
| 2000 Actual   | 313,358           | 90,944                   | 23,893          | 428,195       |
| 2001 Actual   | 256,451           | 87,554                   | -               | 344,005       |
| 2002 Budget   | 309,337           | 100,150                  | -               | 409,487       |
| <b>Receipts (P'000)</b>   |                   |                          |                 |               |
| Year  | Fees and Charges  | Others (if any)          | Total Receipts  |               |
| 1998 Actual   | 7,696             | 3,071                    | 10,767          |               |
| 1999 Actual   | 7,222             | 29,809                   | 37,031          |               |
| 2000 Actual   | 7,879             | 3,404                    | 11,283          |               |
| 2001 Actual   | 8,116             | 3,377                    | 11,493          |               |
| 2002 Budget   | 8,360             | 3,389                    | 11,749          |               |
| MGB operation costs are fully funded by the national budget. All fees and charges are remitted directly to the National Treasury.   |                   |                          |                 |               |
| <b>Staffing:</b>  |                   |                          |                 |               |
| The MGB is funded for 1,455 filled positions in FY 2002.  |                   |                          |                 |               |
| <b>Principal issues:</b>  |                   |                          |                 |               |
| <ol style="list-style-type: none"> <li>1. Multiple agencies involved in land disposition/giving rights relating to land with competing priorities.</li> <li>2. Multiple agencies undertaking land survey, setting own standards and keeping own records. Maps and records duplicated among agencies.</li> <li>3. No common data standards and codes to ensure interfacing and future integration of databases.</li> </ol> |                   |                          |                 |               |
| <b>Key institutional overlaps:</b>  |                   |                          |                 |               |
| MGB, LMB, NAMRIA, DAR, and LRA on land survey and land information records.   |                   |                          |                 |               |
| MGB, NAMRIA, PAWB and NCIP on land classification.  |                   |                          |                 |               |

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| <p><b>Agency Name:</b>        <b>Protected Areas and Wildlife Bureau (PAWB)</b></p>  |
| <p><b>Institutional status:</b></p> <p>The PAWB is a staff bureau of the Department of Environment and Natural Resources (DENR). The Director of PAWB is appointed by the President and reports to the Secretary of Environment and Natural Resources.</p>   |
| <p><b>Relevant Legislation:</b></p> <ol style="list-style-type: none"> <li>1. Executive Order No. 131 of 30 January 1987 reorganizing the Ministry of Natural Resources and renaming it as the Department of Environment, Energy and Natural Resources.</li> <li>2. Executive Order No 192 of 10 June 1987 providing for the reorganization of DENR. Sets out DENR’s mandate, powers and functions.</li> <li>3. Executive Order No. 292 of 25 July 1997 instituting the Administrative Code of 1987.</li> <li>4. Executive Order No. 263 of 19 July 1995 adopting the community-based forest management as the national strategy to ensure the sustainable development of the country’s forestland resources and providing mechanisms for its implementation.</li> </ol> |
| <p><b>Agency role:</b></p> <p>Identify, delineate, proclaim sites as protected areas (PA), and transfer management of PAs to the Protected Area Management Board (PAMB). Conserve biological diversity and genetic resources, wildlife sanctuaries and endangered Philippine flora and fauna.</p>  |
| <p><b>Agency functions:</b></p> <ol style="list-style-type: none"> <li>1. Establish, operate and maintain a system of integrated protected areas from existing national parks, wildlife sanctuaries and refuge, marine parks and biospheric reserves, including old growth forests, proclaimed watershed reservations and areas with elevation of more than 1,000 meters above sea level.</li> <li>2. Monitor and assess the management of the IPA system and provide technical assistance to regional offices.</li> <li>3. Preserve biological diversity, genetic resources and endangered Philippine flora and fauna.</li> <li>4. Regulate wildlife collection, transport and trade including operations of breeding farms.</li> </ol>                                 |
| <p><b>Structure:</b></p> <p>PAWB is located in Quezon City, Metro Manila with service units within the DENR regional and provincial offices.</p>   |

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| <p><b>Operating Costs and Receipts:</b></p> <p>Not estimated from Budget documentation, but provision for PAWB operating costs in FY 2002 is in the order of P32.3 million while related services at sub-national level are budgeted at around P183 million.</p> |
| <p><b>Staffing:</b></p> <p>Not available and not estimated, but would be in the order of 900 filled positions at national/sub-national levels.</p>   |
| <p><b>Principal issues:</b></p> <p>Fragmented types of and responsibilities for land classification.</p>   |
| <p><b>Key institutional overlaps:</b></p> <p>PAWB, MGB, NAMRIA, NCIP on land classification.</p> <p>PAWB, MGB, FMB, PEA on management of public land.</p> <p>PAWB, LMB, FMB, MGB, EMB, DAR/BLD, DA, DOT, DTI, PEA, HLURB, LGUs, on land development.</p>         |

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| <p><b>Agency Name:</b>            <b>Bureau of Soils and Water Management (BSWM)</b></p>  |
| <p><b>Institutional status:</b></p> <p>BSWM is a staff bureau within the Department of Agriculture (DA). The Director of BSWM is appointed by the President and reports to Secretary of Agriculture.</p>  |
| <p><b>Relevant Legislation:</b></p> <ol style="list-style-type: none"> <li>1. Executive Order No. 292 of 25 July 1987 instituting the Administrative Code of 1987.</li> <li>2. Republic Act No. 7194 of 22 December 1997 providing for the Agriculture and Fisheries Modernization Act.</li> </ol>  |
| <p><b>Agency role:</b></p> <p>Conduct soil and water research as input to policies and programs on soil and water utilization and management.</p>   |
| <p><b>Agency functions:</b></p> <ol style="list-style-type: none"> <li>1. Advise and render assistance on matters relative to the utilization and management of soils and water as vital agricultural resources.</li> <li>2. Formulate measures and guidelines for effective, soil, land and water resource utilization as well as soil conservation in croplands and other agricultural areas.</li> <li>3. Undertake soil research programs.</li> <li>4. Coordinate with relevant government agencies in resettlement areas and prepare necessary plans for the provision of technical assistance in solving soil impounding and prevention of soil erosion, fertility preservation, and other related matters.</li> <li>5. Engage in rainmaking projects for agricultural areas and watersheds to solve the problem of prolonged droughts and minimize their effects on standing agricultural crops.</li> </ol> |
| <p><b>Structure:</b></p> <p>The BSWM is located in Quezon City, Metro Manila and supported by research stations in selected parts of the country. It comprises an Office of the Director and the following Research Stations and Divisions: Soil and Water Resources Research Division; Central Soil and Water Resources Research Station (Bulacan); Central Soil and Water Resources Research Station (Tanay); Rain Stimulation Coordination and Monitoring Unit; Water Resources Management Division; Agricultural Land Management Division; Soil Survey Division; Soil Conservation and Management Division; Laboratory Services Division; Cartographic Operations Division.</p>   |
| <p><b>Operating Costs and Receipts:</b></p> <p>Not estimated from Budget documentation but FY 2002 operating costs budgeted at around P70 million for Bureau operations at the national level.</p>  |

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| <b>Staffing:</b><br>325 filled positions in FY 2001.  |
| <b>Principal issues:</b><br>1. Multiple agencies involved in cartography, land use and development. |
| <b>Key institutional overlaps:</b><br>BSWM, DENR, DAR, LGUs on land use and development.            |

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| <p><b>Agency Name: Housing and Urban Development Coordinating Council (HUDCC)</b></p>  |
| <p><b>Institutional status:</b></p> <p>HUDCC is an interagency body under the Office of the President. The Chairman of HUDCC is appointed by and reports to the President.</p>   |
| <p><b>Relevant Legislation:</b></p> <ol style="list-style-type: none"> <li>1. Executive Order No. 90 of 17 December 1986 identifying the Government agencies essential for the National Shelter Program, defining their mandates and creating the Housing and Urban Development Coordinating Council (HUDCC).</li> <li>2. Executive Order No. 357 of 24 May 1989 providing for the further strengthening of HUDCC's existing coordinating mechanism.</li> <li>3. Republic Act No. 7279 of 24 March 1992 providing for the Urban Development and Housing Act.</li> </ol>  |
| <p><b>Agency role:</b></p> <p>Formulate policies and guidelines on housing and urban development, and supervise, coordinate and monitor the activities of housing agencies to ensure the attainment of objectives of the National Shelter Program.</p>   |
| <p><b>Agency functions:</b></p> <ol style="list-style-type: none"> <li>1. Formulate national objectives for housing and urban development and design broad strategies for the accomplishment of these objectives.</li> <li>2. Determine the participation and coordinate the activities of the key government housing agencies in the national housing program.</li> <li>3. Monitor, review and evaluate the effectiveness of the housing agencies in their assigned functions, and programs and projects.</li> <li>4. Assist in the maximum participation of the private sector in all aspects of housing and urban development</li> <li>5. Recommend new legislation and amendments to existing laws as may be necessary for the attainment of the government's objectives in housing.</li> <li>6. Formulate the basic policies, guidelines and implementing mechanisms for the disposal or development of acquired or existing assets of the key housing agencies which are not required for the accomplishment of their basic mandate.</li> <li>7. Review the organization programs and projects of the key housing agencies and adopt through, their respective Governing Boards, necessary measures to ensure that the activities of the agencies are fully coordinated and integrated.</li> <li>8. Decentralize its operations and of key housing agencies by integrating the regional activities of these agencies in order to attain an equitable regional distribution of housing benefits.</li> <li>9. Advise and provide technical and administrative support to the President in the proclamation of land for informal settlers through the regularization of the informal settlers program.</li> </ol> |

| <b>Structure:</b>   |                     |                          |                 |                  |
|---|---------------------|--------------------------|-----------------|------------------|
| <p>The HUDCC is an inter-agency body headed by a Chairman appointed by the President and composed of one representative each from NEDA, DOF, DBM, DPWH, DBP and two representatives from the private sector selected by the Council. The Chairman also serves as the ex-officio Chairman of the Governing Boards of key and support housing agencies such as NHA, NHMFC, HLURB, HIGC, SSS, GSIS, HDF.</p> <p>The HUDCC Chairman is assisted by a Secretary-General and Deputy Secretary-Generals and service units: Administrative and Finance Group, Policy Studies and Review Group, Coordination, Monitoring and Evaluation Group.</p> |                     |                          |                 |                  |
| <b>Outlays and Receipts:</b>  |                     |                          |                 |                  |
| <b>Outlays (P'000)</b>  |                     |                          |                 |                  |
| Year  | Personal Services   | Other Operating Expenses | Capital Outlays | Total Outlays    |
| 1998 Actual   | 26,718              | 31,394                   | 84,077          | 142,189          |
| 1999 Actual   | 26,245              | 15,688                   |                 | 41,933           |
| 2000 Actual   | 27,715              | 21,354                   | 4,301           | 53,370           |
| 2001 Actual   | 29,228              | 25,209                   | 4,855           | 59,292           |
| 2002 Budget   | 26,850              | 25,209                   | 4,491           | 56,550           |
| <p>No receipts from fees/charges. HUDCC operational costs are fully funded by the national budget.</p>  |                     |                          |                 |                  |
| <b>Staffing (2001):</b>   |                     |                          |                 |                  |
|   | Permanent Positions | Other Positions          | Total Positions | Filled Positions |
| Office of the Chairman  | 24                  |                          | 24              | 18               |
| Administrative and Finance Group  | 16                  |                          | 16              | 12               |
| Policy Studies and Review Group   | 12                  |                          | 12              | 6                |
| Coordination, Monitoring and Evaluation Group   | 70                  |                          | 70              | 50               |
| National Government Center  |                     | 28                       | 28              | 28               |
| <b>Total</b>  | <b>122</b>          | <b>28</b>                | <b>150</b>      | <b>114</b>       |

**Principal issues:**

1. Multiple agencies involved in land disposition /giving rights to land with competing priorities and working independently.
2. Fragmented and duplicated responsibility on land use and development including housing and urban development. Responsibilities for housing and urban development are spread thinly among the shelter agencies.

**Key institutional overlaps:**

HUDCC/Office of the President, DAR, DENR, LRA, Regional Trial Courts, NCIP on land disposition/giving rights to land.

HUDCC, HLURB, NLUC/NEDA, DENR, DAR, DA, DILG on land use and development.

HUDCC, HLURB, NLUC/NEDA, LGUs on housing and urban development.

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|------------------------------|---|
| <b>Agency Name:</b>          | <b>Housing and Land Use Regulatory Board (HLURB)</b>  |
| <b>Institutional status:</b> | HLURB is an attached agency of the Office of the President. The Chief Executive Officer (CEO) of HLURB is voted from the four full time Commissioners appointed by the President. The CEO reports to the Board of Commissioners.  |
| <b>Relevant Legislation:</b> | <ol style="list-style-type: none"> <li>1. Presidential Decree No. 933 of 13 May 1976 as amended by Executive Order No. 648 of 7 February 1981 establishing rules and regulations pertaining to the HLURB.</li> <li>2. Executive Order No. 90 of 6 March 1986 identified Government agencies relevant to the National Shelter Program, defined their mandates and created the Housing and Urban Development Coordinating Council (HUDCC). It identified HLURB as the regulatory body for housing and land development under HUDCC.</li> <li>3. Executive Order 71 of 23 March 1993 devolved some powers of the HLURB to local government units.</li> <li>4. Executive Order No. 72 of 25 March 1993 provided for the preparation of Comprehensive Land Use Plans.</li> <li>5. Republic Act No. 7160 of 10 October 1991 provided for the Local Government Code of 1991.</li> <li>6. Republic Act No. 7279 of 24 March 1992 provided for the Urban Development and Housing Act.</li> </ol>   |
| <b>Agency role:</b>          | Enhance land use and housing/real estate delivery through policy development, planning and regulation.  |
| <b>Agency functions:</b>     | <ol style="list-style-type: none"> <li>1. Extend planning assistance to local government in the preparation of land use plans and zoning ordinances.</li> <li>2. Review and ratify land use plans of Metro Manila cities and municipalities, provinces, highly urbanized cities and independent component cities.</li> <li>3. Enforce zoning regulations.</li> <li>4. Assist local government units assume devolved functions (processing and approval of subdivision plans for residential, commercial, industrial or other development projects; review and approve comprehensive land use plans of component cities and municipalities, issue locational clearances to locally significant projects)</li> <li>5. Coordinate land reclassification clearance system.</li> <li>6. Review, update and revise rules, guidelines and standards on land use, zoning, and housing and real estate projects of both the public and private sector (residential subdivisions and condominiums, economic and socialized housing projects, balanced housing development, other types of subdivision and condominium projects).</li> <li>7. Update the National Urban Development and Housing Framework pursuant to</li> </ol> |

|   |                   |                          |                 |               |
|---|-------------------|--------------------------|-----------------|---------------|
| <p>RA 7279 of 24 March 1992.</p> <p>8. Enforce laws, rules, standards and guidelines through approval of condominium plans, issuance of license to sell, assurance of completion of projects, investigation and adjudication of complaints, assurance of compliance to balanced housing development requirements.</p> <p>9. Issue sales and mortgage clearances for the protection of rights of tenant in urban land reforms zones and areas for priority development.</p> <p>10. Approve any amendment to or revocation of the enabling or master deed of a condominium project with another project upon the affirmative vote of a simple majority of registered owners.</p> <p>11. Register real estate brokers and salesmen, subdivision and condominium dealers.</p> <p>12. Register homeowners association.</p> <p>13. Hear and decide on complaints against violation of pertinent legislation and HLURB rules and regulations.</p> <p>14. Act as the appellate body on decisions and actions of local and regional planning and zoning bodies and of the deputized officials of the HLURB on matters arising from the performance of these functions.</p> |                   |                          |                 |               |
| <p><b>Structure:</b></p> <p>The Board of Commissioners is composed of the Chairman of HUDCC as Chair, four full time Commissioners, Secretary of Justice, the Director-General of NEDA, Undersecretary of DILG, and Undersecretary of DPWH.</p> <p>HLURB central office is located in Quezon City, Metro Manila and supported by 15 regional field offices. The regional field offices are headed by Regional Officers and provide HLURB's services to its clients.</p>   |                   |                          |                 |               |
| <p><b>Outlays and Receipts:</b></p>   |                   |                          |                 |               |
| <b>Outlays (P'000)</b>  |                   |                          |                 |               |
| Year  | Personal Services | Other Operating Expenses | Capital Outlays | Total Outlays |
| 1998 Actual   | 92,152            | 42,976                   | 9,199           | 144,147       |
| 1999 Actual   | 98,128            | 22,043                   | 15,993          | 136,164       |
| 2000 Actual   | 104,973           | 61,477                   | 6,185           | 172,638       |
| 2001 Actual   | 107,776           | 48,517                   | 7,643           | 163,936       |
| 2002 Budget   | 103,344           | 50,682                   | 1,145           | 155,171       |
| <b>Receipts (P'000)</b>   |                   |                          |                 |               |
| Year  | Fees and Charges  | Others (if any)          | Total Receipts  |               |
| 1998 Actual   | 65,929            | 1,898                    | 67,827          |               |
| 1999 Actual   | 56,686            | 2,163                    | 58,849          |               |
| 2000 Actual   | 54,636            | 4,456                    | 59,092          |               |
| 2001 Actual   | 57,368            | 4,679                    | 62,047          |               |
| 2002 Budget   | 60,236            | 4,913                    | 65,149          |               |

|  |                     |                 |                 |                  |
|--|---------------------|-----------------|-----------------|------------------|
| HLURB cost is fully funded by the national budget. All fees and charges are remitted to the National Treasury. |                     |                 |                 |                  |
| <b>Staffing (2001):</b>  |                     |                 |                 |                  |
|  | Permanent Positions | Other Positions | Total Positions | Filled Positions |
| Office of Chief Executive Officer  | 2                   | 1               | 3               | Not available    |
| Office of Commissioner Desierto  | 1                   | 2               | 3               |                  |
| Office of Commissioner Dagñalan  | 1                   | 1               | 2               |                  |
| Office of Commissioner Magno   | 1                   | 2               | 3               |                  |
| Board Secretariat  | 4                   |                 | 4               |                  |
| Executive Services Group   | 8                   |                 | 8               |                  |
| Plans and Programs Group   | 8                   |                 | 8               |                  |
| Appeals Review Group   | 8                   | 1               | 9               |                  |
| Legal Services Group   | 8                   | 1               | 10              |                  |
| Field Operations Service Group   | 5                   |                 | 5               |                  |
| Rules and Standards Development Group  | 9                   |                 | 9               |                  |
| Information Technology Group   | 9                   |                 | 9               |                  |
| General Services Group   | 20                  | 8               | 28              |                  |
| Internal Audit Service   | 3                   |                 | 3               |                  |
| Accounting Division  | 15                  |                 | 15              |                  |
| Budget Division  | 8                   |                 | 8               |                  |
| Administrative and Finance Division  | 1                   | 1               | 2               |                  |
| Human Resource Management Division   | 9                   |                 | 9               |                  |
| Regional Field Offices   | 303                 | 8               | 311             |                  |
| Total  | 415                 | 25              | 449             |                  |

**Principal issues:**

1. Complex and diffused land use planning, standards and approval procedures. Multiple agencies involved in prescribing own standards and procedures.
2. Fragmented responsibilities on land use conversion.
3. Fragmented organizational responsibility on land use and development, including housing and urban development. Responsibilities for housing and urban development are spread thinly among the shelter agencies.
4. Multiple agencies involved in approval of land subdivision plans/surveys depending on purpose.

**Key institutional overlaps:**

HLURB, NLUC/NEDA, DAR, DA, DENR, DILG on land use policies and standards, and review/approval of land use plans.

HLURB, DAR, DA, DENR, NEDA, DTI, DOT, LGUs on land use conversion/reclassification.

HLURB, PEA and LGUs on land development standards and regulation.

HLURB, LRA, LMB on approval of subdivision plans/survey.

HLURB, HUDCC and NLUC/NEDA on urban development and housing policies and strategies.

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| <p><b>Agency Name:</b>        <b>Department of Interior and Local Government (DILG)</b></p>   |
| <p><b>Institutional status:</b></p> <p>DILG is a line department of the national government. The Secretary of Interior and Local Government is appointed by and reports to the President.</p> <p>The Bureau of Local Government Supervision (BLGS) and Bureau of Local Government Development (BLGD) are staff bureaus of the DILG. The Directors are appointed by the President and report to the Secretary of Interior and Local Government.</p>  |
| <p><b>Relevant Legislation:</b></p> <ol style="list-style-type: none"> <li>1. Presidential Decree No. 1 of 24 September 1972 providing for the Institutional Restructuring Plan of the Government.</li> <li>2. Executive Order No. 777 of 28 February 1982 reorganizing the Ministry of Local Government and Community Development and renaming it as Ministry of Local Government and transferring its community development functions to the Ministry of Human Settlements.</li> <li>3. Executive Order No. 292 of 25 July 1987 instituting the Administrative Code.</li> <li>4. Republic Act No. 7160 providing for the Local Government Code of 1981.</li> </ol>  |
| <p><b>Agency role:</b></p> <p>Assist the President in the exercise of general supervision over local governments and further strengthen local government capability aimed towards the effective delivery of basic services to the citizenry, promote peace and order and ensure public safety.</p>  |
| <p><b>Agency functions:</b></p> <ol style="list-style-type: none"> <li>1. Advise the President on the promulgation of policies, rules, regulations and other issuances relative to the general supervision of local government.</li> <li>2. Establish and prescribe the rules, regulations and other issuances implementing laws on the general supervision of local governments and the promotion of local autonomy and community empowerment and monitor compliance.</li> <li>3. Provide assistance in the preparation of national legislation affecting local governments, law enforcement and public safety.</li> <li>4. Establish and prescribe plans, policies, programs and projects to strengthen the administrative, technical and fiscal capabilities of local government offices and personnel.</li> <li>5. Formulate policies, plans and programs which will meet local emergencies arising from natural and man-made disasters.</li> </ol> <p>Bureau of Local Government Supervision:</p> <ol style="list-style-type: none"> <li>1. Advise and assist the Secretary in the exercise of the power of general</li> </ol> |

supervision of the President over the local government units particularly in the formulation and implementation of national laws, policies and standards concerning local government operations and their personnel.

2. Establish and prescribe guidelines for the administration of the Katarungang Pambarangay Laws.
3. Monitor compliance with national laws and policies by local government units.
4. Provide assistance in the preparation of national legislation affecting local government units and in the promotion of local autonomy.
5. Extend consultation services and advice to local government units involved in promoting local autonomy.
6. Provide assistance to local governments in the promotion of citizens participation in local government activities.
7. Provide technical and financial assistance, as well as Secretariat services to the Leagues of Provinces, Cities and Municipalities.

Bureau of Local Government Development:

1. Establish and prescribe plans, policies, programs and projects to strengthen the administrative and technical capabilities of local government offices and personnel.
2. Provide technical assistance to enhance the administrative, fiscal and technical capabilities of local government officers and personnel.
3. Formulate, prescribe and periodically evaluate local development policies, plans, programs and projects designed to enhance the participation of local government units in planning and implementation.
4. Establish a system of incentives and grants to local government offices and prescribes policies, procedures and guidelines in the implementation of self-help assistance projects.
5. Formulate and develop models, standards, and technical materials on local government development.
6. Extend consultation services and advice to local government units involved in development programs.
7. Establish a viable system of strategies and approaches for local governments anchored on citizen participation within a holistic and integrated framework for the development of communities.

**Structure:**

The DILG including the BLGS and BLGD are located in Quezon City, Metro Manila and are supported by 16 regional offices and 79 provincial offices.

| <b>Outlays and Receipts:</b>  |                   |                          |                 |               |
|---|-------------------|--------------------------|-----------------|---------------|
| <b>Outlays (P'000)</b>  |                   |                          |                 |               |
| Year  | Personal Services | Other Operating Expenses | Capital Outlays | Total Outlays |
| 1998 Actual   | 24,655,649        | 4,638,670                | 1,467,714       | 30,761,953    |
| 1999 Actual   | 28,955,681        | 5,089,426                | 1,771,011       | 32,816,118    |
| 2000 Actual   | 31,999,142        | 6,228,562                | 1,141,862       | 39,369,566    |
| 2001 Actual   | 32,371,766        | 4,729,047                | 67,521          | 37,168,334    |
| 2002 Budget   | 1,276,076         | 444,709                  | 955,614         | 2,676,399     |
| <b>Receipts (P'000)</b>   |                   |                          |                 |               |
| Year  | Fees and Charges  | Others (if any)          | Total Receipts  |               |
| 1998 Actual   | 267,954           | 17,018                   | 284,972         |               |
| 1999 Actual   | 255,781           | 13,200                   | 268,981         |               |
| 2000 Actual   | 250,900           | 20,426                   | 271,326         |               |
| 2001 Actual   | 276,016           | 22,586                   | 298,602         |               |
| 2002 Budget   | 303,786           | 25,020                   | 328,806         |               |
| DILG operation costs are fully funded by the national budget. All fees and charges are remitted to the National Treasury.   |                   |                          |                 |               |
| <b>Staffing (2001):</b>   |                   |                          |                 |               |
| The Bureau of Local Government Supervision and Bureau of Local Government Development are staff bureau within the DILG Office of the Secretary. The Office of the Secretary is funded for 5,4,26 filled positions in FY2002. The staffing of the two Bureau within this total has not been estimated. |                   |                          |                 |               |
| <b>Principal issues:</b>  |                   |                          |                 |               |
| 1. Responsibilities and standards for the Comprehensive Land Use Plans of local governments.  |                   |                          |                 |               |
| <b>Key institutional overlaps:</b>  |                   |                          |                 |               |
| DILG, HLURB, HUDCC, NLUC/NEDA, DAR, DA, DENR on setting standards for land use and approval of land use plans of LGUs.  |                   |                          |                 |               |

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| <p><b>Agency Name:</b>     <b>National Land Use Committee (NLUC)</b></p>  |
| <p><b>Institutional Status:</b></p> <p>NLUC is an interagency coordinating committee led by the National Economic and Development Authority (NEDA). Agency representatives to the Committee (with the position of Undersecretaries) are designated by the head of agencies.</p>   |
| <p><b>Relevant Legislation:</b></p> <ol style="list-style-type: none"> <li>1. Letter of Instructions No. 1350 of 2 August 1983 providing for the institutional framework for national physical planning.</li> <li>2. Administrative Order No. 356 of 21 August 1997 providing for the formulation of the National Strategic Infrastructure Transport Plan</li> </ol>  |
| <p><b>Agency role:</b></p> <p>Implement national policy on physical planning, which states that land resources of the nation shall be utilized to obtain the maximum possible social and economic benefits for the people.</p>  |
| <p><b>Agency functions:</b></p> <ol style="list-style-type: none"> <li>1. Prepare and periodically revise an integrated National Physical Framework Plan (NPF) which shall be consistent with Philippine Development Plans. The NPF shall indicate, among other things, (a) the spatial implications of the Philippine Development Plan, (b) proposed indicative use of the various land resources of the nation, (c) priority programs to facilitate and expedite the completion of a comprehensive national land use inventory, and (d) supportive regional framework plans.</li> <li>2. Develop, compile, reconcile and periodically revise national and regional land use plans which shall be consistent with the NPF and which shall include (a) those provided for in the various city and municipal zoning plans, (b) those provided for under EO No. 803 with respect to agricultural land classification.</li> <li>3. Coordinate and integrate to the extent desirable physical planning activities including the standardization of scales of regional land use maps and the identification of minimum specialized regional land use maps required for complete and consistent compilation.</li> <li>4. Coordinate related researches and surveys undertaken by various agencies.</li> <li>5. Formulate the National Strategic Infrastructure Transport Plan which shall integrate all existing and proposed transport and transport-related projects in the country to enhance complementation and consistency with national development thrusts.</li> </ol> <p>The Regional Land Use Committees (RLUCs) were organized in each of the region to formulate physical framework plan and coordinate physical planning at the region.</p> <p>The NEDA as Secretariat to the NLUC and responsible for the following functions:</p> <ol style="list-style-type: none"> <li>1. Formulate and prescribe regional standards and guidelines for regional physical</li> </ol> |

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| <p>framework plans to be prepared by the Regional Development Councils.</p> <ol style="list-style-type: none"> <li>2. Provide technical assistance to the regions in the formulation of land use and land capability decisions.</li> <li>3. Develop, with the appropriate agencies, data base system to classify and present the present and possible uses of land areas, public or private, comprising the total land resources of the nation.</li> <li>4. Provide Secretariat support to the committee.</li> </ol> |
| <p><b>Structure:</b></p> <p>The national committee is composed of the Deputy Director General of NEDA (chairman), Undersecretaries of the DA, DAR, DENR, DOJ, DILG, DPWH, DOTC, DILG and Secretary-General of HUDCC as members.</p> <p>Regional Land Use Committees (RLUCs) in each of the regions replicate the NLUC.</p> <p>NEDA acts as secretariat to the Committee.</p>   |
| <p><b>Outlays and Receipts:</b></p> <p>Not applicable.</p>   |
| <p><b>Staffing:</b></p> <p>Staffing of NLUC secretariat function within NEDA not ascertained but small.</p>  |
| <p><b>Principal issues:</b></p> <ol style="list-style-type: none"> <li>1. No national land use plan.</li> <li>2. Multiple agencies involved in land use planning and land development setting their own standards and methodologies.</li> <li>3.</li> </ol>  |
| <p><b>Key institutional overlaps:</b></p> <p>NLUC, HLURB, HUDCC, DAR, DA, DENR, DILG on setting policies and standards on land use planning, and reviewing land use plans of LGUs.</p>   |

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| <p><b>Agency Name: Public Estates Authority (PEA)</b></p>   |
| <p><b>Institutional status:</b></p> <p>PEA is a government-owned and controlled corporation (GOCC) attached to the Office of the President. The General Manager is appointed by the President and reports to the Board of Directors.</p>  |
| <p><b>Relevant Legislation:</b></p> <ol style="list-style-type: none"> <li>1. Presidential Decree No. 1084 of 4 February 1977 creating PEA and defining its powers and functions.</li> <li>2. Executive Order No. 525 of 14 February 1979 designating PEA as the agency primarily responsible for all reclamation projects.</li> <li>3. Executive Order No. 654 of 26 February 1981 further defining certain functions and powers of the PEA.</li> <li>4. Republic Act No. 7279 of 1992 providing for a comprehensive and continuing urban development and housing program.</li> <li>5. Republic Act No. 7835 of 1994 providing for a comprehensive and integrated shelter and urban development financing program.</li> </ol>  |
| <p><b>Agency role:</b></p> <p>Reclaim land, develop, improve, acquire, administer, deal in, subdivide, dispose, lease and sell any and all kinds of lands, buildings, estates and other forms of real property owned, managed, controlled and/or operated by the Government for efficient, economical and beneficial utilization of the above properties.</p>   |
| <p><b>Agency functions:</b></p> <ol style="list-style-type: none"> <li>1. Purchase, lease, build, alter construct, erect, enlarge, occupy, manage, sell and mortgage dispose of or otherwise deal in, buildings of every kind and character required by the Authority.</li> <li>2. Construct, maintain and operate mains, pipes, machinery, water reservoirs and artesian wells.</li> <li>3. Own or operate railroads, trainways and other kinds of land transportation vessels, power house, hotels, restaurants, terminals, warehouses and to manufacture, produce, rolling stock equipment tools and other appliances.</li> <li>4. Hold lands of public domain in excess of area permitted to private corporations by statute.</li> <li>5. Reclaim lands and construct work across any stream, water course, canal ditch as the location of said works may require, provided that such works be constructed in a manner as not to endanger life or property.</li> <li>6. Issue and implement regulations and standards on land reclamation and development of reclaimed land.</li> <li>7. Issue such regulations as may be necessary for the proper use by private parties of any or all of the highway roads, utilities, buildings and/or tolls for their use provided that all receipts and other charges are automatically appropriated for its use.</li> </ol> |

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|--|---------------------|-----------------|-----------------|------------------|
| <b>Structure:</b>  |                     |                 |                 |                  |
| PEA is governed by a Board of Directors composed of a Chairman and four members appointed by the President. The Chief Executive is the General Manager appointed by the President and supported by service units (see attached organizational chart).  |                     |                 |                 |                  |
| <b>Outlays and Receipts:</b>   |                     |                 |                 |                  |
| PEA is a self-funding corporation. Its (unaudited) financial statements for FY 2001 indicate:  |                     |                 |                 |                  |
| <ul style="list-style-type: none"> <li>• Operating Income P230.1 million;</li> <li>• Operating Expenses P169.1 million;</li> <li>• Net Income After Tax P52.7 million;</li> <li>• Total Assets P 24,945 million;</li> <li>• Total Liabilities P19,223 million;</li> <li>• Net Assets P5,722 million</li> </ul> |                     |                 |                 |                  |
| <b>Staffing (2001):</b>  |                     |                 |                 |                  |
|  | Permanent Positions | Other Positions | Total Positions | Filled Positions |
| Office of the Chairman and Board of Directors  | 8                   |                 | 8               | 6                |
| Office of the General Manager  | 6                   |                 | 6               | 5                |
| Management Services  | 12                  |                 | 12              | 7                |
| Corporate Planning   | 10                  |                 | 10              | 6                |
| Office of the Deputy General Manager for Management Services   | 3                   |                 | 3               | 3                |
| Office of the Assistant General Manager for Finance  | 2                   |                 | 2               | 2                |
| Treasury   | 7                   |                 | 7               | 5                |
| Comptrollership  | 3                   |                 | 3               | 2                |
| Accounting   | 9                   |                 | 9               | 8                |
| Budget   | 5                   |                 | 5               | 5                |
| Office of the Assistant General Manager for Legal and Administrative Services  | 2                   |                 | 2               | 1                |
| Administrative Services  | 6                   |                 | 6               | 6                |
| Human Resource Devt  | 7                   |                 | 7               | 6                |
| General Services   | 18                  |                 | 18              | 17               |

Annex C: Roles & functions of GOP agencies with interests in land

|  |     |  |     |     |
|--|-----|--|-----|-----|
| Legal and Corporate Affairs  | 9   |  | 9   | 7   |
| Office of the Deputy General Manager for Project Development, Construction Management and Technical Services         | 3   |  | 3   | 3   |
| Office of the Assistant General Manager for Project Evaluation and Development and Technical Evaluation and Planning | 3   |  | 3   | 1   |
| Project Evaluation and Development   | 6   |  | 6   | 4   |
| Technical Evaluation and Planning  | 6   |  | 6   | 5   |
| Office of the Assistant General Manager for Construction Management and Technical Services                           | 2   |  | 2   | 2   |
| Construction Management  | 15  |  | 15  | 10  |
| Technical Services   | 16  |  | 16  | 13  |
| Office of the Deputy General Manager for Marketing, Estates Management and Special Projects                          | 3   |  | 3   | 2   |
| Office of the Assistant General Manager for Marketing and Estates Management   | 2   |  | 2   | 2   |
| Marketing Department   | 13  |  | 13  | 11  |
| Public Relations Office  | 4   |  | 4   | 3   |
| Estates Management   | 12  |  | 12  | 7   |
| Office of the Assistant General Manager for Special Projects   | 2   |  | 2   | 2   |
| Special Projects Evaluation and Development  | 10  |  | 10  | 6   |
| Total  | 204 |  | 204 | 157 |

**Principal issues:**

1. Multiple agencies with interests in land development and regulation of land use.

PEA discharges both regulatory and land development functions but, in the context of the IAPS, is of prime interest as a 'client' of the land administration system for titling of reclaimed lands.

**Key institutional overlaps:**

PEA, HLURB, NEDA/NLUC, LGUs on setting standards for land use and development for the urban sector.

|                              |  |
|------------------------------|--|
| <b>Agency Name:</b>          | <b>Land Bank of the Philippines (LBP)</b>  |
| <b>Institutional status:</b> | LBP is a government financial institution (GFI) attached to the Department of Agrarian Reform (DAR). The President of the LBP is appointed by the President and reports to the Board of Directors.   |
| <b>Relevant Legislation:</b> | <ol style="list-style-type: none"> <li>1. Republic Act No. 3844 of 8 August 1963 ordaining the Agricultural Land Reform Code and instituting land reforms in the Philippines.</li> <li>2. Presidential Decree No. 251 amending certain provisions of the RA 3844 and establishing the Land Bank of the Philippines.</li> <li>3. Republic Act No 6657 of 26 July 1987 (Comprehensive Agrarian Reform Law) instituting a program to promote social justice and industrialization and providing the mechanism for its implementation.</li> <li>4. Republic Act No 7905 of 23 February 1995 strengthening the implementation of the Comprehensive Agrarian Reform Program.</li> </ol>  |
| <b>Agency role:</b>          | Provide timely and adequate financial support needed in the implementation of the agrarian reform program.   |
| <b>Agency functions:</b>     | <ol style="list-style-type: none"> <li>1. Grant short, medium and long-term loans and advances against security of real estate and/or other acceptable assets for the establishment, development or expansion of agricultural, industrial, home building or home financing projects and other productive exercises.</li> <li>2. Grant loans to farmer's cooperatives/associations to facilitate production, marketing of crops and acquisition of essential commodities.</li> <li>3. Finance and guarantee the acquisitions under Presidential Decree No. 85 of farm lots transferred to tenant farmers pursuant to Presidential Decree No. 27</li> <li>4. Act as the official government depository with full authority to maintain deposits of the Government, its branches, subdivisions and instrumentalities and government-owned and controlled corporations.</li> <li>5. Establish a national marketing umbrella for farmers and fisheries cooperatives.</li> <li>6. Exercise the general powers mentioned in the Corporation Law and the General Banking Act, as amended.</li> </ol> |
| <b>Structure:</b>            | The LBP has a Board of Directors (BOD) consisting of nine members. The Secretary of Finance is the Chairman; the President of the Land Bank, Vice Chairman, the Secretary of Labor and Secretary of Agriculture are ex-officio members. The President of the Philippines appoints two members of the Board who represent the agrarian reform beneficiaries, and two members who represent the private sector. The remaining two are elected by the shareholders coming from the public sector.   |

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| <p>The Chief Executive is the President of the Land Bank, who is chosen and removed by the Board of Directors with the advice and consent of the President. He is assisted by Vice Presidents and staffs.</p> |
| <p><b>Outlays and Receipts:</b></p> <p>Not ascertained.</p>   |
| <p><b>Staffing:</b></p> <p>Not ascertained.</p>   |
| <p><b>Principal issues:</b></p> <p>Lack of national standards for real property valuation (including valuations undertaken by LBP for the CARP).</p>  |
| <p><b>Key institutional overlaps:</b></p> <p>DAR/LBP, DOF, LGUs on land valuation.</p>  |

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| <p><b>Agency Name:</b>     <b>Philippine Council for Sustainable Development (PCSD)</b></p>   |
| <p><b>Institutional Status:</b></p> <p>The PCSD is an inter-agency committee under the National Economic and Development Authority (NEDA) composed of representatives from the government and civil society (people’s organization, non-government organizations, and sectoral/major group organizations. Government agency representatives are designated by their heads of agency while civil society representatives are designated through their own processes.</p>   |
| <p><b>Relevant Legislation:</b></p> <ol style="list-style-type: none"> <li>1. EO No. 15 of September 1992 creating a PCSD.</li> <li>2. EO No. 370 of 26 September 1996 strengthening the PCSD.</li> <li>3. MO No. 399 of 26 September 1996 directing the operationalization of the Philippine Agenda 21 and monitoring its implementation.</li> <li>4. EO No. 406 of 21 March 1997 institutionalizing the Philippine Economic-Environmental and Natural Resources Accounting (PEENRA) System and creating units within the organizational structure of DENR, NEDA and NSCB.</li> </ol>  |
| <p><b>Agency role:</b></p> <p>Coordinate and monitor the implementation of Philippine commitments on sustainable development made in Rio de Janeiro including the operationalization of the Philippine Agenda 21.</p>   |
| <p><b>Agency functions:</b></p> <ol style="list-style-type: none"> <li>1. Review and ensure the implementation of the commitments made by the Philippines in the light of the UN Conference on Environment and Development (UNCED) and Philippine Agenda 21.</li> <li>2. Establish guidelines and mechanisms that will expand, concretize and operationalize sustainable development principles and incorporate them in the Medium-term Philippine Development Plan both at the national and local levels, with active participation from the non-government sector and people’s organization.</li> <li>3. Formulate policy reforms, programs and projects and recommend new legislations that respond to continuing and emerging issues and charting future actions related to environment and sustainable development.</li> <li>4. Provide policy advice to appropriate bodies on environment and sustainable development issues of national interest.</li> <li>5. Institutionalize a mechanism that would ensure linkage with the legislative, executive, local government units, nongovernmental organizations, business and other concerned entities/sectors in the formulation of policies and decision-making on sustainable development concerns.</li> <li>6. Act as the coordinating mechanism with the UNCSD, through the Department of Foreign Affairs, and actively solicit assistance and cooperation towards the realization of commitments made at the UNCED.</li> <li>7. Review and monitor plans, policies and programs and legislations on sustainable</li> </ol> |

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| <p>development and recommend mechanisms/strategies for promotion efficiency and timeliness of their execution.</p> <p>8. Establish a networking mechanism to link with local and international organizations involved in sustainable development.</p> <p>9. Oversee and monitor the operationalization of the Philippine Agenda 21.</p>   |
| <p><b>Structure:</b></p> <p>Council is chaired by the NEDA Secretary, co-chaired by the DENR Secretary composed of representatives (Director or higher) of the following agencies: DFA, DOST, DOF, DA, DPWH, DECS, DOLE, DOH, DTI, DILG, DSWD, DBM, DND, DOE, DOTC AND DAR. Nine Council members are allocated to the civil society composed of people's organization, non-government organizations and sectoral/major groups. Labor and business have two representatives each in the Council.</p> <p>The Council has four committees corresponding to four major areas of concern: Committee on Social and Economic Dimensions, Committee on Conservation and Management of Resources Development, Committee on Strengthening the Role of Major Groups (CSRMG), and Committee on Means of Implementation. These committees are also composed of government, business and civil society.</p> <p>The NEDA serves as a secretariat to the Council.</p> |
| <p><b>Outlays and Receipts:</b><br/>Not applicable/relevant.</p>  |
| <p><b>Staffing:</b><br/>Not applicable/relevant.</p>  |
| <p><b>Principal issues:</b></p> <p>Review suggests none of direct relevance to the IAPS.</p>  |
| <p><b>Key institutional overlaps:</b></p> <p>None of the direct relevance to the IAPS.</p>  |

|  |                   |                          |                 |               |
|--|-------------------|--------------------------|-----------------|---------------|
| <b>Agency Name: Commission on the Settlement of Land Problems (CSLP)</b>   |                   |                          |                 |               |
| <b>Institutional status:</b><br><br>CSLP is an attached agency of the Department of Justice (DOJ). The Commissioner is appointed by the President and reports to the Secretary of Justice.   |                   |                          |                 |               |
| <b>Relevant Legislation:</b><br><br>1. Executive Order No 292 of 25 July 1987 instituting the Administrative Code of 1987.   |                   |                          |                 |               |
| <b>Agency role:</b><br><br>Settle land problems involving small landowners and members of cultural minorities.   |                   |                          |                 |               |
| <b>Agency functions:</b><br><br>1. Formulate and coordinate policies and courses of action to ensure expeditious settlement of public land disputes and problems involving small landowners and cultural minorities<br>2. Determine suitable areas of the public domain for subdivision and eventual distribution to occupants/settlers<br>3. Conduct comprehensive study for the release of portions of unused reservations to dislocated underprivileged sectors of society.<br>4. Coordinate with government agencies in conducting relocation surveys to expedite resolution of land disputes between tribal and non-tribal members. |                   |                          |                 |               |
| <b>Structure:</b><br><br>The Commission is located in Metro Manila and being supported by a technical staff and 4 provincial offices.  |                   |                          |                 |               |
| <b>Outlays and Receipts:</b>   |                   |                          |                 |               |
| <b>Outlays (P'000)</b>   |                   |                          |                 |               |
| Year   | Personal Services | Other Operating Expenses | Capital Outlays | Total Outlays |
| 1998 Actual  | 13,648            | 2,649                    |                 | 16,297        |
| 1999 Actual  | 13,929            | 1,969                    |                 | 15,898        |
| 2000 Actual  | 19,651            | 2,704                    | 208             | 22,563        |
| 2001 Actual  | 16,193            | 1,385                    | 50              | 17,628        |
| 2002 Budget  | 19,679            | 1,106                    | 50              | 20,835        |
| <b>Receipts (P'000)</b>  |                   |                          |                 |               |
| Year   | Fees and Charges  | Others (if any)          | Total Receipts  |               |
| 1998 Actual  | 0                 | 0                        | 0               |               |

Annex C: Roles & functions of GOP agencies with interests in land

|  |   |   |   |
|--|---|---|---|
| 1999 Actual  | 0 | 0 | 0 |
| 2000 Actual  | 0 | 0 | 0 |
| 2001 Actual  | 0 | 0 | 0 |
| 2002 Budget  | 0 | 0 | 0 |
| <p>CSLP operation costs are funded by the national budget. All fees and charges are remitted back to the National Treasury.</p>  |   |   |   |
| <p><b>Staffing:</b></p> <p>The CSLP is funded for 99 filled positions in FY 2002.</p>  |   |   |   |
| <p><b>Principal issue:</b></p> <p>1. Relevance of the agency.</p>  |   |   |   |
| <p><b>Key institutional overlaps:</b></p> <p>CSLP, NCIP on cultural minorities/indigenous peoples.</p> <p>CSLP, Regional Trial Courts, DAR on land disputes for small farmers.</p> |   |   |   |

*Institutional Arrangements Policy Study*

**ANNEX D:  
WORKSHOPS SUMMARY AND REPORTS**

## **MAY 2002 WORKSHOPS ON LAND ADMINISTRATION INSTITUTIONAL ARRANGEMENTS: SUMMARY OF ISSUES RAISED**

In accordance with the agreed Work Plan for the Institutional Arrangements Policy Study three workshops were held in May 2002. Their aim was to identify current problems and issues associated with land administration, suggested improvements and obstacles to reform. The workshops were designed by the Institutional Arrangements Adviser in consultation with, and with administrative support from, the LAMP Project Management Office. Workshop participants were invited by letter from Undersecretary Cynthia Castel of the Department of Budget and Management, who also opened each of the workshops. An issues paper was circulated to participants prior to the workshops as background. Following is a summary of workshop outcomes prepared by the Institutional Arrangements Adviser. Reports on the individual workshops have also been prepared by the respective Facilitators and follow this summary.

There was a high degree of commonality in the issues identified and reforms suggested by each of the workshops (see summary table below).

In general terms, the workshops provided useful input to the study insofar as they:

- indicated wide agreement that current land administration arrangements are flawed and in need of reform;
- confirmed problems and issues associated with land administration as identified by previous studies;
- clarified, for the benefit of the Institutional Arrangements Adviser, various details of current land administration procedures.

The workshops did not identify any major institutional interaction or area of institutional duplication/overlap that had not been identified in the issues paper for the workshop. Moreover in discussing possible improvements/reforms, participants generally:

- did not address in any detail the institutional implications for agency roles and functions of the suggested improvements they identified (for example, suggestions that “one agency” be established for future land administration did not extend to consideration of such an agency’s possible role, functions, structure or resourcing);
- tended to take as a ‘given’ the present administrative structure of national and local government including the regional structure of national agencies;
- appeared to place considerable faith in changes to laws as a means of achieving reform.

| <b>3 MAY 2002: NON GOVERNMENT ORGANIZATIONS (MANILA)</b>   |   |   |
|--|---|---|
| <b>Current problems</b>  | <b>Suggested improvements</b>   | <b>Obstacles to change</b>  |
| <ul style="list-style-type: none"> <li>• Inconsistent land laws</li> <li>• Weak enforcement of existing land laws</li> <li>• Diversity in forms of title (Patents, CLOAs etc)</li> <li>• Duplication of subdivision survey approval powers as between DENR and LRA</li> <li>• Slowness of process for transfers of titles</li> <li>• Land squatting</li> <li>• Differing valuation methods by BIR, local government for land-related taxes</li> <li>• Parcel map for tax mapping is inaccurate</li> <li>• Non-standardization of technical descriptions of land</li> </ul> | <ul style="list-style-type: none"> <li>• Amend inconsistent laws</li> <li>• One agency to perform land administration functions</li> <li>• Approve establishment of a National Land Use Commission</li> <li>• Minimize legal interventions in land administration</li> <li>• One title system</li> <li>• One Stop Shops for land transactions</li> <li>• Devolve authority to regions</li> <li>• Common valuation basis and system for land-related taxes based on market values</li> <li>• Consolidated inventory/register of land titles and rights over land</li> <li>• Update maps for land use planning using scale 1:10,000</li> <li>• Use modern technology to update maps</li> <li>• Computerize records management and share data between agencies</li> <li>• Involve private sector in formulation and updating of CLUPs</li> <li>• Permit administrative correction of typographical errors</li> <li>• Forge agreements (MOAs) between agencies to define their respective duties</li> </ul> | <ul style="list-style-type: none"> <li>• Perceived lack of political will to repeal inconsistent laws and enforce laws</li> <li>• Insufficient resources for agencies to update their maps/records</li> <li>• Lack of valuation standards/professional qualifications</li> <li>• Non-availability of CLUPs for a number of local governments</li> <li>• Inadequately trained/qualified staff</li> <li>• Impacts of institutional changes on government employees</li> </ul> |

| 7 MAY 2002: GOVERNMENT AND NON-GOVERNMENT AGENCIES<br>(TACLOBAN, LEYTE)  |   |  |
|--|---|--|
| Current problems   | Suggested improvements  | Obstacles to change  |
| <ul style="list-style-type: none"> <li>• Inaccurate/defective data on current land classifications</li> <li>• Outdated land classifications</li> <li>• Duplicate titles</li> <li>• High costs of titling for land owners</li> <li>• Technical limitations of DENR/RODs in performing their functions</li> <li>• Absence of a national land use policy and incomplete CLUPs for many LGUs</li> <li>• Differing methods/criteria/bases for land valuation</li> <li>• Lack of coordination mechanism for agencies involved in land valuation</li> <li>• Non-payment of real property taxes</li> </ul> | <ul style="list-style-type: none"> <li>• Unified land valuation and classification system</li> <li>• Pass National Land Use Act</li> <li>• Regular review and updating of land classification data through scientific methods</li> <li>• Amend RA 6657 (CARP law) and DENR laws to rationalize titles administration and legislate detailed procedures for improved implementation</li> <li>• Empower community to act on their land rights</li> <li>• Strengthen technical capacity of land administration agencies</li> <li>• Unify land valuation system</li> <li>• Integrate all land valuation functions into one agency (DOF suggested)</li> <li>• Efficient collection of land taxes through a digital system</li> </ul> | <ul style="list-style-type: none"> <li>• Perceived lack of legislative support and political will</li> <li>• Lack of funding to improve the system</li> <li>• Refusal of agencies to cooperate in developing a unified system</li> <li>• Fears of job losses amongst government employees</li> <li>• Parochial attitudes</li> <li>• Inadequate dissemination of information</li> <li>• Poor coordination between DENR, DAR and LRA/RODs</li> <li>• Bureaucratic administrative structures</li> <li>• Conflicts of interest amongst affected parties</li> </ul> |

| 10 MAY 2002: GOVERNMENT AGENCIES (MANILA)   |  |  |
|---|--|--|
| Current problems  | Suggested improvements   | Obstacles to change  |
| <ul style="list-style-type: none"> <li>• Conflicting laws impacting land classification</li> <li>• Multiple forms of land title involving multiple agencies</li> <li>• Obsolete land laws</li> <li>• Confusing land information</li> <li>• Overlapping functions in the approval of survey plans</li> <li>• Many errors in technical descriptions of areas/land lots</li> <li>• Red tape in verification/approval of surveys</li> <li>• Multiple valuation systems</li> <li>• Absence of professional standards/regulation for valuers</li> <li>• Inappropriate interference in assessment of land values and related matters</li> <li>• Incomplete/outdated CLUPs of LGUs undermines valuation process for some taxes</li> </ul> | <ul style="list-style-type: none"> <li>• Enactment of National Land Resources Management Code</li> <li>• One central authority/clearing house for land classification</li> <li>• Single agency for land information access</li> <li>• Sharing of information</li> <li>• Harmonization of land laws</li> <li>• Adoption of modern technology</li> <li>• Better education and training of staff</li> <li>• Permission for agencies to retain/use funds generated through user charges</li> <li>• One agency for approval of subdivision plans</li> <li>• One source/reference for verified information as a basis for decisions</li> <li>• Computerization of land records with access open to all</li> <li>• Single agency for setting/monitoring land valuation standards</li> <li>• Better links with private sector to establish fair market values plus public information on land sales</li> </ul> | <ul style="list-style-type: none"> <li>• Legal constraints/current laws</li> <li>• Low political priority attached to reform measures</li> <li>• Difficulties in getting priority for legislative changes</li> <li>• Entrenched attitudes, protection of existing functions/activities by agencies</li> <li>• Employee fear of change</li> <li>• Inadequate skills</li> <li>• Insufficient resources</li> <li>•</li> </ul> |

**Philippines Australia Land Administration and Management Project  
Workshop on Institutional Arrangements for Land Administration  
May 3, 2002 at Diamond Hotel, Manila, Philippines**

**Workshop Highlights**

**1. Workshop Participants**

The workshop was participated by thirty-nine representatives from various non-government organizations with an interest in land administration and management. Among these were the Geodetic Engineers of the Philippines, Institute of Philippine Real Estate Appraisers (IPREA), Realty Owners Association of the Philippines (ROAP), Institute of Philippine Real Estate Consultants (IPREC), Philippine Association of Realty Appraisers (PARA), NAR Philippines Inc., Philippine Association of Realtors Boards (PAREB), Chamber of Real Estate and Builders Association (CREBA), and Real Estate Broker's Association of the Philippines (REPAB).

Also represented were the Philippine Institute of Development Studies, Global Corporation, Philippine Appraisal Company Inc., Certeza, and the Integrated Bar of the Philippines. Participants from the academe came from the College of Administration and Governance of the University of the Philippines (UP), Geodetic Engineering Department UP College of Engineering, UP Law Center, and the Geodetic Engineering Department of the FEATI University also attended.

Present were resource persons, Ms. Cynthia G. Castel, Undersecretary of the Department of Budget and Management (DBM), Ms. Amelita D. Castillo, Director of the OPIB-DBM, Mr. John Mellors, Adviser for the policy study on Institutional Arrangements, Ms. Catherine Bayaua, Philippine Counterpart to the Adviser, and staff from the Land Administration and Management-Project Management Office (LAMP-PMO).

Other Advisers for the Philippine-Australia Land Administration and Management Project (PA-LAMP) who were present included Ms. Rae Porter for Social Dynamics, Mr. Keith Nettle for Land Laws, and Ms. Liza Ting for Land Laws. Also present was Mr. Ian Lloyd, PA-LAMP Team Leader (see Annex 1 for List of Participants).

**2. Welcome Address by Undersecretary Cynthia G. Castel of the Department of Budget and Management**

Undersecretary Cynthia G. Castel of the Department of Budget and Management (DBM) welcomed the guests and participants to this workshop on institutional arrangements for land administration and management. She informed that with assistance from the World Bank and the Australian Agency for International Development, the Government is spearheading a three-year Land Administration and Management (LAM) Project. The LAM Project forms part of the initial phase of the Government's longer-term Land Administration and Management Program to help alleviate poverty and enhance economic growth by improving the security of land tenure and efficiency of the land market. She further added that in support of this

objective, the initial three-year Project focuses on ways of developing a more efficient system of land titling and related services.

Undersecretary Castel reported that as part of the LAM Project, prototypes based in Leyte and Quezon City are currently developing and testing new approaches on the registration of land rights and the improvement of land titles and records. She further added that another component of the Project is the conduct of four policy studies intended to strengthen the overall policy and administrative framework within which land titling and related activities take place. Such studies deal with (a) Land Laws and Regulations; (b) Land Valuation; (c) Fees and Finance for Land Administration and (d) Institutional Arrangements. These studies would be completed by June 30, 2002 and results from this workshop would serve as important inputs to the studies.

She gave an overview of the Institutional Arrangements Policy Study by explaining its main purpose to examine all government agencies involved in land administration and recommend improvements in their operations and the way they are structured. Moreover, this initiative is part of a bigger set of reforms currently being pursued by the government to improve its institutional capacity and service delivery.

Undersecretary Castel stressed that the government attaches strong importance to the Policy Studies being undertaken on land administration, and the Project as a whole. One indicator of this importance is the President's recent decision to establish a special Task Force to ensure the success of the Project. Furthermore, the results of the studies would be presented to the Presidential Committee on Effective Governance (PCEG) so that recommendations could be acted upon immediately especially those that would not require action from Congress.

She emphasized that while improvements on institutional arrangements could be expected to have a beneficial impact on the costs of providing public services, it does not follow that efficiency improvements would be garnered as budgetary savings. These could be used to further improve the quality and quantity of public services.

Undersecretary Castel noted that while there have been past studies about land matters, less has been done to correlate organizational structures and methods to the issues confronting land transactions. She added that they should not limit themselves in recognizing the weaknesses in the land management and administration system. Rather, they must be involved in overcoming these weaknesses. She then encouraged the participants to actively participate in the workshop by sharing their ideas on how the present institutional structures could be improved.

Undersecretary Castel concluded that the partnership of the business sector, civil society and the government would initially influence the future directions in the land management sector. On a larger scale, this partnership would be an effective force in pursuing government-wide reforms in governance, which people are hoping for. She then thanked the representatives from the different sectors for sharing their time by attending this workshop.

### **3. Overview of the Institutional Arrangements Policy Study and Workshop Objectives: Mr. John Mellors, Consultant for Institutional Arrangements for Land Administration**

Mr. Mellors informed the participants that the Institutional Arrangements Policy Study is one of four (4) on-going policy studies that are supported by the Philippines-Australia Land Administration and Management Program. The study aims to review existing institutional responsibilities for land administration and identify options for improvement.

He proceeded to define Institutional Arrangements as: “The way in which powers and functions of Government agencies are structured, between and within agencies, in order to deliver administration services to members of the public”.

He also said that “Land Administration” covers mapping and survey, land classification, land subdivision, original land titling, adjudication of claims to title, land records and land valuation.

He also presented the Institutional Arrangements Study Workplan, which are as follows:

Review of current structures (8 weeks)

Identification of options and initial recommendations (4 weeks)

Preparation and presentation of Report by 30 June 2002 (3 weeks)

To gather important information for the study, the following were its strategies: review of previous studies made, discussions with individual agencies, analysis of lessons and implications from prototypes and from findings of other policy studies, incorporation of relevant international experiences, and conduct of consultation workshops to gather information from various stakeholders.

In this regard, Mr. Mellors presented the following Workshop Objectives:

To identify and discuss the main weaknesses of the current institutional arrangements from the perspective of the participants as” clients”.

To identify and discuss obstacles to reform of current arrangements and

To identify and discuss ideas for long-term improvements in institutional arrangements.

In the current powers and functions of Land Administration Agencies, Mr. Mellors pointed out that there are areas of duplication and overlap in the following: land classification, award of rights in land, approval of subdivision plans, cadastral mapping and land valuation. He also invited the participants to focus their discussion on possible obstacles to reform like are there legal rigidities? resource constraints? entrenched structures and interests? higher reform priorities in other areas and other obstacles that impede reforms?

He also challenged the participants to discuss and give their views on the directions for reform, which may include the following:

Are there better ways of structuring agency powers and functions from the client’s perspective? What are they?

Are there land administration powers and/or functions that are necessary and can be abolished entirely? Should there be contracted private suppliers to provide? Should land administration be devolved to provincial or local governments?

Can the number of separate agencies involved in land administration be reduced, and how?

Finally, he encouraged the participants to openly discuss their concerns on Land Administration, as this workshop will directly contribute to shaping recommendations, which will be presented to the Philippine Government by the PALAMP.

Since there were no clarifications from the participants, the Moderator proceeded to introduce the Workshop Guide.

#### **4. Workshop Guide**

The participants were randomly divided into three sub-groups and given the following discussion guide:

##### Discussion Guide

Organize the task group by selecting a discussion leader and presenter. Focus your group discussion on current institutional arrangements for land administration.

Identify apparent or existing duplication, overlap, contradictions or gaps pertaining to powers, functions and *activities* between and among agencies concerned with land administration

Describe *reasons* why you think these duplication, overlap, or contradictions continue to prevail.

Review each prevailing condition and mark (with red dots) those, which can be realistically improved or changed. (*Mark 5 most urgent*). For each of the 5 (marked most urgent), define the positive change you would like to be achieved

Define obstacles that would deter achievement of the desired change

Identify recommendations or suggested strategies to overcome the obstacles, and to achieve desired change.

| <i>Duplication, overlaps or gaps in various land administration agencies' functions or activities</i> | <i>Reasons for the duplication, overlaps, contradictions, gaps</i> | <i>Mark 5 most urgent to be changed<br/>What positive condition do you want to achieve as a result of the change?</i> | <i>What obstacles would deter the achievement of this desired change?</i> | <i>Recommendations or suggested strategies to achieve desired change</i> |
|---|--|---|---|--|
|   |  |   |   |  |

## **5. Summary of Workshop Outputs**

*(See Annex 2: Workshop Outputs of Group 1, 2 and 3)*

### *5.1 Duplications, contradictions, gaps on Land Administration*

#### *Land Valuation:*

The three groups pointed out the duplication of functions between and among Bureau of Internal Revenue, Assessor's Office of the Local Government, Land Management Bureau, Land Bank of the Philippines (when the land is used as collateral), Department of Public Works and Highways (when land is bought by the government for roads etc.) A specific issue identified is the current system that uses varied bases for land valuation. The Local Government Assessor's Office sets a value on which to base land tax. The Bureau of Internal Revenue uses the zonal value as the basis for capital gains tax in the event of ownership change. The fair market value is used as the basis for the actual sale transaction, and is determined by market forces.

Group 2 added that even if the property tax assessment is certified by the Local Government Assessor, the BIR still does their own land valuation and confirmation of land improvements.

The three groups cited the following as the reasons why these apparent duplication continues: specific laws mandate these agencies, land valuation is not professionalized, there is an apparent reluctance among agencies to realign their functions, and only a few local government units have an approved Comprehensive Land Use Plan which can be the basis for land valuation.

#### *Mapping and Survey:*

Group 1 pointed out that there is a two-track system, wherein approval of survey plans are done by Land Management Bureau (LMB) under the Department of Environment and Natural Resources, and Land Registration Authority (LRA) under the Department of Justice.

Group 2 cited that there is duplication between LRA and LMB in the functions of undertaking and approving land surveys and approving subdivision surveys. Each agency is mandated and authorized by Law to undertake such activities.

### *Land Classification*

Groups 2 and 3 identified duplications and contradictions of functions between NAMRIA-DENR, PENRO-DENR, DAR, LGU, DTI and PEA in land classification. Reasons cited were that laws or ordinances support these functions.

### *Land Titling*

Group 1 said that it takes 1-3 months to process documents. As an example, to transfer ownership of property requires ocular inspection by the BIR, which takes 1 month. For subdivision plans, this takes three months. The reason cited was that it is an established system or practice of said agencies. BIR has to validate the cost of property sold (zonal and market value). Another reason is that technical terms are not standardized (technical descriptions of titles). One positive observation was that the tax map used by the assessor's office is based on the cadastral survey of the Bureau of Lands. This facilitates on-site verification.

Group 2 also cited that for public lands, agencies such as NCIP, Bureau of Lands, DAR (CLOA) are involved, delaying the process because each agency has their own purposes and bases for awarding tenurial instruments.

### *5.2 Positive Change we want to achieve*

Groups 1,2 and 3 were unanimous in saying that functions and procedures between and among the agencies that they identified as having duplicating and contradicting functions must be streamlined. Specifically, there should be one agency to perform land administration functions. At the level of operational procedures, they want to see consistent records of approved surveys especially to clarify ownership. An inventory of and titles and rights are also needed. Procedures in processing land related transactions could also be cut short when current centralized functions will be devolved to the regions.

Groups 1 and 3 also want to see a common valuation basis and system for land valuation. Computation for land tax and capital gains should be based on market value of the property, which should be updated periodically.

Group 2 wants to see government transparency in land development.

### *5.3 Obstacles to change/reform*

Groups 1, 2 and 3 identified as a major obstacle to streamlined functions, the possible resistance from agencies who are currently mandated to do land valuation. Resistance may also be due to fears of job displacement especially in tenured positions. Group 1 cited resistance might also be due to the limited capacity to provide professional appraisal services if functions of the different overlapping agencies will be streamlined.

Group 2 and 3 cited another obstacle might be due to problems of reinforcement of the law. Resources for implementation may not be given priority and instead of streamlining, and strengthening an agency that is weak, usually an oversight committee

is created such that resources spread out too thinly. Group 2 identified land squatting as an obstacle to land administration implementation.

The three groups also said that political interventions because of self-interest of politicians are always an obstacle to reform and change.

#### *5.4 Recommendations, suggested strategies*

The following were the groups' recommendation and strategies to overcome the obstacles and address identified duplications, contradictions and gaps:

Call for strong political will to repeal inconsistent laws and implement those, which are, supposed to be implemented.

Educate those handling the land administration by building up capacities of technical staff in the Regions.

Long-term recommendation is to have one agency for "Land Administration" where classification, survey, titling functions are streamlined.

Forge agreements to delineate functions and procedures between various offices (HLURB-LGUs, DOF-Assessors etc.)

Update maps needed for land use with a scale of 1:10,000

Make use of all available technologies. E.g. GIS to update maps, classification of lands etc.

Computerize management of records, with data sharing between and among LRA and BIR, Assessors, Bureau of Lands.

Promote participation of private sector to subsidize formulation and updating of CLUPs.

Proper distinction between private appraisers and government assessors.

Typographical errors should be corrected at the register of deeds without any court procedures (RA 9048 can be followed as a Model)

Interested Private sector should be involved for socio-economic surveys, and also during revision of land values.

Assessment appeal should compose of government as well as private sector.

After the three (3) groups reported, clarifications and questions were taken up:

One participant from Group 2 added that their group recommended that a special Court for Squatting Problems be established. However, a participant also from Group 2 reminded that such a special court implies that squatters have legal rights to land. The group decided to treat it as a social and economic problem rather than a legal concern.

A participant asked Group 1 about their specific ideas on having a Committee to do land valuation, since creating a Committee might add up to duplications what BIR is currently doing land property valuation.

Group 1's reply was that the Committee might not be a permanent one. When needed, it should be composed of a full time licensed appraiser, a government appraiser, a Tax Researcher and a Local Government officer who has the technical capability to do valuation.

This was followed by remarks about how important are these changes? What would be the negative impact if all these discussions would not be realized?

A participant shared his views that if these will not be realized, the system would continue to demoralize the private sector and that corruption would still prevail and will be difficult to stop.

Another participant said he is still positive that some changes would be seen although he recognizes that not all the recommendations they gave would be acted upon. In behalf of the group, he expressed appreciation for being invited to share their views, and committed to support whatever positive changes will be done as a legacy to the future generation.

## **6. Closing Remarks**

Mr. Mellors expressed his thanks to the participants and commended them for being open in discussing and analyzing the problems in land administration. He said what they have recommended are sensible and for sure would need to be supported by the government.

The obstacles cited is not really that hard if there is strong political will, reorganization/reform of the agencies will be a priority of the politicians and government and that when one does these changes, the legal, cultural social and economic aspects would have to be considered. He encouraged the participants to be more active as a private sector group to support the government for the betterment of the land administration and management.

Ms. Amelita D. Castillo, Director of the Organizational Productivity Development Bureau of the Department of Budget and Management thanked the participants for their contributions during the workshop. She reminded the group that the participation of private sector-civil society and non-government organizations is very much encouraged by the government since these stakeholders are partners of the government towards its goal of good governance. She then invited the participants to lunch.

The workshop ended at 1:15 with a group photo.

**ATTACHMENT 1: LIST OF PARTICIPANTS****Institutional Arrangements-Workshop 1  
May 3, 2002****Resource Persons**

| <b>Name</b>              | <b>Position</b>                      | <b>Organization</b> |
|--------------------------|--------------------------------------|---------------------|
| Cynthia G. Castel        | Undersecretary                       | DBM                 |
| Amelita D. Castillo      | Director                             | OPIB-DBM            |
| Ms. Cleotilde L. Drapete | Supervising Management Specialist    | OPIB-DBM            |
| Ms. Madel Meimban        | Sr. Budget and Management Specialist | OPIB-BDM            |
| Ms. Catherine Bayaua     | IA Adviser                           | PA LAMP             |
| Ms. Socorro Feliciano    | Facilitator                          |                     |
| Ms. Jackie Bacal         | Facilitator                          |                     |
| Ms. Meredith C. Campo    | HR and Training Coordinator          | PA LAMP             |

**Participants**

|                               |  |  |
|-------------------------------|--|--|
| Engineer Eleuterio R. Paz     | Executive Secretary,<br>National Board of<br>Governors | Geodetic Engineers of the<br>Philippines                       |
| Dr. Marife M. Ballesteros     | Research Fellow  | Philippine Institute of<br>Development Studies                 |
| Mr. Alejandro R. Barcarse     | President  | Institute of Philippine Real<br>Estate Appraisers (IPREA)      |
| Mr. Quirino Baterna           | President  | Realty Owners Association<br>of the Philippines (ROAP)         |
| Mr. Ging Barredo              |  | Institute of Philippine Real<br>Estates Consultants<br>(IPREC) |
| Mr. Rafael Fajardo            | Vice President for External<br>Affairs                 | Philippine Association of<br>Realty Appraisers (PARA)          |
| Mr. Jose M. Claveria          |  | NAR Philippines Inc.   |
| Mr. Angelino B. de la Cruz    | President  | NAR Philippines Inc.   |
| Professor Jocelyn Cuaresma    | College of Public<br>Administration and<br>Governance  | University of the<br>Philippines                               |
| Engineer Privadi J.G. Dalire  | Head   | Geodetic Engineering<br>Department<br>FEATI University         |
| Mr. Johnny Dayag              |  | Philippine Association of<br>Realtors Boards (PAREB)           |
| Mr. Florentino S. Dulalia Jr. | President  | Chamber of Real Estate<br>and Builders Association<br>(CREBA)  |

| <b>Name</b>                  | <b>Position</b>                       | <b>Organization</b>  |
|------------------------------|---------------------------------------|--|
| Mr. Oscar P. Garcia          | President                             | Institute of Philippine Real Estates Consultants (IPREC)     |
| Mr. Rodolfo D. Leonen        | Vice President                        | Global Corporation   |
| Professor Epifanio Lopez     | Chairman and Director                 | Geodetic Engineering Department<br>College of Engineering UP |
| Mr. Jesus Marquez            |                                       | Philippine Appraisal Company, Inc.                           |
| Mr. F.M. Nadela              |                                       | Certeza  |
| Atty. Teofilo S. Pilando Jr. | National President                    | Integrated Bar of the Philippines                            |
| Ms. Gisella Dizon-Reyes      | Law Ret. Specialist                   | UP Law Center  |
| Mr. Jude Ruz                 | President                             | Real Estate Broker's Association of the Philippines (REBAP)  |
| Mr. Victor Salinas           | Chairman and Executive Vice President | Realty Owners Association of the Philippines (ROAP)          |

**PA-LAMP**

|                                     |                                       |          |
|-------------------------------------|---------------------------------------|----------|
| Atty. Mylene Albano                 | Executive Director                    | LAMP-PMO |
| Mr. Danilo R. Antonio               | Deputy Executive Director             | LAMP-PMO |
| Ms. Genevieve A. Padilla            | Chief, Planning and Coordination Unit | LAMP-PMO |
| Ms. Jasmin Oler                     |                                       | LAMP-PMO |
| Mr. Ian Lloyd                       | Team Leader                           | PA-LAMP  |
| Mr. John Mellors Workshop proponent | IA for Institutional Arrangements     | PA-LAMP  |
| Ms. Rae Porter                      | IA for Social Dynamics                | PA-LAMP  |
| Mr. Don Grant                       | QAP member                            | PA-LAMP  |
| Mr. Kevin Nettle                    | IA for Land Laws                      | PA-LAMP  |

## ATTACHMENT 2: GROUP FINDINGS

## Group 1

| Duplication, overlaps, contradictions, gaps  | <u>Reasons</u>   | Positive change we want to achieve   | Obstacles to change/reform  | Recommendations, suggested strategies   |
|--|--|--|---|---|
| 3 venues of a property (land) <ul style="list-style-type: none"> <li>- Current market value</li> <li>- Zonal value (BIR)</li> <li>- Land Assessor's value</li> <li>- Etc.</li> </ul> | 3 values serve specific purposes: <ul style="list-style-type: none"> <li>- (BIR) tax purpose- zonal value</li> <li>- (LGU) Land tax purpose- assessor's value</li> <li>- Existing law's/ordinance</li> </ul> | <ul style="list-style-type: none"> <li>▪ Compute the land tax and the capital gains tax on the market value of the property</li> <li>▪ Market value to be determined by professional (licensed) appraisers and updated periodically</li> </ul> | <ul style="list-style-type: none"> <li>▪ Possible resistance from agencies who are currently valuing properties</li> <li>▪ Agencies may have limited capacity to provide professional appraisal services</li> </ul> | <ul style="list-style-type: none"> <li>▪ Strong political will</li> <li>▪ Specialist appraisal training/capacity building in relevant agencies</li> <li>▪ Formal education</li> </ul> |
| It takes 1-3 months to process documents ex. BIR (CAR) to transfer property requires ocular inspection by BIR (1 month)<br>ex. Subdivision plans (3 months)                          | <ul style="list-style-type: none"> <li>▪ Established practice</li> <li>▪ Validation of cost of property sold (zonal and market value)</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Streamlined functions and procedures relevant to land administration (BIR, etc)</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Resistance to change (possible job displacement)</li> </ul>  | <ul style="list-style-type: none"> <li>▪ OSS establishment (immediate)</li> <li>▪ One agency (long-term)</li> </ul>   |
| (2 track system) approval of survey plans by DENR (LMB) and LRA (DOJ)  | <ul style="list-style-type: none"> <li>▪ Both have legal authority/ responsibility</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Consistent records of approved surveys especially to clarify ownership</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Resistance to change (possible job displacement)</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Mechanism to establish common information base</li> <li>▪ Have one agency only</li> </ul>  |
| Duplication in titling   | <ul style="list-style-type: none"> <li>▪ Tax map at Assessor's Office is based on cadastral survey of BOL and this is very helpful for on-site identification/ verification</li> </ul>                       | <ul style="list-style-type: none"> <li>▪ One agency to do land administration functions</li> </ul>   |   | <ul style="list-style-type: none"> <li>▪ One title system</li> <li>▪ Consolidate agencies (LMB, LRA, etc)</li> </ul>  |

**Group 2**

| <b>Duplication, overlaps, contradictions, gaps</b>  | <b><u>Reasons</u></b>   | <b>Positive change we want to achieve</b>   | <b>Obstacles to change/reform</b>  | <b>Recommendations, suggested strategies</b>  |
|---|---|---|--|---|
| <p>*Issuance of original titles over land</p> <p>*Undertaking and approval of land surveys</p> <p>*Approval of subdivision surveys</p> <ul style="list-style-type: none"> <li>▪ Surveys- have to be approved by LRA, Bureau of Lands</li> <li>▪ Issuance of titles, public lands- NCIP, Bureau of Lands, judicial titles, DAR (CLOA)</li> </ul> | <ul style="list-style-type: none"> <li>▪ LRA and Bureau of Land functions are covered by law</li> <li>▪ Politics- changes in geographic names confuses the map maker</li> <li>▪ Land and related mapping</li> </ul> | <ul style="list-style-type: none"> <li>▪ Streamlining of functions of duplicating agencies</li> <li>▪ Streamline or cut short the procedures in processing land related transactions</li> </ul> | <ul style="list-style-type: none"> <li>▪ Problems in reinforcement of the law- resources are lacking. To compensate, an oversight agency is created such that resources are spread out</li> <li>▪ Social/economic impact on government employees- early retirement/lay-offs</li> <li>▪ Social problem- squatting of lands</li> </ul> | <ul style="list-style-type: none"> <li>▪ Forge agreements (MOA) delineation of duties between various offices (HLURB-LGUs, BIR-DOF-Assessors)</li> <li>▪ Computerize records/ management</li> <li>▪ Sharing of data linkage between LRA/BIR/Assessors/ Bureau of Lands</li> <li>▪ “Land Authority”</li> <li>- Classification</li> <li>- Survey</li> <li>- Titling</li> <li>- “Streamlined functions”</li> <li>▪ Repeal inconsistent laws on land management (e.g. Lina law on squatting)</li> </ul> |
| <p>*Valuation of land</p> <ul style="list-style-type: none"> <li>▪ Duplication in land valuation (BIR and assessor’s office- fair market value assessment)</li> <li>- Parcel map for tax mapping is inaccurate</li> <li>- Land Bank also does valuation for properties on loan/agrarian reform</li> </ul>                                       | <ul style="list-style-type: none"> <li>▪ Not all LGUs have their approved CLUP</li> <li>▪ BLMM- reference points are no longer existing and some are erroneous</li> </ul>   |   | <ul style="list-style-type: none"> <li>▪ Having CLUP will preempt “negotiations” with SB members</li> <li>▪ Insufficient budget allocations for government agencies to update their data, maps</li> <li>▪ Political interventions with self interest</li> </ul>  | <ul style="list-style-type: none"> <li>▪ An authority to do land valuation</li> <li>▪ Maps needed for land use should be updated and in an appropriate scale (1:10,000)</li> <li>▪ Make use of GIS and other available technologies</li> </ul>  |

**Group 2 (Continued)**

| <b>Duplication, overlaps, contradictions, gaps</b>   | <b><u>Reasons</u></b>   | <b>Positive change we want to achieve</b>   | <b>Obstacles to change/reform</b> | <b>Recommendations, suggested strategies</b>  |
|--|---|---|-----------------------------------|---|
|  |   |   |                                   | <ul style="list-style-type: none"> <li>• Typographical errors should be corrected at the register of deeds without court procedures (Maybe RA 9048 can be a model)</li> </ul>   |
| <p>*Land Classification</p> <ul style="list-style-type: none"> <li>- Land classification is done by LGU and approved by PENRO-DENR if re-classified, DAR is also involved</li> <li>- Assessors are usually politically appointed to what is a technical job</li> </ul> | <ul style="list-style-type: none"> <li>▪ Technical terms are not standardized (technical descriptions of titles)</li> </ul> |   |                                   | <ul style="list-style-type: none"> <li>▪ Technical description and description on the titles should be directly done by Register of Deeds without court proceedings</li> <li>▪ Bureau of Lands should have more technical/skilled people especially in the Regions</li> </ul>   |
| <p>*Private sector is unaware of development plans</p> <ul style="list-style-type: none"> <li>- Tax assessment is certified by LGU but BIR conduct their own confirmation of land improvements</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Personal interest of politicians/LGU officials</li> </ul>                          | <ul style="list-style-type: none"> <li>▪ Government transparency in land development</li> </ul> |                                   | <ul style="list-style-type: none"> <li>▪ Assessment appeal should compose of government and private sector</li> <li>▪ Promote participation of private sector in CLUPs</li> <li>▪ Socio-economic surveys to involve interested private sector</li> <li>▪ A must that private sector should be involved during revision of land values</li> <li>▪ Proper distinction between private/govt. appraisers</li> </ul> |

**Group 3**

| <b>Duplication, overlaps, contradictions, gaps</b>  | <b><u>Reasons</u></b>   | <b>Positive change we want to achieve</b>   | <b>Obstacles to change/reform</b>  | <b>Recommendations, suggested strategies</b>   |
|---|---|---|--|--|
| <ul style="list-style-type: none"> <li>▪ LMB and LRA does verification and issuance of titles</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Institutions came in different times</li> </ul>                        | <ul style="list-style-type: none"> <li>▪ Create an inventory of land titles/rights</li> </ul>   | <ul style="list-style-type: none"> <li>▪</li> </ul>  | <ul style="list-style-type: none"> <li>▪</li> </ul>  |
| <ul style="list-style-type: none"> <li>▪ Disposition of lands</li> <li>- DENR- lands under CA 141</li> <li>- DAR- AR areas</li> <li>- NCIP- ancestral domain</li> </ul>                         | <ul style="list-style-type: none"> <li>▪ Reluctance on the part of agencies to align their functions</li> </ul> | <ul style="list-style-type: none"> <li>▪ Regionalize approval processes</li> <li>▪ Deconcentrate functions (Central Office to field offices)</li> </ul> | <ul style="list-style-type: none"> <li>▪ Resistance of central offices to devolve their functions</li> </ul> | <ul style="list-style-type: none"> <li>▪</li> </ul>  |
| <ul style="list-style-type: none"> <li>▪ Land classification</li> <li>- NAMRIA (DENR)</li> <li>- DAR</li> <li>- LGU</li> <li>- DTI</li> <li>- PELA</li> </ul>                                   | <ul style="list-style-type: none"> <li>▪ Laws introduce duplication of functions</li> </ul>                     | <ul style="list-style-type: none"> <li>▪ Approve the NLUC</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Inadequate funding for operations</li> </ul>                        | <ul style="list-style-type: none"> <li>▪ Emphasize administrative processes</li> </ul>         |
| <ul style="list-style-type: none"> <li>▪ Reclassification</li> <li>- DENR</li> <li>- DAR</li> <li>- DA</li> <li>- LGUs- IRA</li> </ul>  | <ul style="list-style-type: none"> <li>▪ No social conscience on land administration</li> </ul>                 | <ul style="list-style-type: none"> <li>▪ Expedite creation of NGDI</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Legal processes too tedious</li> </ul>                              | <ul style="list-style-type: none"> <li>▪ Minimize legal interventions in processes</li> </ul>  |
| <ul style="list-style-type: none"> <li>▪ Valuation</li> <li>- BIR- zonal</li> <li>- Assessors</li> <li>- Private appraisers</li> <li>- GSIS/SSS/Banks</li> <li>- LMB</li> <li>- DPWH</li> </ul> | <ul style="list-style-type: none"> <li>▪ Valuation not professionalized</li> </ul>                              | <ul style="list-style-type: none"> <li>▪ Only one valuation system</li> </ul>   | <ul style="list-style-type: none"> <li>▪</li> </ul>  | <ul style="list-style-type: none"> <li>▪ MOU between agencies for unified valuation</li> </ul> |

**WORKSHOP REPORT**  
**INSTITUTIONAL ARRANGEMENTS FOR LAND ADMINISTRATION**  
**HOTEL ALEJANDRO, TACLOBAN CITY, LEYTE**  
**7 MAY 2002**

**I. Summary**

The Workshop on Institutional Arrangements for Land Administration is part of the processes on Land Administration and Management Project Policy Studies being conducted with the general objective of reviewing existing institutional responsibilities for land administration and options for improvement.

Specifically, the Workshop was conducted to identify and discuss:

The main weaknesses of current institutional arrangements from a client's perspective;

Obstacles to reform of current arrangements; and

Ideas for long-term improvements in institutional arrangements.

The main input prior to the workshop was a discussion paper prepared by John Mellors, project Institutional Arrangements Adviser, and circulated among all invited participants. It was expected that the participants have read the discussion paper as this was given to them a week earlier.

The participants to the workshop were as follows:

From LAMP PMO: Atty. Mylene G. Albano, Mr. Danilo Antonio, and Ms. Genevieve Padilla, Jasmin Olea, Ian Lloyd (TL), Don Grant

From the LAMP PIO 1: Ms. Julita Asuar, Mr. Brian Garcia, Leonora Asaldo, Ma. Loreda Acebedo, Marcia Tolibas

From government line agencies: Marlo Merin (DAR), Atty. Emeterio Villanoza (ROD), ARED Rodolfo Jaca (DENR), Preciousa Soliman (DENR), Joan Rabanos (BIR), Maria Isabel Barcia (BIR), Norma Ablas (BIR), Manuel Bernal (Director DBM R8), Marilou Canete (BLGF 8), Reynaldo Capangpangan (Director PHIC 8), Atty. Ralph Yriarte (Provincial Assessor Leyte)

From the LGU: Loreto Yu (Mayor of Alang-alang)

From the Civil Society: Engr. Andresito Deligero (President CREBA 8), Romualdo Palomino III (LABRADOR), Mr. Oscar Francisco (Institute for Democratic Participation in Governance)

Officers from DBM and IA adviser served as resource persons and consultants during the workshop. These are: *USEC Cynthia Castell, John Mellors, Director Amelita Castillo and Madel Meimban – DBM OPIB*

Three workshop groups were created; group leaders and presenters were chosen and the PMO staff served as facilitators in each group. The overall facilitator oversaw

the group progress, redirected processes and clarified raised issues, and monitored time frames.

The workshop mechanics:

1. Workshop Focus questions:

- For column A, please refer to box in page 3 of handout.
- For Column C, please refer to box in page 4. Page 5 box also can help generate answers for this column.
- For Column B, please refer to box in page 5 and the hanging questions raised by J. Mellors.

| Current conditions in the Area (A) | Desired Improvements for the Future (B) | Obstacles to the Desired Improvements (C) |
|------------------------------------|---|---|
|                                    |   |   |

2. Time frame for the workshop: 10:15-11:30 A.M.
3. Timeframe for the plenary: 11:30 – 12:15 (15 minutes per presenter. The presenters are asked to be conscious of the time limits)
4. The main facilitator will do synthesis of the outputs.
5. Workshop ends at 1:00 PM, in time for lunch.

After one hour of group discussions, the plenary session was called, where each presenter was given ten (10) minutes to report on their outputs.

The next section presents the outputs of the workshops.

## II. Workshop Outputs

| Current Conditions   | Desired Improvements for the Future   | Obstacles to Desired Improvement   |
|--|---|--|
| There are differing methods/criteria/bases for land valuation                                      | A unified land valuation and classification system  | <ul style="list-style-type: none"> <li>▪ Refusal of agencies currently affected/ involved to cooperate in the creation of a unified system</li> <li>▪ Lack of funds to support the move</li> <li>▪ Lack of legislative support and political will</li> </ul> |
| There is no mechanism for coordinating the different agencies currently tasked or involved in land | <ul style="list-style-type: none"> <li>▪ A functional mechanism for the coordination of efforts of these agencies is established</li> <li>▪ Land valuation</li> </ul> | <ul style="list-style-type: none"> <li>▪ Framework for the mechanism not rational</li> <li>▪ Lack of funds to support the move</li> <li>▪ Fear of losing jobs; parochial attitudes among</li> </ul>  |

|  |  |   |
|--|--|---|
| valuation  | functions be integrated into one agency; the DOF is suggested as that agency.  | decision makers <ul style="list-style-type: none"> <li>Non-prioritization of the task, especially when it comes to fund allocation</li> </ul>   |
| Non-payment of real property taxes   | <ul style="list-style-type: none"> <li>Efficient collection thru an operational digital system</li> <li>Tax amnesty as a temporary solution; citizen fully complying with tax requirements</li> </ul>  | <ul style="list-style-type: none"> <li>Inadequate information dissemination</li> <li>Poverty conditions of the greater majority of taxpayers</li> </ul>   |
| Inaccurate / defective data on current land classification; outdated land classification   | All land classification data reviewed and updated through scientific methods   | <ul style="list-style-type: none"> <li>Lack of or slow legislative action</li> <li>Lack of funds for the move</li> <li>Lack of LGU initiative on data updates, reclassification moves</li> </ul>  |
| Double or more than double issuances of land titles  | <ul style="list-style-type: none"> <li>An amended RA 6657 and DENR law that streamlines and defines the jurisdiction of each agency regarding title issuances, with full understanding of the rules and its implementing guidelines to the lowest level of implementation.</li> <li>Be it a policy/rule that the legal claimants are always established in any instance of disputes</li> </ul> | <ul style="list-style-type: none"> <li>Poor coordination between DAR, DENR and ROD</li> <li>No action from the legislature</li> <li>Inefficiency among personnel involved in issuances of titles</li> <li>Failure to upgrade the technical capability of ROD and DENR with regards to maintenance of updated database to check/review titles issuances</li> </ul> |
| <p>Titling methods / costs not affordable, especially the small and less literate landowners</p> <p>Limited technical capability of the DENR &amp; ROD to perform efficient and effective titling services to the public</p> | <ul style="list-style-type: none"> <li>More economically and socially empowered population to act on their basic right to land ownership</li> <li>Technically capable DENR &amp; ROD units dispensing its functions of effective and efficient titling services</li> </ul>   | <ul style="list-style-type: none"> <li>Bureaucratic methods of the present government structure</li> <li>Failure to upgrade the technical efficiency of concerned agencies</li> <li>Prevalence of parochial attitude among agencies regarding changes in methods of services delivery</li> </ul>  |

|  |   |  |
|--|---|--|
| No national land use policy and many LGUs have no land use plans | <ul style="list-style-type: none"> <li>▪ Passage of the national land use act and CLUPs for all municipalities</li> </ul> | <ul style="list-style-type: none"> <li>▪ Conflicting interests of parties involved / affected</li> </ul> |
|--|---|--|

### III. Overall Synthesis

The outputs of the workshop can be categorized into three five major concerns:

- The need to clarify and lay down a **framework** that will guide all stakeholders in the reform desired. The framework should carry the values of sustainability, equity, and balanced responsibility. The policies that will translate the framework should be sensitive to the goals of efficiency and effectiveness of land administration.
- **Legislative support** should be provided fast and on time. Considering the entrenched vested interests in reforms pertaining to land and considering the kind of culture this country has, the provision of timely legislative support needs strong political will.
- A **viable structure**, both basic and support ones, should be well thought of, taking into consideration the need to streamline the bureaucracy and enable the ordinary citizen to avail of services in an affordable, economical, fast and effective way.
- **Support interventions** to the land administration program so that the strategy can address the main issue of poverty alleviation.
- **Capability building** for both the implementers of land administration reform and the ultimate beneficiaries of the program. This concern is intrinsically connected to the purpose of reforms sustainability.

Concluding remarks by Undersecretary Cynthia Castell:

- The reforms in land administration and management is to be done within the context of current limitations and availability of resources. Lack of funds must be treated as a challenge to effect reforms within limits but never as a reason for not delivering substantial and needed reforms.
- Parochial attitude to change is expected. However, this situation can be addressed.

Concluding remarks by John Mellors:

- Is it possible that a land user has only one point to go to when he or she needs
  1. Information on land classification?
  2. To subdivide a piece of land?

3. Approval for the subdivision?
  4. Title to a land?
  5. Clarification on rights to a land?
  6. Correct land valuation?
  7. Survey and approval of the survey of an area?
  8. Approved land and related maps?
  9. Adjudication?
- Ideally, this is possible. Realistically, with Philippine conditions, this can be done, thus the idea of a one-stop shop facility. The purpose of this workshop is to generate perspectives and information on the viability of the reform.

At fifteen minutes past one o'clock, the workshop ended with the workshop facilitator thanking every one for participation in a small step but potentially long stride towards the better governance in the country.

ANTONIA C. GOBENCIONG  
Facilitator

**Philippines-Australia Land Administration and Management Project (PALAMP)  
Institutional Arrangements Policy Study Workshop  
May 10, 2002, Diamond Hotel, Manila**

**1. Workshop Participants**

The workshop was participated by forty-six representatives from various line government agencies whose functions are relevant to land administration and management. Among these were the Bureau of Land Settlement of the Department of Agrarian Reform (DAR); Commission on the Settlement of Land Problems of the DAR; ENR, Legal, Lands and International Affairs of the Department of Environment and Natural Resources (DENR); Forest Management Bureau of the DENR; Land Management Bureau (LMB); Bureau of Local Governance on Finance of the Department of Finance; and the Bureau of Local Government and Development of the Department of Interior and Local Government (DILG).

Also represented were the National Mapping and Resources Information Authority (NAMRIA), Bureau of Internal Revenue (BIR), National Tax Research Center (NTRC), Housing and Development Coordinating Council, Housing and Land Use Regulatory Board (HLURB), Southern Luzon-Bicol Task Force of the National Housing Authority (NHA), Department of Budget and Management (DBM), and Lands Registration Authority. Also present to attend the workshop were participants from the National Economic Development Authority (NEDA), The League of Municipalities, National Commission for Indigenous People (NCIP), Bureau of Soil and Water Management, and the Public Estates Authority.

Resource persons were, Ms. Cynthia G. Castel, Undersecretary of the Department of Budget and Management (DBM), Ms. Amelita D. Castillo, Director of the OPIB-DBM, Mr. John Mellors, Adviser for the policy study on Institutional Arrangements, Ms. Catherine Bayaua, Philippine Counterpart to the Adviser, and staff from the Land Administration and Management-Project Management Office (LAMP-PMO).

Other International Advisers for the Philippine-Australia Land Administration and Management Project (PA-LAMP) who were present included Mr. Keith Nettle for Land Laws, and Ms. Liza Ting for Land Laws. (See Annex 1 for List of Participants).

**2. Welcome Address: Undersecretary Cynthia G. Castel, Department of Budget and Management**

Undersecretary Cynthia G. Castel welcomed the participants to the workshop on Institutional Arrangements for Land Administration and Management.

She informed the participants that this workshop is one of the three workshops conducted on Institutional Arrangements. Each workshop had different targeted participants. The first workshop was an avenue for interaction with stakeholders from non-government organizations. The second workshop was a multisectoral meeting with parties involved in the pilot project in Leyte.

She emphasized that all the three workshops aimed at having the important stakeholders identify and discuss issues and problems associated with institutional aspects of land management. Important too, are the recommendations of each group of stakeholder in addressing these issues.

She added that the results of these workshops would be relevant inputs to the Institutional Arrangements Study that Mr. John Mellors is doing.

USEC Castel informed the participants that this Institutional Arrangements Study is one of the four (4) policy studies intended to strengthen the overall policy and administrative framework within which land titling and related activities take place. These policy studies are on Land and Laws Regulations, Land Valuation, Fees and Finance for Land Administration and Institutional Arrangements. These studies are on going and will be completed by June 30, 2002.

She stressed that these studies are part of the three-year initial phase of the Government's long term Land Administration and Management Program to alleviate poverty and enhance economic growth by improving land security tenure and efficiency of land market. The World Bank and the Australian Agency for International Development are among the agencies that are providing technical assistance for the conduct of studies.

She added that these initiatives are part of the Presidential Committee on Effective Governance (PCEG) jointly chaired by the Executive Secretary and the Secretary of Budget and Management with the Director-General of the National Economic and Development Authority, the Chair of the Civil Service Commission, Secretary of Finance, Head of the Presidential Management Staff as members. The Department of Budget and Management is the Technical Secretariat of the PCEG.

She further stressed the importance that the government attaches to the Policy Studies on land administration and the PALAMP Project as a whole. And that the President's action establishing a special Task Force to ensure project success indicates that these matters concerning land administration will be acted upon. The results of these studies will be presented to the PCEG and recommendations could be acted upon immediately, especially those, which do not need action from Congress.

She said that she is aware that mere recognition of the weaknesses in land management and administration is not enough. She challenged the participants to get involved in overcoming these weaknesses by sharing thoughts and ideas on how the present institutional structures can be improved.

Finally, she encouraged everyone to actively participate in the workshop, to help design a structure that is responsive and accountable to the people. She encouraged partnership among the business sector, civil society and government to influence the future direction of reforms not only in land management but also in overall reforms in governance.

### **3. Overview of the Institutional Arrangements Policy Study and Workshop Objectives: Mr. John Mellors, Consultant for Institutional Arrangements for Land Administration**

To level off the understanding of participants on Institutional Arrangements, Mr. John Mellors presented a definition as: “ The way in which powers and functions of the Government agencies are structured, between and within agencies, in order to deliver administration services to the public”.

He added that “Land Administration” includes mapping and survey, land classification, land subdivision, original land titling, adjudication of claims to title, land records and land valuation.

He informed the participants that this Policy Study on Institutional Arrangements is aimed at reviewing existing institutional responsibilities for land administration and identifying options for improvement. As part of the strategies of the study the following have been implemented: review of previous studies made, discussions with individual agencies, analysis of lessons and implications from prototypes and findings of other policy studies, incorporation of relevant international experiences and conduct of consultation workshops to gather information from various stakeholders.

Mr. Mellors stressed that the conduct of the workshop is important to have direct interaction with the various stakeholders. The workshop has the objective to identify and discuss the following:

main weaknesses of current institutional arrangements from the perspective of the participants as “clients”;  
obstacles in reforming current arrangements;  
ideas for long-term improvements in institutional arrangements.

He stressed that the diversity of agencies represented in the workshop is indicative of a wide spread of interests on land issues. However land is used, land services and administration have to be delivered by each agency according to their respective mandate. He further said that the results and recommendations of this workshop would be integrated in the study. As an outsider looking into the current situation he has no preconceived ideas of what should be done with the issues. His concern is that agencies and the public should be helped to convey the solutions and ideas according to the situation that they are in.

He also said that on duplications and overlaps, in any administration, one would find that agencies have to interact to deliver their services, so that overlapping of interests is inevitable. Overlaps may not be a negative thing but rather necessary. Then it would be good to discuss if it is structured in such a way that functions and interactions result in more efficient services delivery.

He shared information that in the two previous workshops, it has been validated that there are gaps/issues on the interaction of agencies when it comes to land valuation and classification. There may be more areas to examine, and it would be good to look at the future before being deluded with obstacles and constraints.

He challenged the participants to openly discuss and give their views on the directions for reform. He suggested using their imagination by first thinking or discussing: “What would be an ideal Land Administration System that we want to see 10-20 years from now”? And after clarifying what one would like to achieve, only then can one identify obstacles by asking what is impeding the achievement of this ideal system. Is it legal rigidity? Resource constraints? Entrenched structures and interests? Higher reform priorities in other areas? Other important factors that impede reform?

Finally, he encouraged the participants to openly discuss their concerns especially on the Institutional arrangements of Land Administration since the results of this workshop will be an input to shaping recommendations that will be presented by PALAMP to the Philippine Government.

Following the presentation, and on the suggestion and agreement of the body, the participants formed subgroups for the focused discussion to discuss the following issues:

- Group 1: Undertaking and approval of land survey, land related mapping, approval of subdivision plans
- Group 2: Land classification
- Group 3: Land titling, records management
- Group 4: Land valuation

#### 4. Workshop Guide

The group work was introduced and a guide for discussion was provided as follows

- 0 *Define your group’s “ideal land administration system” on which to anchor your analysis of the situation. Proceed by focusing the discussion on current institutional arrangements for land administration.*
- 1 *Identify apparent or existing duplication, overlap, contradictions or gaps pertaining to powers, functions and activities between and among agencies concerned with land administration that should be improved or reformed*
- 2 *Describe reasons why you think these duplication, overlap, or contradictions continue to prevail.*
- 3 *Identify obstacles that would deter achievement of the desired improvement or reform*
- 4 *Recommend reform directions*
- 5 *Define institutional changes that are necessary to support reform directions*

| <i>What needs to be improved or reformed</i> | <i>Reasons why these duplication, overlaps, contradictions, gaps continue to exist</i> | <i>Obstacles that would deter improvement or reform</i> | <i>Recommended strategies and directions for reform</i> | <i>Institutional changes that are needed to support the directions for reform</i> |
|--|--|---|---|---|
|  |  |   |   |   |

## 5. Workshop Results

Each group presented their outputs in the plenary. An open forum to clarify ideas and obtain additional suggestions from the participants followed each group presentation. (see Attachment 2 for Workshop Outputs)

Following are highlights of the group work results:

### Group 1

Ideal Land Administration System, 10-20 years from now:

- *Establish a “one-stop shop” for Land Titling to minimize confusion of the public needing the service.*
- *Maintain existing system to have check and balance*

Discussed after the group report:

- In case of subdivision plans to be approved: DENR, Land Registration Authority (DOJ) and LGU can approve subdivisions plans for registered lands, independently of each other.
- If subdivision plans are complex, PD 957 mandates HLURB to be involved in the approval
- NCIP is also authorized to approve original land surveys for ancestral lands.

An illustration (case 1) was presented by Mr. John Mellors to illustrate the number of agencies involved: If one has land, in a residential zone as declared in the CLUP, and would further like to subdivide it into 20 lots, where does one go? To the council? To DENR or LRA to have the subdivision approved before the Register of Deeds can register and issue the titles? Why does it have to be two agencies doing the same function?

Case 2: In developing the 20 lots, by building road access, and easement for drainage, is HLURB needed for the lay out of the subdivision or is the LGU responsible for ensuring my subdivision plan is approved? How many agencies will one have to talk to in order to obtain approval to subdivide lots that are within the approved residential zone?

For Case 1: Francis of HLURB said the approval of the original cadastral survey is a function solely of DENR. However, once the title is issued, either DENR or LRA can approve subdivision plans independently of each other. It was confirmed that there is really some confusion on the function of LRA and DENR regarding this matter.

For Case 2: Mr. Ely Fernandez of Bureau of Local Government and Development-DILG clarified that it is only the LGU who can approve whatever development plans are in their jurisdiction in accordance to the Local Government Code. DILG grants approval when the standards set by HLURB are met. However, for municipalities who do not yet have approved Land Use Plans, the HLURB continues to be the authorized approving agency for the subdivision development plans.

Ms. Ting of the IA for Laws reminded the group to also look into having survey standards that should also accommodate the indigenous practice and culture and not just rely on one national standard which are often applicable only to urban areas.

The representatives of the NCIP welcomed this suggestion. They stated that they are still in the process of gathering the different indigenous practices as an input to these survey activities.

### Group 2:

Ideal Land Administration System, 10-20 years from now:

- *Final boundaries of Forest lands are already established on the ground*
- *Land classification exercised by one authority/agency*
- *Computerized database readily available to the users.*

Discussed after the group report:

Can a CADT issued from a public forest be automatically converted to Alienable and Disposable status where it can be sold or leased because it is now considered privately owned by the people or the community? What will prevent them from selling once it is issued?

Section 8 of the IPRA Law has some provisions that the lands with CADT cannot be sold, mortgaged, or leased. NCIP has the function to find out whether there are A and D areas which can be used by the beneficiaries. NCIP is not only concerned with the approval of ancestral domains but also with ensuring that the land status will not conflict with the sustainable management of forestlands. The fear that forest lands will be converted to A and D is cushioned by the issuance of CADT which requires the beneficiary community to come up with an approved sustainable protection management plan for their area.

Ms. Lisa Ting also shared some information on Resource Management, which is also sustainable management of resources. This is acknowledged in the land laws, Local Government Code etc. It is part of the sovereignty over the land. She emphasized that even in privately owned lands, if private entity activities are detrimental to the family, community and the public, the government has to take charge of it.

It was apparent from the discussion that there are varied information and understanding regarding ancestral domains and IPRA Law, such that to further discuss it without the right information would only prolong and confuse the participants.

### Group 3:

Ideal Land Administration System, 10-20 years from now:

- *Final boundaries of Forest lands are already established on the ground*
- *Land classification exercised by one authority/agency*
- *Computerized database readily available to the users.*

Discussed after the group report:

Mr. Mellors observed that in the three workshop discussions, there has always been a mention of Budget as a resource problem. He encouraged the group to think about solutions. He noted that in many occasions, the lack of budget is just a convenient reason for non-action.

He said that when an agency or institution seeks more resources, it has to demonstrate good use of the resource it has. It is quite hard to know where these land administration offices are making use of their current resource. Is it not logical to look into how much output is delivered versus the inputs that has been given to demonstrate an efficient delivery system?

To illustrate, if one demands for the system to have a land titled, resources will be used, and therefore, the clients have to provide the necessary funds thru user charges. In other countries, the delivery of service is funded by user charges including costs of using technology, which makes the system efficient.

Mr. Mellors added that rather than be restricted to waiting for the budget resource to come in, service agencies should structure their financial resource based on the user charges, merely by asking who is going to pay for the cost incurred? Restructuring arrangements should focus on current needs and who should pay for service delivery. The government should not subsidize everything.

A participant informed John, that the idea of payment for each service delivered is a good one, however, the government is still practicing single treasury fund system, wherein payments collected are reverted to the general fund. Additionally, land administration, and disposition has maintained a low profile in the government system and is often given low priority. It was suggested that the study should mention that: “funds generated by the agencies in handling land titling should have a certain percentage retained for their operational funds”.

#### Group 4:

Ideal Land Administration System, 10-20 years from now:

- One valuation system for all purpose of land administration
- Basis of land valuation should be the fair market value
- A single institution that would set the standards for Land valuation

The group identified just one improvement or reform focusing on the present multiple valuation system. No further clarifications or discussions were made.

In summary, the plenary agreed to recommend the following:

- that there should be only one agency charged with the responsibility for approving surveys for land titling, land classification, and issuance of land titles. The plenum mentioned DENR as the preferred agency, at the same time noting the conflict with the IPRA law, which authorizes NCIP jurisdiction over ancestral domains, and with the Organic Act of Autonomous Regions, which also vest authority over areas within the jurisdiction of said regions.
- that there should be only one institution to oversee land valuation standards, although the actual valuation process may involve multisectoral participation, including professional appraisers and assessors.

- that LGUs continue to be the only authority over approval of subdivision development plans, to ensure conformance with HLURD set development standards
- that DENR and relevant agencies enter into MOAs to develop a common registry or listing of titles issued and other relevant data. This common registry should be accessible to appropriate agencies for their respective uses
- that GIS should be used to facilitate the process of a unified storage of information and data
- that a serious review be made with the end in view of reducing red tape (specifically, the number of required signatures) in processing land development (subdivision) processes.

The plenary acknowledged that the main obstacles to achieving the ideal system are the attitude of institutions, with their own vested interests. A prevailing “turf mentality” will result to high resistance to change, and it will be a real test of political will to overcome these obstacles.

Specific proposals and agreements were also brought up during plenary which are worthwhile mentioning:

- a call for support in harmonizing land laws
- promotion of the Land Resources Management Code which is pending in Congress
- strict implementation of the MOA between BIR and LRA so that the Department of Finance would require a certificate authorizing registration (of land titles) prior to actual issuance by LRA

## **6. Closing Remarks from Mr. John Mellors**

Mr. Mellors shared some comments and observations on the workshop outputs. He said that it is apparent that different agencies have varied understanding on how land administration systems work, and this is manifested in the fragmented operation system where each agency is functioning according to its mandate.

Laws that have been formulated and not amended according to what is the current situation at hand are causes to the issues discussed in the workshop groups.

There has also been a clamor for better information management to land administration, but the question at hand is still how much commitment and resources are needed to be able to support it?

Mr. Mellors added that people should not assume that changing the structures of each agency would solve the problem, it might lead to other problems because of political interests and it is often hard to collectively agree on having just one agency, as it is normal that people will have to protect their positions. Therefore if it is a priority and implemented within, he said the politicians could not oppose it but rather would support what is being called for.

Mr. Mellors thanked and assured the participants that the results of this workshop are extremely relevant and important, and this will form part of the IA Study. He hopes that there would be an opportunity for the participants to see the recommendations and

propositions that will be presented by PALAMP to the special Task Force on Effective Governance that the President has created.

Mr. Mellors extended his gratitude for the support given by USEC Cynthia G. Castel and Director Amelita D. Castillo to make the workshops a success. Their attendance to the three workshops despite their busy schedule is highly appreciated. He also extended his thanks to the PALAMP Project Management Office headed by Atty. Mylene G. Albano and her staff especially Ms. Ditas Campo who played an important role in organizing the invitation and logistics for the three workshops. He thanked the participants for their active participation throughout the two-day workshop.

The workshop ended at 4:20 p.m.

**ATTACHMENT 1: PARTICIPANTS****Resource Persons**

| <b>Name</b>           | <b>Position</b>                          | <b>Organization</b> |
|-----------------------|--|---------------------|
| Cynthia G. Castel     | Undersecretary                           | DBM                 |
| Amelita D. Castillo   | Director                                 | OPIB-DBM            |
| Clotilde S.L. Drafete | Supervising Management Specialist        | OPIB-DBM            |
| Ms. Madel Maimban     | Supervising Budget Management Specialist | OPIB-DBM            |

**Participants**

|                            |                                       |   |
|----------------------------|---------------------------------------|---|
| Ms. Basilia Norada         | Comprehensive Agrarian Reform Officer | Commission on the Settlement of Land Problem<br>Bureau of Land, DAR |
| Mr. Roberto Racelis        | Comprehensive Agrarian Reform Officer | Bureau of Land, DAR   |
| Ms. Erlinda Q. Aragoncillo | Director III                          | Bureau of Land Development, DAR                                     |
| Ms. Cynthia Lozano         | Engineer III                          | ENR, Legal Lands & International Affairs<br>DENR                    |
| Atty. Karen Ong            |                                       | ENR, Legal Lands & International Affairs<br>DENR                    |
| Atty. Alberto Recalde      | Assistant Executive Director          | LMB-DENR  |
| Mr. Arthus Tenazas         | LMO V                                 | Land Management Bureau  |
| Norberto Malvar            | PEO V                                 | Bureau of Local Government on Finance<br>Department of Finance      |
| Mr. Gerardo Cabrerros      | Division Chief                        | FMB-DENR  |
| Ms. Ricci S. Avelino       | LMO                                   | DENR-LAMP   |
| Mr. Jose Cabanayan         | Director I                            | NAMRIA  |
| Mr. Eugenio S. Pascual     | OIC, Policy Formulation               | NAMRIA  |
| Mr. Elias Fernandez        | Assistant Division Chief              | Bureau of Local Government and Development, DILG                    |

| <b>Name</b>                  | <b>Position</b>           | <b>Organization</b>                                |
|------------------------------|---------------------------|--|
| Mr. Danilo A. Duncano        | Regional Director         | Bureau of Internal Revenue                         |
| Ms. Emma Ballesteros         | Attorney V                | Commission on the Settlement of Land Problem       |
| Ms. Lina Isorena             | Director                  | National Tax Research Center                       |
| Ms. Carmelita Z. Del Rosario | Administrative Officer V  | Housing and Urban Development Coordinating Council |
| Mr. Francisco Dugnalan       | Commissioner              | Housing and Land Use Regulatory Board              |
| Ms. Ma. Belinda V. Sevall    | Prin. Engineer            | Southern Luzon-Bicol Task Force, NHA               |
| Mr. Porfirio R. Encisa, Jr.  |                           | Land Registration Authority                        |
| Ms. Rachel B. Mallorca       | Sr. EDS                   | NEDA   |
| Mr. Marlo K. Aranguren       | Assistant Director        | The League of Municipalities                       |
| Mr. Victor P. Bumantong      | Engineer III              | NCIP   |
| Ms. Noela P. Zunega          | OIC-Director              | NCIP   |
| Mr. Jose P. Enciso Jr.       | Engineer I                | NCIP   |
| Ms. Leticia Perera           | UN Volunteer              | NCIP   |
| Mr. Mobil Baawa              |                           | NCIP-CAR   |
| Mr. Nestor Ticzon            | Supervising Agriculturist | Bureau of Soils and Water Management               |
| Atty. Donna R. Ladao         | Special Assistant         | HLURB  |
| Mr. Diomedes M. Tan          | PMO-A                     | Public Estates Authority                           |

### **PA-LAMP**

| <b>Name</b>            | <b>Position</b>                   | <b>Organization</b> |
|------------------------|-----------------------------------|---------------------|
| Mr. Ian Lloyd          | Team Leader                       | PA LAMP             |
| Atty. Mylene G. Albano | Executive Director                | LAMP                |
| Mr. Danilo Antonio     | Deputy Executive Director         | LAMP                |
| Ms. Catherine Bayaua   | Institutional Adviser             | PA-LAMP             |
| Ms. Meredith C. Campo  | HR & Training Coordinator         | PA LAMP             |
| Mr. John Mellors       | IA for Institutional Arrangements | PA LAMP             |
| Lisa Ting              | IA for Laws                       | PA LAMP             |
| Kevin Nettle           | IA for Land Laws                  | PA LAMP             |
| Ms. Josefina Esguerra  | Consultant                        | PA-LAMP             |
| C. Bata                | National Adviser                  | PA-LAMP             |

### ATTACHMENT 2: WORKSHOP FINDINGS

| <b>Group 1: Undertaking and approval of land survey; Land Related Mapping; Approval of subdivision plans</b><br><i>What would be an ideal Land Administration System we want to see 10-20 years from now?</i> |  |  |  |  |
|---|--|--|--|--|
| <ul style="list-style-type: none"> <li>▪ Establishment of a “one-top shop” for Land Titling</li> <li>▪ Maintain existing system to have check and balance</li> </ul>  |  |  |  |  |
| What needs to be improved or reformed in land administration?   | Reasons why these duplication, overlaps, contradictions, gaps continue to exist  | Obstacles that would deter improvement or reform                       | Recommended strategies and directions for reform   | Institutional changes that are needed to support the directions for reform |
| <ul style="list-style-type: none"> <li>▪ Undertaking and approval of land surveys</li> <li>▪ Approval subdivision plans</li> <li>▪ Land related mapping</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Agencies (with overlapping functions) are all mandated by law to undertake such responsibilities</li> <li>▪ Lack of consultation &amp; concurrence between agencies involved during land titling</li> </ul> | Resistance of concerned agencies to let go of some functions/authority | <ul style="list-style-type: none"> <li>▪ Only one agency to approve subdivision survey/plan               <ul style="list-style-type: none"> <li>- Titled-?</li> <li>- Untitled-?</li> </ul> </li> <li>▪ One source/ reference of verified information which will be the single basis for decision/approval</li> </ul> |  |
| High incidence of error in technical description (does not conform in adjoining areas/lots)   |  |  | <ul style="list-style-type: none"> <li>▪ In long term, computerized information system accessible to all relevant agencies</li> <li>▪ Inter-agency updates, sharing of records (immediate term)</li> </ul>   |  |
| Red tape in verification - signatories too many and time too long   |  |  | Capability-building of staff on new updates on procedures/technical training   |  |

| <b>Group 2: Land Classification</b>   |   |   |   |  |
|---|---|---|---|--|
| <i>What would be an ideal Land Administration System we want to see 10-20 years from now?</i>   |   |   |   |  |
| <ul style="list-style-type: none"> <li>▪ Final boundaries of Forest Lands are already established in the ground</li> <li>▪ Land classification exercised by one authority/agency</li> <li>▪ Computerized database readily available to users</li> </ul> |   |   |   |  |
| <b>What needs to be improved or reformed in land administration?</b>  | <b>Reasons why these duplication, overlaps, contradictions, gaps continue to exist</b>  | <b>Obstacles that would deter improvement or reform</b>   | <b>Recommended strategies and directions for reform</b>   | <b>Institutional changes that are needed to support the directions for reform</b>  |
| <ul style="list-style-type: none"> <li>▪ Clear definition of terms</li> <li>▪ Harmonized Land Laws</li> <li>▪ Political will</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Conflicting laws and competing demand for land</li> <li>▪ Lack of political will among policy and decision makers</li> </ul> | <ul style="list-style-type: none"> <li>▪ Vested interest</li> <li>▪ Turf mentality</li> <li>▪ Financial constraints</li> <li>▪ Constitutional limitation- e.g. IPRA law conflicts with classified forest areas</li> </ul> <p>5 classifications of land:</p> <ul style="list-style-type: none"> <li>- Forest</li> <li>- Mineral</li> <li>- Agricultural</li> <li>- Parks and Open Space</li> <li>- Ancestral Domain</li> </ul> | <ul style="list-style-type: none"> <li>▪ One clearing house</li> <li>▪ Central authority</li> <li>▪ Enactment of National Land Resources Management Code</li> </ul> | <ul style="list-style-type: none"> <li>▪ Constitutional amendment covering or pertaining to Land Classification</li> <li>▪ Support Public Land Bill</li> </ul> |

| <b>Group 3: Land Titling</b>  |   |  |   |  |
|---|---|--|---|--|
| <i>What would be an ideal Land Administration System we want to see 10-20 years from now?</i>   |   |  |   |  |
| <ul style="list-style-type: none"> <li>▪ Non-existence of false claims, overlaps</li> <li>▪ Improved service delivery (people, process, etc.)</li> <li>▪ “One agency” on Land Administration</li> <li>▪ Complete, updated and easily accessible land information system</li> <li>▪ Coherent and consistent laws/policies</li> </ul> |   |  |   |  |
| <b>What needs to be improved or reformed in land administration?</b>  | <b>Reasons why these duplication, overlaps, contradictions, gaps continue to exist</b>  | <b>Obstacles that would deter improvement or reform</b>  | <b>Recommended strategies and directions for reform</b>   | <b>Institutional changes that are needed to support the directions for reform</b>  |
| Many agencies are issuing land titles <ul style="list-style-type: none"> <li>- NCIP</li> <li>- DAR</li> <li>- DENR</li> <li>- Courts</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Too much “politics”</li> <li>▪ Existing laws</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Lack of political will</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Institute and implement “reforms”</li> <li>▪ Education and training</li> <li>▪ “One agency”</li> </ul>                   | <ul style="list-style-type: none"> <li>▪ Changes through legislations</li> <li>▪ Professionalize land administration</li> <li>▪ Create/abolish/merge agencies</li> </ul> |
| Confusing land information  | <ul style="list-style-type: none"> <li>▪ No mechanism on free exchange of information</li> <li>▪ Existence of different institutions</li> </ul> | <ul style="list-style-type: none"> <li>▪ Budget (lack of it)</li> <li>▪ “Attitudes” of institutions</li> <li>▪ Lack of competency</li> </ul> | <ul style="list-style-type: none"> <li>▪ Mechanism for coord.</li> <li>▪ Adopt new technology</li> <li>▪ “One agency”</li> <li>▪ Free sharing of info.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Funds generated by the agency/ies should have a % retained for their operational funds</li> </ul>                               |
| Antiquated/obsolete land laws   | Slow legislation  | <ul style="list-style-type: none"> <li>▪ Low priority and importance</li> <li>▪ Lack of coordination</li> </ul>                              | Harmonize land laws   |  |

| <b>Group 4: Land Valuation</b>   |   |   |   |   |
|--|---|---|---|---|
| <i>What would be an ideal Land Administration System we want to see 10-20 years from now?</i>  |   |   |   |   |
| <ul style="list-style-type: none"> <li>▪ One valuation system for all purpose of land administration</li> <li>▪ Basis of land valuation should be the fair market value</li> <li>▪ A single institution that would set the standards for land valuation</li> </ul> |   |   |   |   |
| <b>What needs to be improved or reformed in land administration?</b>   | <b>Reasons why these duplication, overlaps, contradictions, gaps continue to exist</b>  | <b>Obstacles that would deter improvement or reform</b>   | <b>Recommended strategies and directions for reform</b>   | <b>Institutional changes that are needed to support the directions for reform</b>   |
| Present multiple valuation system  | <ul style="list-style-type: none"> <li>▪ Different uses in land classification</li> <li>▪ Valuation serves different purposes</li> <li>▪ Non-compliance of some LGUs to complete CLUP or CLUP is not used/updated properly</li> </ul> | <ul style="list-style-type: none"> <li>▪ Existing laws (DAR-land valuation done by Land Bank; LGU- Local Government Code)-</li> <li>▪ Informal agreements between land owners and appraisers with Land Bank</li> <li>▪ Individual agencies have their own interest to protect (powers, financial security)</li> <li>▪ Fears for job security</li> </ul> | <ul style="list-style-type: none"> <li>▪ Assigning/creating a single agency/office to set standards for land valuation</li> <li>▪ Rationalize functions, responsibilities of agencies doing land valuation</li> <li>▪ Link up with the private sector engaged in land valuation to establish fair market value</li> </ul> | <ul style="list-style-type: none"> <li>▪ Review various legislation, regulation on the different land valuation system - e.g. Local Government, RA 7160, CA 141, Tax Code, RA 6657 (DAR)</li> </ul> |
|  | <ul style="list-style-type: none"> <li>▪ Records of land sales not updated</li> <li>▪ System of valuation influenced by politics</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Nobody regulates the profession of land valuation</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Professionalizing land appraisers</li> <li>▪ Public/transparent info. on land sales</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Prioritize land use mapping</li> </ul>   |

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**ANNEX E:  
DEFINITIONS OF 'EFFECTIVENESS'  
AND 'EFFICIENCY'**

## ANNEX E: DEFINITIONS OF EFFECTIVENESS AND EFFICIENCY

As part of its Terms of Reference this Study is to “examine the existing institutional responsibilities for land administration and management, evaluate their effectiveness and appropriateness and identify areas and options for improvement”. It is to provide “an evaluation of how the institutional structures are contributing to or impeding the effectiveness and efficiency of the system(s)”.

The *effectiveness* of a government program or activity is judged by evaluating the extent to which the program's *outputs* are directly responsible for achieving the program's desired *outcomes*. Evaluations of effectiveness focus upon relationships between outputs and outcomes, not upon the processes and inputs used to produce outputs.

For present purposes, the *outputs* of the land administration system in any given period may be thought of in terms of measures such as – for example - the number of hectares of hitherto unclassified public land that are formally classified, the number of original certificates of title issued and the number of title transfers completed. The desired *outcomes* may be thought of as improved security of land tenure and efficiency of land markets (see Report, Section 2).

The *efficiency* of a government program is judged by evaluating the extent to which *inputs*, such as staff cost/time and the cost of office accommodation, are minimized for any given level of *outputs*.

Thus evaluations of effectiveness and of efficiency entail assessing different aspects of a program's performance. A government program can be effective without being efficient and *vice versa*.

The way in which the roles and functions of government agencies are structured ('institutional arrangements') is neither a program output nor a program input. It is simply one feature of the *process* used to combine resource inputs into program outputs. For example, the Land Management Bureau and DAR have not been established as outputs for their own sake, nor are they (as distinct from the people they employ) inputs. They are simply administrative arrangements defined by the Administrative Code and other legislation as a one way, amongst several possible ways, of organizing people and other resources to produce the outputs of the land administration system.

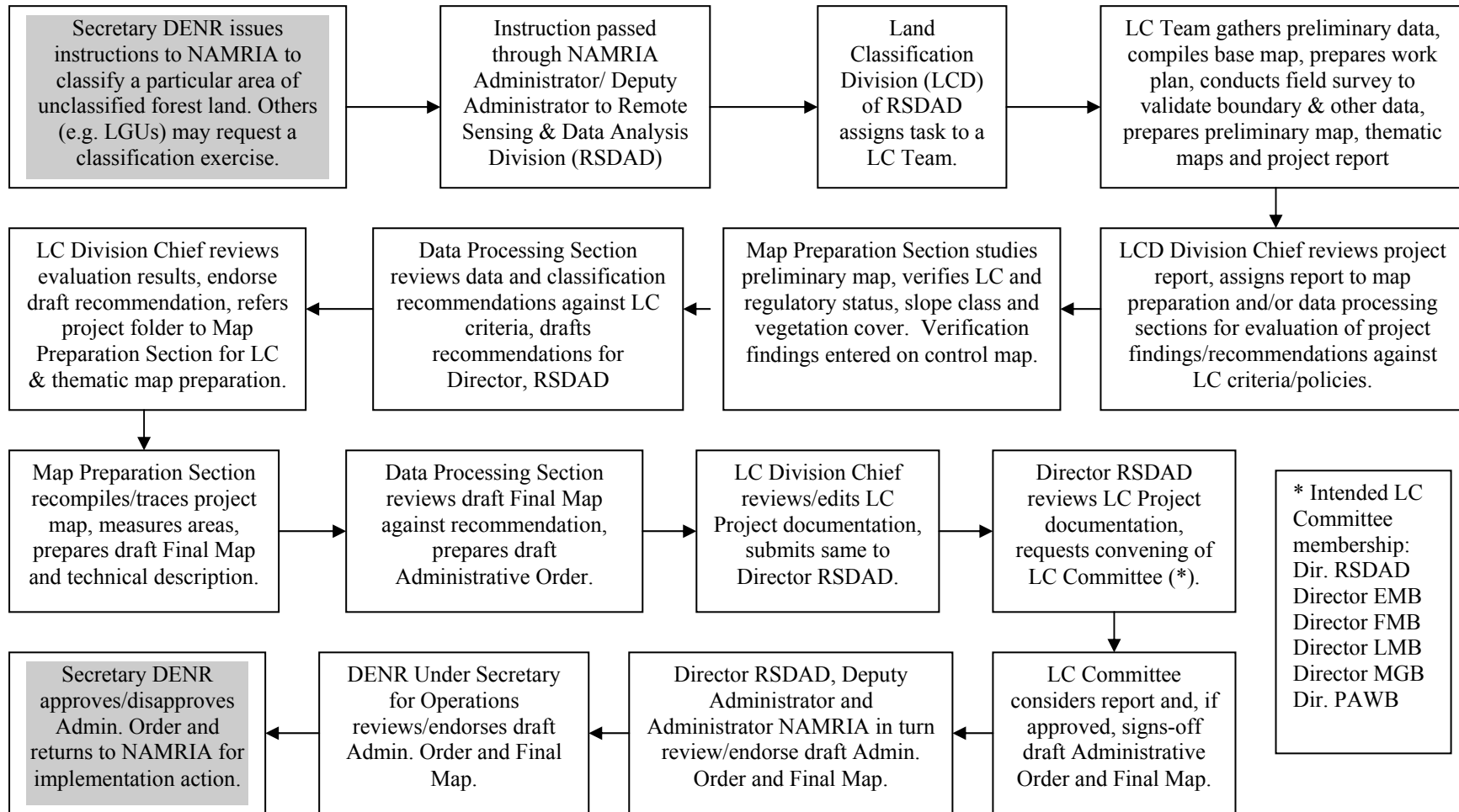
It follows, using generally accepted definitions that it is inappropriate to think in terms of the effectiveness of institutional arrangements as distinct from their efficiency. For example, whether (say) one or twenty-one agencies are involved in the titling of alienable and disposable public land has no bearing in principle on whether the output (titles) is effective in achieving the desired outcomes (security of tenure and efficient land markets). However, the number of agencies involved may well have an important impact on the overall efficiency of the titling process.

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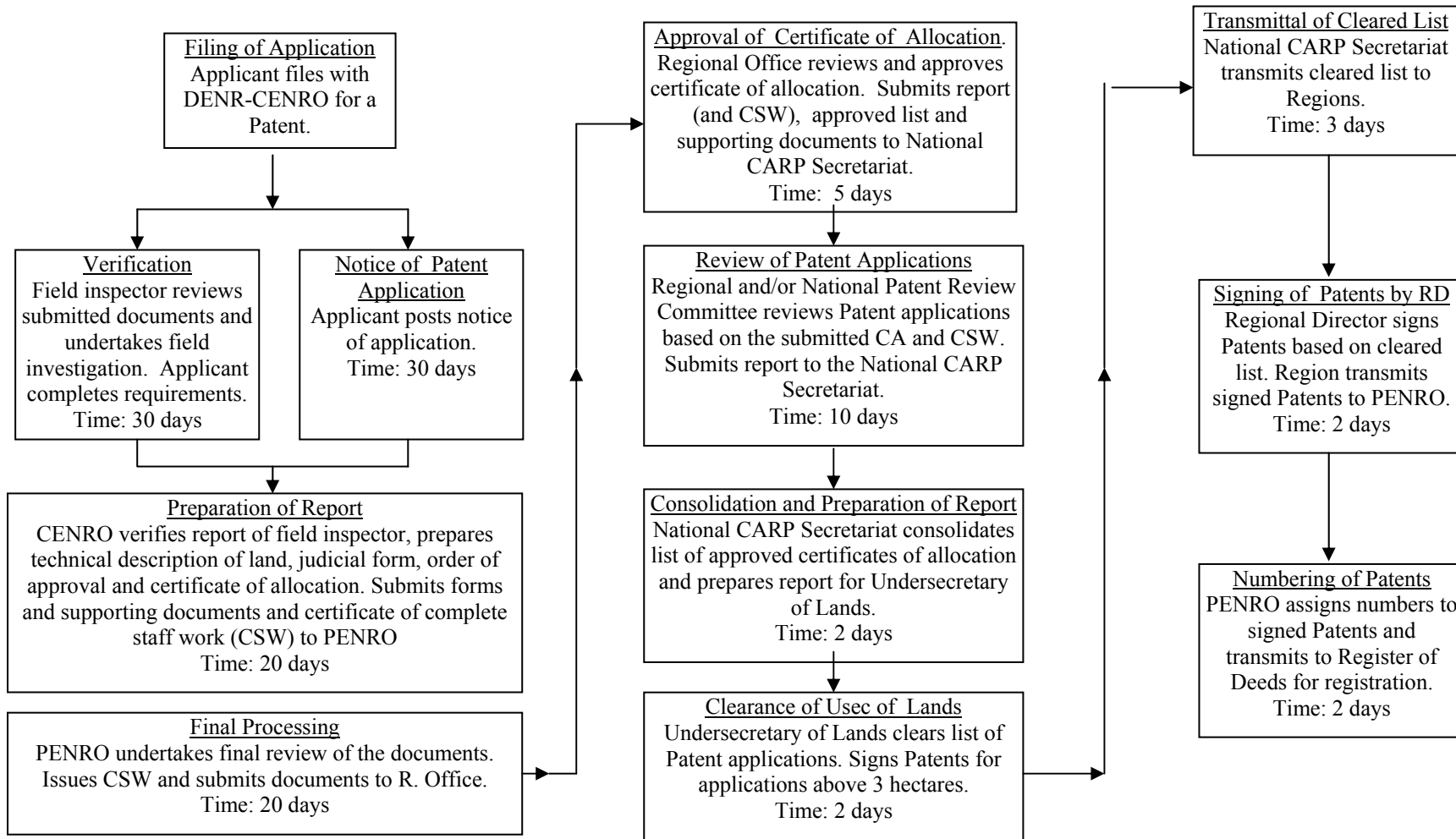
**ANNEX F: PROCESS FLOW CHARTS**

## PROCESS FOR CLASSIFICATION OF UNCLASSIFIED FOREST LAND

**Total time for a typical Classification Project around one year.**

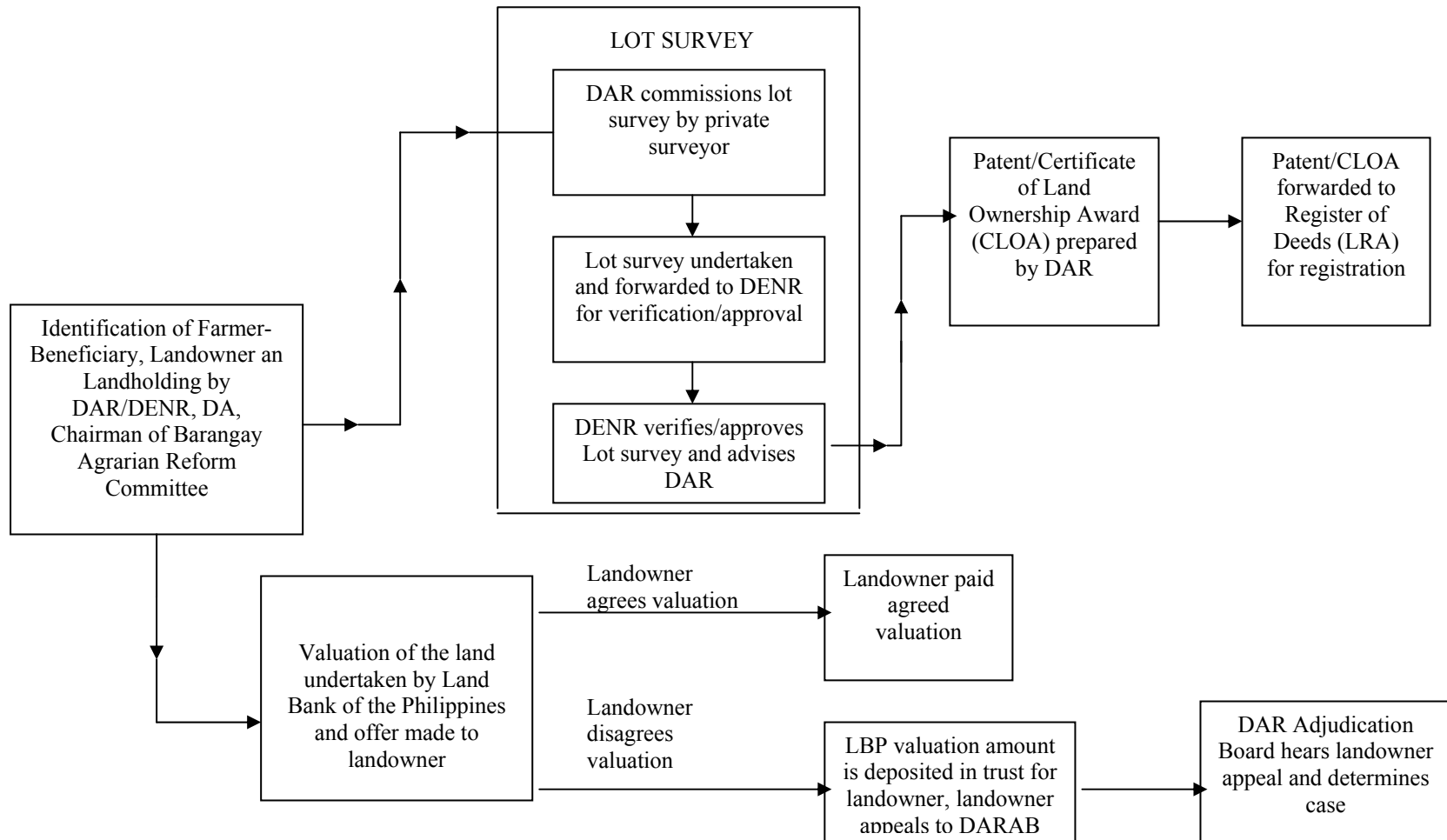


**PROCESS FOR ISSUANCE OF FREE PATENTS BY DENR**  
**Claimed total time: approximately 96 days, based on 1 module of 200 lots**



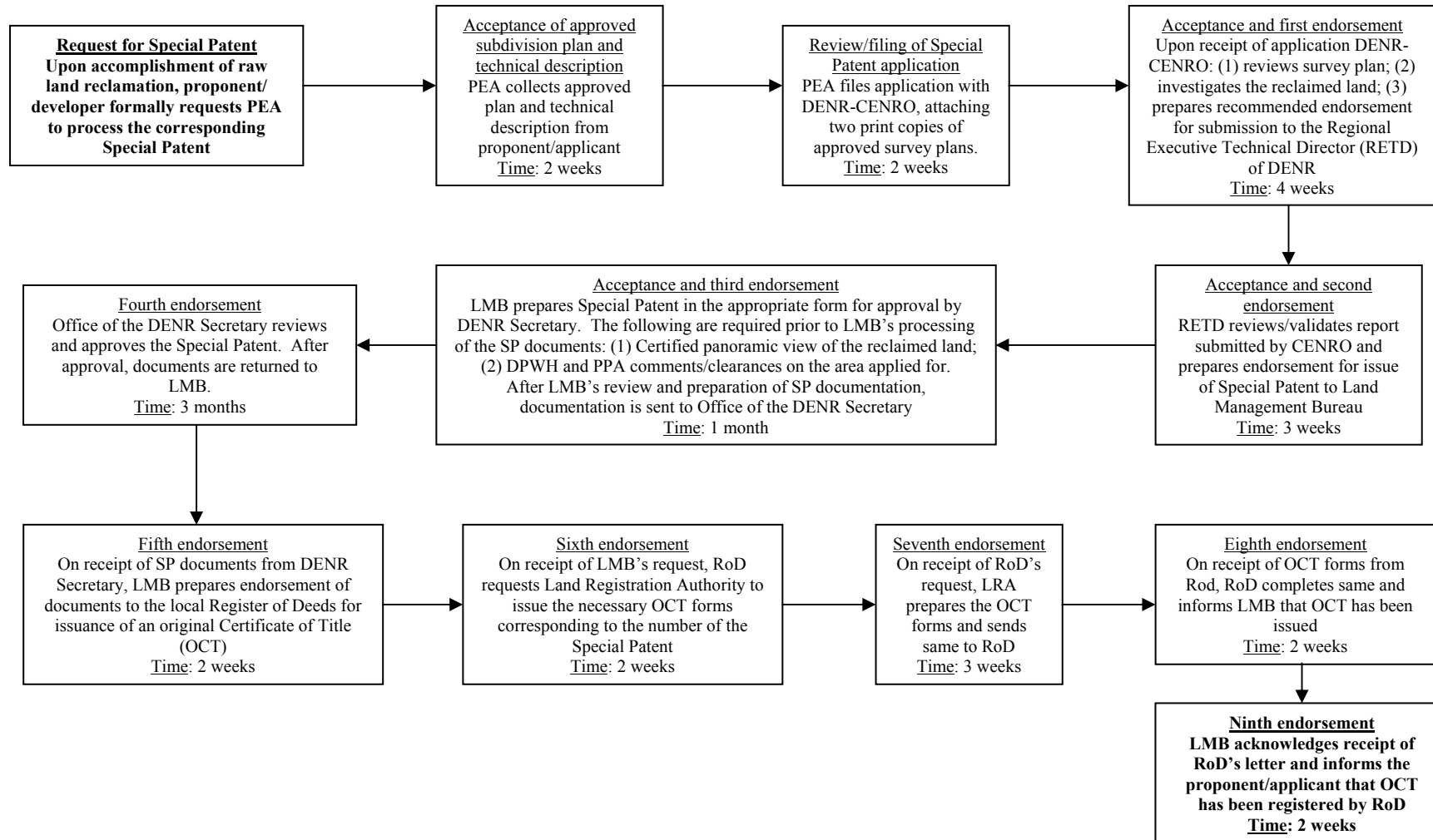
**PROCESS FOR REDISTRIBUTION OF LAND BY DAR UNDER THE CARP**

**Total time: one year plus for issue of Patent/CLOA; open-ended for compensation of land owner if valuation disputed.**



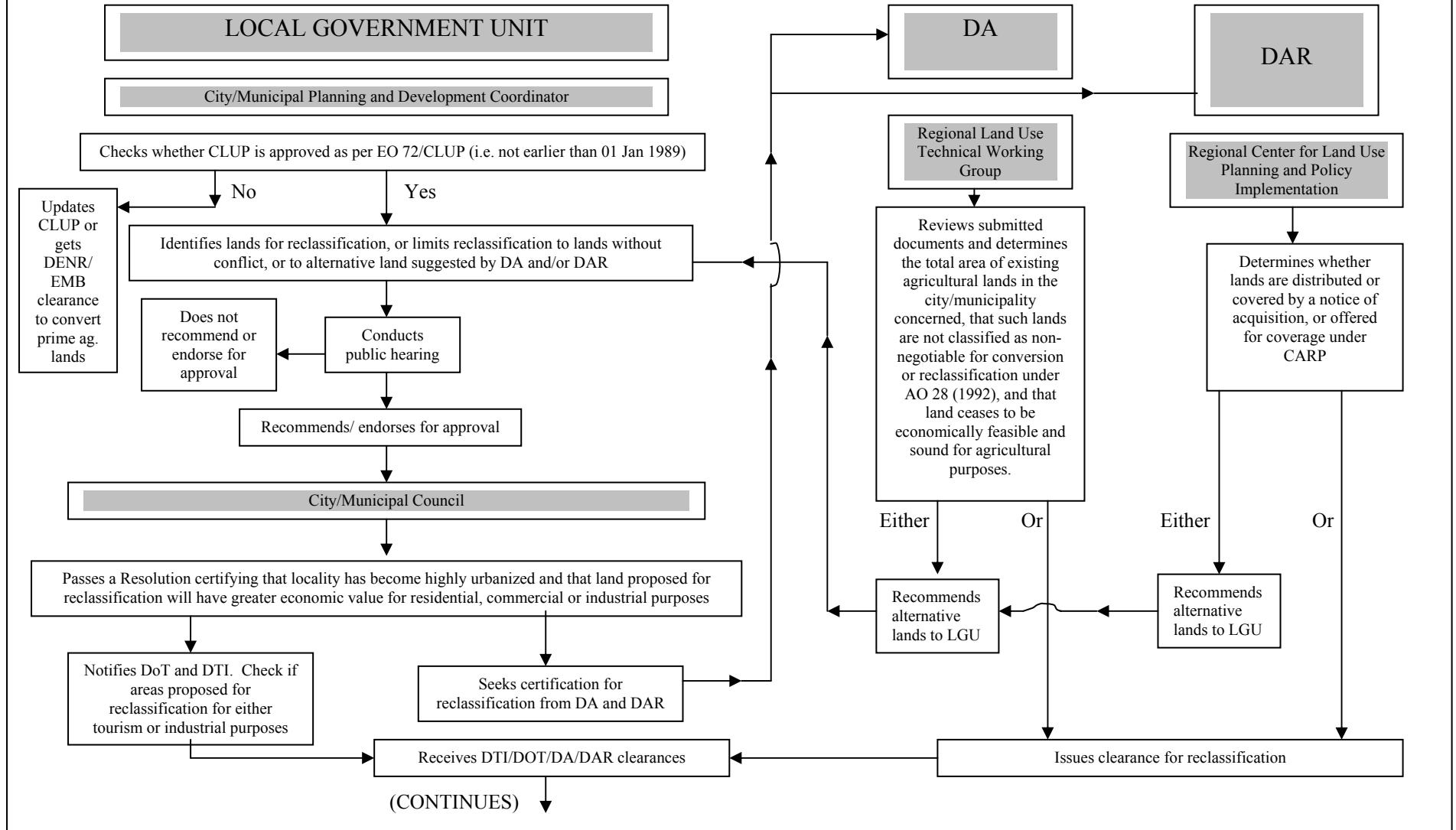
## PROCESS FOR ISSUANCE OF A SPECIAL PATENT OVER RECLAIMED LAND

**Total time: approximately nine months**

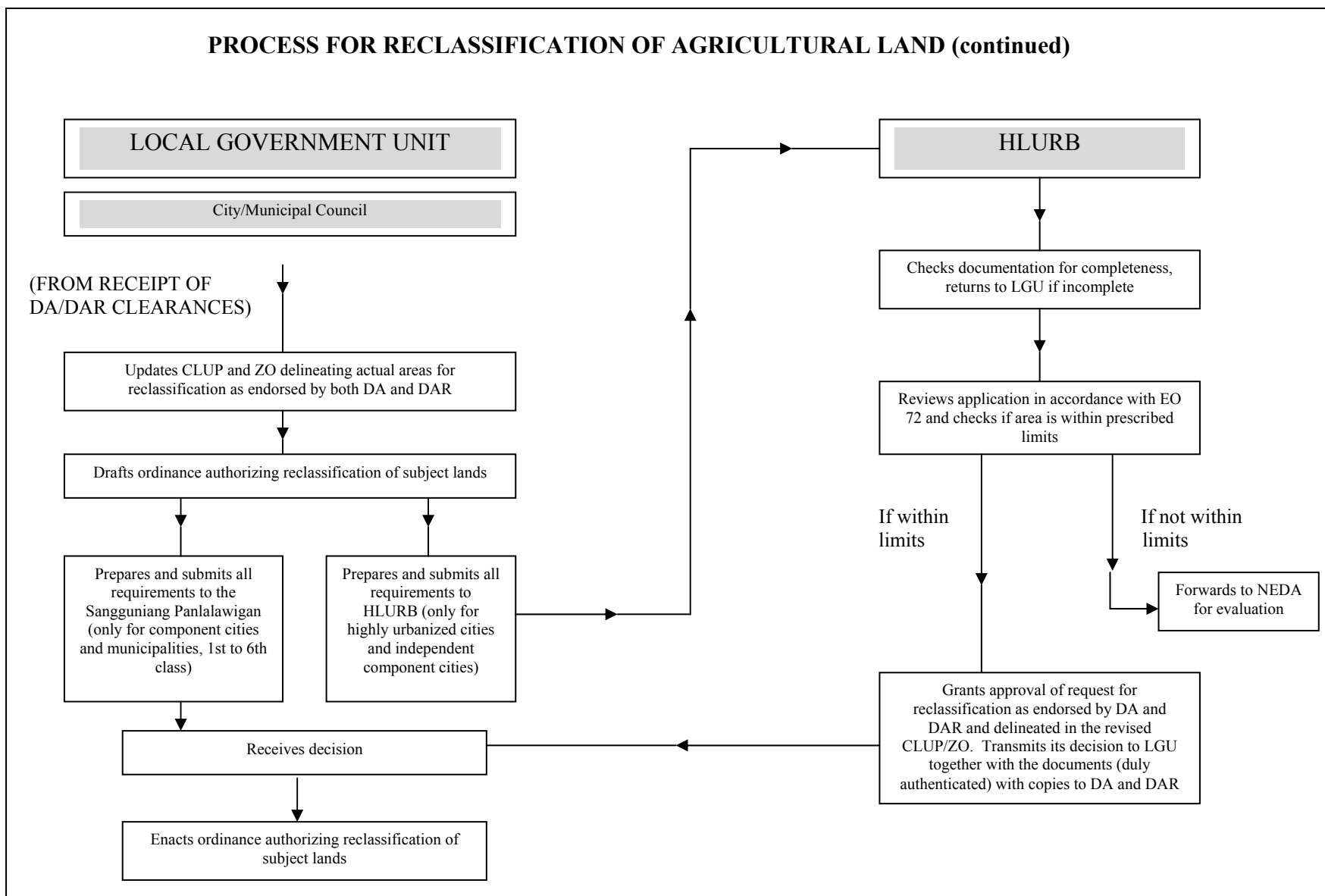


## PROCESS FOR RECLASSIFICATION OF AGRICULTURAL LAND

Total time: variable

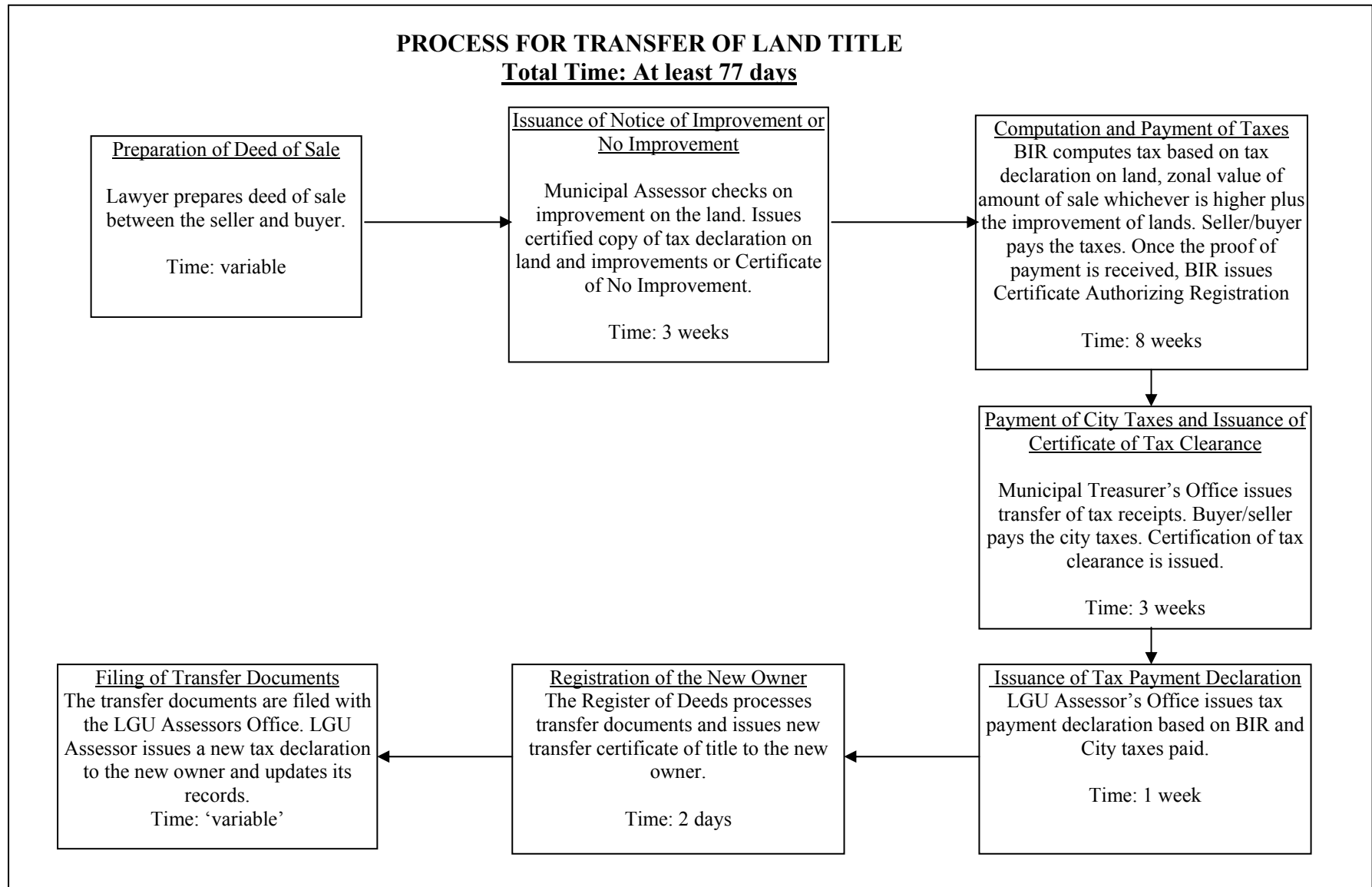


## PROCESS FOR RECLASSIFICATION OF AGRICULTURAL LAND (continued)



## PROCESS FOR TRANSFER OF LAND TITLE

**Total Time: At least 77 days**



*Institutional Arrangements Policy Study*

**ANNEX G:  
A COMPARISON OF AGENCIES  
WITH INTERESTS IN LAND**

## **ANNEX G: A COMPARISON OF AGENCIES WITH INTERESTS IN LAND**

Previous studies of land administration in the Philippines have referred to the ‘multiplicity’ of government agencies involved (references have typically been made to twenty or more national agencies). The inference appears to have been that this number is unusually large and/or that it can and should be drastically reduced.

A diversity of agency involvement certainly requires that roles and responsibilities be clearly defined and, where interacting, coordinated. It can also increase the risk of unintentional duplication or overlap of activities. However, the number of agencies involved is not necessarily a problem in itself, or one that would necessarily be ‘solved’ by attempting to merge all agencies with interests in land matters. The following considerations need to be borne in mind.

- The full spectrum of government interests and involvement in land – including topographic and cadastral land information; land use planning; administration of land titling; land valuation and taxation; permits, leases and controls regulating the use of land (including above and below the surface); and environmentally-sustainable management of land – is very wide and typically involves a substantial number of different agencies in any developed or rapidly developing country.
- Related to this the number of different GOP agencies with some form of policy and/or management interest in land, often derived from only a part of their overall functions, is not unusually large (see below).
- The number of Filipino government agencies with major responsibilities impinging upon the principal focus of the LAMP – land titling, valuation and taxation – is substantially fewer than the ‘twenty/more than twenty’ often referred to in previous studies. From a LAMP perspective there are just four key national Departments and 7 key national agencies involved: the Land Management Bureau/Service and NAMRIA within DENR; the Land Registration Authority (including Register of Deeds) within DOJ; the Department of Agrarian Reform; the Bureau of Internal Revenue and Bureau of Local Government Finance within DOF; and (of increasing potential significance) the National Commission on Indigenous Peoples.

To illustrate the second point, the following table lists the main GOP agencies with some form of interest in land matters and indicates the agencies in Western Australia most closely involved in the delivery of the same or similar functions. The State Government of Western Australia<sup>1</sup> was selected virtually at random for the purpose of a comparison. Western Australia has (very) large areas of land that remain public land (‘Crown Land’) or that are held under forms of tenure other than private freehold title.<sup>2</sup> To this extent at least, it has some similarities with the Republic of the Philippines. However, the diverse range of Western Australia State

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<sup>1</sup> Land use planning, administration and management is primarily a State and Local Government responsibility in Australia rather than a Federal responsibility. Unless indicated otherwise, references to Western Australia agencies in the table are to agencies forming part of the State Government of Western Australia.

<sup>2</sup> The land area of Western Australia is some 2.5 million square kilometers. Of this area, 93% forms the ‘Crown Estate’ (public land). The major categories of tenure within the Crown Estate are: unallocated Crown land (33%); Reserves (16%); and Pastoral Leases (34%).

Government agencies with interests/responsibilities in relation to land is typical of other Australian States and, indeed, of administrations in many other countries.

| <b>Republic of the Philippines</b>  | <b>Equivalent agencies in Western Australia</b>   |
|---|---|
| <p>Department of Environment and Natural Resources:</p> <ul style="list-style-type: none"> <li>• Land Management Bureau/Service</li> <br/> <li>• Forest Management Bureau/Service</li> <br/> <li>• Bureau of Mines &amp; Geosciences</li> <br/> <li>• Environmental Management Bureau</li> <br/> <li>• Protected Areas &amp; Wildlife Bureau</li> </ul> | <ul style="list-style-type: none"> <li>• Government Land Services Directorate and Land Administration Services Branch, Department of Land Administration</li> <li>• Pastoral Lands Board</li> <li>• Department of Conservation and Land Management</li> <li>• Conservation Commission of Western Australia</li> <br/> <li>• Conservation Commission of Western Australia</li> <li>• Sustainable Forest Management Directorate and Regional Services, Department of Conservation and Land Management</li> <li>• Forest Products Commission</li> <br/> <li>• Geoscience Australia, Department of Industry, Technology and Resources (national agency)</li> <li>• Department of Mineral and Petroleum Resources</li> <li>• Mineral and Energy Research Institute of WA</li> <br/> <li>• Department of Environment, Water and Catchment Protection</li> <li>• Environmental Protection Authority</li> <br/> <li>• Nature Conservation Directorate, Department of Conservation and Lands management</li> </ul> |
| <ul style="list-style-type: none"> <li>• NAMRIA</li> </ul>  | <ul style="list-style-type: none"> <li>• Australian Surveying and Land Information Group, Department of Industry, Technology and Resources (national agency)</li> <li>• Geographic Services Branch and Western Australia Land Information System (WALIS), Department of Land Administration</li> </ul>  |

|   |  |
|---|--|
| Department of Agrarian Reform   | No direct equivalent   |
| Department of Agriculture:<br><ul style="list-style-type: none"> <li>Bureau of Soils &amp; Water Management</li> </ul>                                  | <ul style="list-style-type: none"> <li>Department of Agriculture - Sustainable Rural Development Program</li> <li>Commissioner of Soil and Land Conservation</li> <li>Water and Rivers Commission<sup>3</sup></li> </ul>   |
| Department of Justice:<br><ul style="list-style-type: none"> <li>Land Registration Authority/Register of Deeds</li> </ul>                               | <ul style="list-style-type: none"> <li>Registration Services Branch, Department of Land Administration</li> </ul>  |
| National Commission on Indigenous Peoples   | <ul style="list-style-type: none"> <li>Aboriginal &amp; Torres Strait Islanders Commission (national agency)</li> <li>National Native Title Tribunal (national agency)</li> <li>Department of Land Administration</li> </ul>   |
| Housing and Urban Development Coordinating Council, National Land Use Committee (NEDA), Housing and Land Use Regulatory Board                           | <ul style="list-style-type: none"> <li>Department of Planning and Infrastructure</li> <li>Western Australia Planning Commission</li> <li>Regional Development Council</li> <li>Mid West, South West, Peel, Great Southern and Wheatbelt Development Commissions</li> <li>Gascoyne, Kimberley and Pilbara Development Commissions</li> <li>Numerous strategic, statutory planning and asset management committees</li> <li>Department of Local Government and Regional Development (including supervision of the Australian Building Code)</li> </ul> |
| National Housing Authority  | <ul style="list-style-type: none"> <li>Department of Housing and Works</li> <li>Country Housing Authority</li> </ul>   |
| Department of Finance:<br><ul style="list-style-type: none"> <li>Bureau of Internal Revenue (valuations and national real property taxation)</li> </ul> | Department of Treasury and Finance:<br><ul style="list-style-type: none"> <li>Office of State Revenue (State real property taxation)</li> <li>Valuer General's Office within Department of Land Administration (land valuations)</li> </ul>  |

<sup>3</sup> The Water and Rivers Commission, Swan River Trust and Department of Environmental Protection are being amalgamated within the new Department of Environment, Water and Catchment Protection.

|  |   |
|--|---|
| Department of Finance (continued) <ul style="list-style-type: none"> <li>• Bureau of Local Government Finance</li> </ul> | <ul style="list-style-type: none"> <li>• No direct counterpart – Department of Local Government has functions impacting local government finance</li> </ul> |
| Public Estates Authority   | <ul style="list-style-type: none"> <li>• Landcorp</li> <li>• East Perth, Subiaco and Midland Redevelopment Authorities</li> </ul>                           |
| Department of the Interior and Local Government  | Department of Local Government and Regional Development (including capacity building for local governments and supervision of the Australian Building Code) |
| Local Government Units<br>(land use planning and controls; property valuations for local taxation, local taxation)       | Local Government Units<br>(land use planning and controls; building controls; local taxation)   |
| Department of Trade and Industry   | <ul style="list-style-type: none"> <li>• Department of Industry and Technology</li> <li>• Small Business Development Corporation</li> </ul>                 |
| Department of Tourism  | <ul style="list-style-type: none"> <li>• Western Australian Tourism Commission</li> </ul>   |

*Institutional Arrangements Policy Study*

**ANNEX H:  
DUPLICATION AND OVERLAP  
OF GOP AGENCY FUNCTIONS**

## ANNEX H: DUPLICATION AND OVERLAP OF GOP AGENCY FUNCTIONS

| <b>Overlap</b>  | <b>Consequences</b>  | <b>Comments</b>  |
|---|--|--|
| <p><u>Primary classification of public land as A&amp;D land:</u> EO 292 of July 1987 provides that DENR shall serve as the sole agency responsible for the classification of lands pursuant to the provisions of the Public Land Act 1936. Congress has ruled that no further public land shall be classified as A&amp;D until the limits of all forest land have been delineated. Subject to this, NAMRIA (an attached agency of DENR) establishes recommended boundaries for A&amp;D public land which are submitted to the Secretary, DENR, for approval.</p> <p>The Indigenous Peoples Rights Act of 1987 (IPRA) enables the NCIP to determine that ancestral lands of an agricultural character are individually owned, thereby apparently rendering them to be A&amp;D agricultural land (including lands classified as unalienable forest land pursuant to the Public Land Act of 1936).</p> | <p>Potential for land to effectively be classified as A&amp;D land through the workings of the IPRA, contrary to the primary land classification determined by DENR under the Public Land Act.</p> | <p>This overlap derives solely from the potential conflict between two laws. It cannot be resolved by re-assigning functional responsibilities between agencies. It can only be resolved by a ruling of the Courts as to which law takes precedence <u>or</u> by legislative amendment. It is understood that the Supreme Court recently split evenly on this question of precedence and that, as a consequence, the IPRA (as the more recent law) is presumed to take precedence unless and until a further case determines otherwise.</p> <p>There is currently no other institutional overlap in functional responsibility for the primary classification of public land as A&amp;D land, although a number of agencies (e.g. FMB) have input into the delineation of A&amp;D land by the Secretary of DENR on the recommendation of NAMRIA (see also Annex F).</p> |
| <p><u>Undertaking of land surveys for the purpose of titling:</u> For the purpose of establishing ownership rights in land, three agencies currently or prospectively undertake land surveys (or contract private surveyors to undertake them):</p>   | <p>Potential for variations in quality of surveys undertaken by different agencies. Risk of dispersal across agencies of survey records.</p>   | <p>One agency only should be responsible for survey <u>standards</u> and, associated with this, the regulation of private sector surveyors undertaking work for government. However, it is neither necessary nor, perhaps, desirable or practicable that one agency alone be responsible for undertaking all survey work on behalf of all GOP agencies. There is no guarantee under such an arrangement that agencies requiring survey work will get that work performed in accordance</p>   |

| Overlap  | Consequences | Comments  |
|--|--------------|---|
| <p><u>Undertaking of land surveys:</u> (continued)</p> <ul style="list-style-type: none"> <li>• The LMB/LMS of DENR, for the original titling of A&amp;D public land;</li> <li>• DAR, for the titling of lands redistributed to CARP beneficiaries (but DAR surveys have to be verified/approved by DENR);</li> <li>• NCIP, for the issue of Certificates of Ancestral Land under the IPRA (it is understood that NCIP is currently building-up its survey capacity - DAR has undertaken some surveys on behalf of NCIP).</li> </ul> |              | <p>with their individual program priorities.</p> <ul style="list-style-type: none"> <li>• The Administrative Code states that DENR shall “ .. Serve as the <u>sole</u> agency responsible for the .... surveying ... of lands”.</li> <li>• The Administrative Code also empowers DAR to undertake surveys and set survey standards in relation to surveys of CARP lands.</li> <li>• The NCIP is mandated by the IPRA to identify and <u>delineate</u> ancestral lands/domains. This would appear to provide it authority to undertake land surveys. Nevertheless, it is understood that its right to do so is currently in dispute with DENR. NCIP funding for survey work in the Year 2002 Budget is subject to agreement with DENR on this issue.</li> </ul> <p>It may be conjectured that DAR and NCIP wish to undertake their own surveys in order to ensure that the land surveys they require for delivery of their mandates are undertaken and funded in accordance with their priorities and budgets, not those of DENR. Resourcing of the function would continue to be required whichever agency undertakes it.</p> |

| Overlap   | Consequences   | Comments  |
|---|--|---|
| <p><u>Approval of subdivision surveys for the purpose of titling:</u> Under PD 1529 of June 1978, as amended (Property Registration Decree) either DENR (LMB) or the LRA may approve subdivision plans for land that is already titled (only DENR may approve subdivision plans for the purpose of registering original titles). If either approves such a plan (subject to any necessary clearance by HLURB) then the Register of Deeds is required to register it.</p>                              | <p>Potential for the application of different quality standards by the two agencies in the approval of subdivision plans. On the other hand, the ‘either’/’or’ arrangement may represent a convenience for those seeking subdivision approvals depending on their ease of access to one or other agency.</p> | <p>DENR’s power to both undertake and approve subdivision surveys for titling purposes could be regarded as a case in which service delivery and regulatory powers are inappropriately combined. Arguably, only the agency responsible for registering a land title should have the power to approve the survey that defines the land title to be registered. Elimination of the present overlap could be achieved by legislative amendment or, possibly, by administrative direction that only one of the two agencies will in practice approve subdivision surveys for titling. The present overlap does not appear to represent a <i>major</i> problem. Resourcing of the function would continue to be required whichever agency undertakes it.</p> |
| <p><u>Issue of original titles to A&amp;D land:</u> The key overlaps in legally mandated responsibilities for the issue of original titles to A&amp;D land are between:</p> <ul style="list-style-type: none"> <li>• DENR (various forms of Patent, administrative process);</li> <li>• Regional Trial Courts, supported by the LRA (judicial process);</li> <li>• DAR (CLOAs, administrative process);</li> <li>• NCIP (Certificates of Ancestral Domain Title and Ancestral Land Title).</li> </ul> | <p>Duplication of resources engaged in original titling activity. Potential and actual issue of competing forms of title over the same land. Different procedures, approval processes and forms for titling increasing the risk of spurious/fake titles and claims to title.</p>                             | <p>[Note: there is a large array of instruments and processes for conferring different rights over, or restrictions on, the <i>use</i> of land, water and air such as mining and fishing rights, building controls, controls on emissions into the environment and long-term leases of public land. The focus of the PALAMP is upon laws, agencies and processes for conferring <i>registered ownership rights</i> in land upon individuals/incorporated bodies/communities (conditionally or absolutely)]. The present overlaps are a consequence of the laws mandating different titling processes.</p>   |

| Overlap   | Consequences   | Comments   |
|---|--|--|
| <p><u>Maintenance/updating of cadastral records:</u><br/>Independent, uncorrelated cadastral records are maintained by DENR and the LRA respectively.</p>   | <p>A clear-cut duplication of activity that: undermines the integrity of cadastral land information; increases the risk of duplicate titling; involves unnecessary duplication of resources.</p> | <p>PALAMP is addressing means of eliminating this overlap. No legislation is needed to eliminate it. Once established, a single set of cadastral records should generate resource savings relative to the current duplication. One agency only should have ultimate responsibility for maintaining and providing access to cadastral records.</p>  |
| <p><u>Compilation and maintenance of land information, including maps:</u> NAMRIA is the sole agency with a formal mandate to undertaking topographic land mapping as such. However, numerous other GOP agencies require and assemble information relating to land in order to perform their core functions, including land information in the form of maps. Similarly, numerous agencies and members of the public require access to different types of land information. Within DENR, there is a formal allocation of responsibilities as between NAMRIA and the DENR bureau for the maintenance of maps of different type/scale.</p> | <p>There is probably some current duplication of activity in the collection and maintenance of land information by different agencies. The nature and extent of this has not been assessed.</p>  | <p>NAMRIA's mapping function constitutes the foundation upon which all other mapping activity depends. Some have suggested that this function is not performed as effectively or efficiently as it might be. <i>If</i> that were the case, it would <i>not</i> be as a consequence of duplication/overlap of functions between agencies.</p> <p>Inter-agency coordination/cooperation in setting common technical standards and protocols for access to/exchange of land information needs strengthening. However, it would be unrealistic and unnecessary to mandate that a single agency have sole responsibility for collecting all information relating to land or for maintaining it in a single data base. A more realistic long-term aim would be that users of land information have ready access to all major GOP data bases relating to land through a single <i>initial</i> point of access (e.g. via the Internet). Resources and leadership by a single agency over several years would be necessary to fully achieve this.</p> |

| Overlap   | Consequences  | Comments  |
|---|---|---|
| <p><u>Land valuation and related mapping for taxation purposes</u>: Multiple GOP agencies undertake valuations of real property for different purposes as a consequence of their powers and functions to acquire, hold, transfer, dispose of and/or tax land. The most significant <u>overlap</u> is between the land valuation methods (and related ‘tax mapping’) undertaken by the BIR and Assessors at LGU level respectively. No agency at present, public or private, has responsibility for setting and upholding GOP/national valuation standards</p> | <p>Duplication of resources allocated to land valuation for taxation purposes (at least). Absence of professional standards for training in and quality control of valuations. Inconvenience/cost to land owners in dealing with two jurisdictions for land taxation purposes. Allegations that valuations at LGU level are inappropriately influenced by political considerations (the determination of <i>taxation methods and rates</i> at a political level, and being accountable for them at that level is, of course, entirely appropriate).</p> | <p>This issue forms the subject of the Land Valuation Policy Study. Different types of valuations are required for different purposes. Arguably, the first priority should be to ensure that valuations for any given purpose (e.g. land taxation) are undertaken in accordance with uniform and enforceable valuation standards for the particular purpose required.</p> <p>Resource savings would be generated if a single valuation methodology and process were applied by a single agency for the purpose of all real property taxation by national/local jurisdictions. Legislative amendments would be required to implement this. Whether or not it is feasible and/or desirable is being considered by the Fees/Finance and Land Valuation Policy Studies.</p> |

*Institutional Arrangements Policy Study*

**ANNEX I:  
LEGAL BASIS FOR  
RESTRUCTURING OF GOP AGENCIES**

## **ANNEX I: LEGAL BASIS FOR RESTRUCTURING OF GOP AGENCIES**

### **Overview**

In considering the need or otherwise for legislation to implement changes in the institutional arrangements for land administration it is necessary to distinguish between:

- the land administration functions/activities to be undertaken;
- how responsibility for undertaking these functions/activities is to be allocated and organized amongst GOP agencies.

Generally speaking, the functions/activities to be undertaken are defined by laws and Executive directives specific to individual functions/activities (e.g. the Public Land Act 1936, as amended). Substantive changes in the way these functions/activities are to be undertaken in the future (including, for example, new forms of administrative titling and/or abolition of judicial titling proceedings) will therefore require amendment of the individual laws or new laws in relation to each of the functions/activities concerned.

The institutional arrangements for undertaking GOP functions/activities, on the other hand, are - generally speaking - defined in legislation and/or Executive directives on a 'whole of government' basis. A prime example of this is the Administrative Code of 1987, which was instituted by Executive Order No. 292 of July 1987. It is this 'whole of government' body of legislation and Executive directives that needs to be considered in order to determine whether or not changes in *institutional arrangements* for land administration - as distinct from the laws/processes to be administered - could be implemented without need for amending legislation by the Congress.

The IAPS view is that, from a *legal* perspective (as distinct from any possible political perspective), and while the issue is not free from doubt, it could be possible to institute changes in institutional arrangements without a need for new legislation provided certain conditions were met (see below).

### **Section 31, Chapter 10, Title III, Book III of Executive Order No. 292 of 25 July 1987 – other wise known as the Administrative Code of 1987**

This provided continuing authority to the President to reorganize the administrative structure of the Office of the President. Note that the main land administration agencies do not form part of the Office of the President.

### **Republic Act No 6656 approved 10 June 1988: An Act to protect the security of tenure of civil service officers and employees in the implementation of Government reorganization**

Section 2 of this Act provides "No officer or employee in the career service shall be removed except for a valid cause and after due notice and hearing. A valid cause exists when, *pursuant to a bona fide reorganization* (emphasis added), a position

has been abolished or rendered redundant or there is a need to merge, divide, or consolidate positions in order to meet the exigencies of the service, or other lawful causes allowed by the Civil Service Law. The existence of any or some of the following circumstances may be considered as evidence of bad faith in the removals made as a result of reorganization, giving rise to a claim for reinstatement or reappointment by an aggrieved party: ....”

- (a) significant increase in new staff numbers
- (b) abolished office replaced with another doing much the same
- (c) incumbents replaced with staff of lesser qualifications/merit
- (d) staff reclassified are performing essentially the same functions
- (e) removal violates the order of separation provided in S.3

Section 3 sets out a form of ‘last in, first out’ rule for determining the order in which employees may be removed.

Sections 4/5 give permanent staff preference in filling new positions or positions in other agencies.

Section 6 establishes a requirement for Placement Committees.

Sections 7/8 provide for grievances and appeals to the Civil Service Commission.

Section 9 provides for reinstatement without salary loss of employees terminated in breach of the Act.

Section 11 provides that “The executive branch of the government shall implement reorganization schemes within a specified period of time authorized by law” .... and goes on to deal with the reorganization commenced in 1987. This Section *might* require that any *future* reorganization be completed within a period specified by law. However, advice outlined immediately below suggests otherwise.

**LLS Position Paper on “Power of the President to reorganize the executive branch of the government” (paper for PCEG meeting 17 May 2001)**

This Position Paper posed and addressed the following questions in the following (abbreviated) terms.

*Does the President have the continuing power/authority to reorganize the Executive Branch of the National Government? – answer, ‘yes’*

Presidential Directive No 1772 of 15 January 1981, amending PD No 1416 of 9 June 1978, expressly granted the President continuing authority to reorganize the National Government. The 1987 Constitution validated earlier decrees unless they are expressly revoked/amended. There is as yet no law revoking or amending these Decrees.

*What are the legal modes of causing reorganization? – answer, “Reorganization may be by virtue of a law or executive issuance (i.e. Executive Order) (emphasis added).*

As laid down in the case of Larin V Executive Secretary. The Supreme Court upheld the issuance by the President of Executive Order No 132 of 26 October 1983 entitled ‘Streamlining the Bureau of Internal Revenue’.

*Does the President’s power to reorganize include declaring positions as vacant? – answer, “the President’s power to reorganize does not carry with it declaration of vacancies. The present Constitution does not provide for automatic vacancies; removals not “for cause” must be resulting from reorganization and must pass the test of good faith.”*

*“As a general rule, reorganization is carried out in “good faith” if it is for the purpose of economy or to make the bureaucracy more efficient. In that event, no dismissal or separation actually occurs because the position itself ceases to exist. A valid abolition of an office denies to the incumbent the right to security of tenure.*

*“In case of separation of office arising from abolition of office as a result of organization, the government is obliged to prove good faith, provided the reorganization is pursued in good faith considering R.A. No 6656.”*

These principles were laid down in the cases of Larin vs. Executive Secretary, Sinon vs. CSC; Dario vs. Mison, and Canonizado Vs. Acuirre.

Note, however, that where an ‘Office’ is abolished and replaced with another Office vested with similar functions, the abolition is a legal nullity. This seems to imply that, for example, the ‘Office’ of Administrator of the LRA could be transferred from the Department of Justice to another Department, but the Office itself could not be abolished if any position/person were to continue performing the same/similar functions.

### **Executive Order No 72 of 11 February 2002: ‘Rationalizing the agencies under or attached to the Office of the President’**

This Executive Order provides no direct guidance to wider forms of reorganization since it related to agencies within/attached to the Office of the President, continuing authority to reorganize which was granted to the President under through EO No. 292 (see above). Moreover the ‘agencies’ concerned were in fact committees (albeit some with secretariats). The following details are included for background.

Agencies listed at Annex A to the Order were transferred to the corresponding Departments/agencies. Agencies listed at Annexes B and C were abolished, except that those at C were to be offered to relevant LGUs that could opt to take over the activities concerned (area-specific programs/activities). 13 “agencies” were listed at Annex A (including the IACC). 61 “agencies” were listed at Annex B (55 Task Forces and similar bodies). Sixteen “agencies” were listed at Annex C.

The PCEG was required to submit to the President, within 60 days of the Order, its recommendations for possible abolition, deactivation, merger, consolidation, transfer etc of functions, positions, assets etc of agencies under/attached to the Office of the President and not listed in the Executive Order.

**PCEG (Presidential Committee on Effective Governance) issued “Rules and Regulations Implementing Executive Order No 72....” on 15 March 2002.**

Note that these rules applied/apply only to agencies attached to the Office of the President, but might provide guidance as to the processes that would be expected to apply in the event of other reorganizations.

The Rules include the following definitions:

*Abolition*- pertains to the dissolution of an agency. It is a one-time elimination or discontinuance of an agency’s operations

*Deactivation*- an agency is made dormant or in operational – its operation is terminated but its formal existence continues

*Merger*-absorption of one agency by another (the acquired agency is dissolved)

*Consolidation* – pertains to the dissolution of agencies to form a new agency

The Rules also provide for the preparation of Winding Up Plans, treatment of assets and personnel, etc.

**House Bills on Re-engineering/Re-organization of the Executive Branch**

The legal advice given to the PCEG in May 2001 (see above) appears to indicate that the President has a continuing authority to change institutional arrangements, subject to conditions.

Nevertheless, the Department of Budget and Management appears to take the view that no ‘whole of government’ re-organization of the Executive Branch can proceed unless and until the Congress enacts a specific re-engineering Act.<sup>1</sup> It is unclear whether this reflects a desire to ensure an unchallengeable legal basis for any future ‘whole of government’ re-organization, a desire to secure the explicit political backing of Congress for future re-organization initiatives or other considerations.

Various versions of such an Act have been under consideration by the Congress since the mid-1990s. The most recent versions under consideration are House Bills Nos. 191 and 978.

House Bill No. 191 is entitled ‘An Act to Re-engineer the Government Bureaucracy by creating the Joint Legislative-Executive Commission on Government Re-engineering, Protecting the Affected Civil Servants with Attractive Safety Nets under a Voluntary Disengagement Program, providing Funds therefore, and for other purposes’.

This Bill contains lengthy statements of principles and provides for the award of two months pay-out for every year of service, funded by issuing Treasury Bills to affected government employees, amongst other interesting features.

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<sup>1</sup> The ‘scrap and build’ technique is apparently available without specific legislation to support it. This is a somewhat contrived procedure entailing the withdrawal of funding from agencies to be ‘scrapped’ while leaving them in legal existence. It appears highly doubtful this approach alone could provide a satisfactory basis for restructuring of the land administration agencies.

House Bill No. 978 is entitled 'An Act authorizing the reorganization of the Executive Branch and other related purposes'. It has many provisions in common with those of House Bill No. 191, including a lengthy statement of much the same (somewhat academic) principles, but does not require the establishment of a joint Legislative-Executive Commission. It appears to be the version preferred by DBM.

Neither Bill appears likely to emerge from the Congress as an Act in the near future.

*Institutional Arrangements Policy Study*

**ANNEX J:  
STAKEHOLDER  
ASSESSMENT REPORT**

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# Institutional Arrangements for Land Administration

## Stakeholder Assessment

### Background and Objectives

The Philippines Australia Land Administration Management Project (PALAMP) is in the process of completing a policy study on institutional arrangements for the development of an efficient system of land titling and administration for the Philippines. The reform of land administration faces long-standing issues and problems, which at times appear insurmountable as they are traced to antiquated laws and complex administrative rules and processes. The difficulty of mounting a comprehensive reform program to address these problems is compounded by the lack of sustained interest and advocacy from the public despite the widespread acknowledgement of the existence of the problem.

The purpose of a stakeholder assessment is to organize information about the people and organizations that will be affected by the envisioned reform. The views of those affected—both positively and negatively—help to predict how social groups will react to the introduced changes and, in turn, how effectively the project outputs will result into desired outcomes. This study of PALAMP stakeholders aims to achieve the following objectives:

- 1) Define and refine project objectives and desired outcomes to consider social realities in the reform program's organizational environment;
- 2) Prioritize issues and concerns to be addressed by the evolving and administration framework; and
- 3) Formulate appropriate strategies for stakeholder participation towards building up public advocacy for reform in institutional arrangements for land administration.

Invariably, desired results from the reform of institutional arrangements go for **simplicity** and **transparency** of processes. Despite their obvious benefits, such reforms in institutional arrangements find little support from critical stakeholders. Stakeholder assessment promotes a better understanding of their interests, concerns and motivation to make an important stake in the reform of the sector. The analysis will make up the elements of a participation strategy to build on these observations, define their strategic roles in the reform process and recommend approaches for incorporating these in project activities.

## The Stakeholders

The study will focus on the following groups of stakeholders. By definition, they represent sectors, organizations and people who may be significantly affected by the reform as well as those who exert significant influence over the program's resources and ability to accomplish its goals. The stakeholders are further grouped into four broad categories, namely, the target beneficiaries, the government implementing agencies in land administration, professionals in the industry, and the policy oversight agencies.

### Target Beneficiaries

Among those that are presently affected by the problem and potentially benefit directly from reforms in land administration are the following:

1. Prospective buyers of land who stand to benefit from an efficient land market and well established and open procedures for such transactions
2. Informal settlers wishing to acquire legal ownership of their land from legitimate owners
3. Bankers and their clients who normally use titles to real property for securing loans obtained from banks
4. Real estate developers who are engaged in the business of developing land for construction of residential units under private or government-sponsored housing programs
5. Government housing agencies in the market for available land for planned investment in the development into new housing settlements

This group has a strong tradition of bringing out issues affecting the housing industry and finding opportunities to discuss these with government. In terms of a formal structure, the Housing and Urban Development Coordinating Council (HUDCC) effectively brings them together to be part of the policymaking process in the sector.

Informal settlers figure into policy discussions with government through networks having to do with the urban poor. This group comprises one of 14 basic sectors that are the focus of national anti-poverty policies and programs under the National Anti-Poverty Commission (NAPC). Addressing the basic need of the urban poor sector for shelter security is addressed by government through the National Shelter Program that taps into resources of both the public and private sector. The government agency that operates to provide targeted assistance to the urban poor is the Philippine Council for the Urban Poor (PCUP), which has regional offices and a nationwide network of organizations made up of workers and families in the urban poor sector.

## **Government Implementing Agencies**

The government agencies that carry out various functions in land administration are important stakeholders because they are to be most profoundly affected by any changes in institutional arrangements. The PALAMP has taken important steps towards involving these agencies in the planning and implementation of project activities. It remains to be seen whether this involvement will result in active participation from among the agencies. More importantly, there will have to be sufficient incentives for these agencies to participate positively in the reform effort. Those comprising this group are:

1. Land Registration Authority
2. Land Management Bureau and Land Management Services of the DENR
3. National Mapping and Resource Information Authority
4. Bureau of Land Acquisition and Distribution of DAR
5. Bureau of Land Development of DAR
6. National Commission on Indigenous Peoples
7. Bureau of Internal Revenue
8. Local Government Units

The administrative structure, technical operations and legal basis of the above agencies in land administration are presented in detail in the main report of the study.

## **Professionals in Land Administration Operations**

This group of stakeholders is made up mostly of licensed professionals whose practice enables the public to formally obtain and keep legal rights to their property and conduct land transactions correctly and expeditiously. Their practice is formally recognized by government agencies and most existing rules and procedures so that they serve as an important source of information regarding the technical nature of problems in the existing system. As licensed professionals, they operate mainly to protect the interest of property owners; hence deficiencies and ambiguities in the system have the effect of imposing comprehensive constraints on their efficiency. This group is comprised of the following:

1. Geodetic Engineers and Surveyors
2. Lawyers
3. Real Estate Brokers and Agents
4. Accountants and Tax Consultants.

Through their membership in professional organizations they are kept abreast of policy developments in the sector and work together to advocate for reforms in the government system. This advocacy comes in the form of participating in government-sponsored policy forums, hosting conventions and building networks with people in key government positions and contributing articles in major newspapers. At times, these organizations are able to come up with paid advertisements announcing their strong position regarding hot issues such as the prices of construction materials or pending bills in Congress.

These initiatives are spread over unrelated concerns and not driven by an overarching reform strategy. As such, the approach of professional organizations in pushing reforms in land administration and management is rather passive and mainly driven by activities under government's current reform agenda.

Due to their technical expertise, professionals have the ability to work **through** the existing system despite its problems. Resource persons interviewed for this assessment advanced the view that the ambiguity of rules and complexity of government processes creates more need for their services, especially the lawyers. As such, there appears to be no incentive for professionals to take a big stake in any major reform effort. This might help to explain why the group is not seen to be taking very strong and sustained efforts to lead any meaningful reform in the sector.

### **Policy Oversight Agencies**

Major reforms in the public sector are necessarily driven by policy makers who have a more strategic view of the government's intended role in the development of a particular sector. In the Philippine setting, the NEDA Board is the highest policymaking body of the executive branch of government that decides on economic and social development matters. The NEDA Board is therefore an important venue for obtaining high-level support for policy measures as well as a critical step for leveling off any opposing views from different members of the Cabinet. As well, the NEDA Board will eventually make the important decision of whether to proceed with the next phase of the LAMP based on an appreciation of the progress made by the existing phase and a policy decision to commit government to the emerging reform program.

Policy decisions at the NEDA Board are strongly influenced by a few key policy oversight agencies that have to do with overall fiscal management and all its branching concerns including expenditure management and administrative streamlining of the government structure. These agencies therefore comprise another set of PALAMP stakeholders. Their response to the policy recommendations will determine not only the success of the project but also the likelihood of getting a firm commitment from government for the more fundamental changes in government operations in land administration. These agencies are:

1. Department of Budget and Management
2. National Economic and Development Authority
3. Department of Finance

#### 4. Office of the President.

Apart from her chairmanship of the NEDA Board, the President herself will play a most critical role in mounting the reform off to a good start because there are inherent difficulties in pursuing institutional reforms for agencies in land administration. In recent moves to restructure or reorganize government agencies, the President relied heavily on the findings and recommendations of the Presidential Committee on Effective Governance (PCEG). The staff of the Department of Budget and Management serves as the secretariat of the PCEG to give decisions objectivity and effect through the budget management system. One of the PCEG's current activities is the reduction of signatures to cut red tape<sup>1</sup> in six government offices providing frontline services to the public, among which is the Land Registration Administration.

The Presidential Agrarian Reform Council (PARC) also takes up issues in land administration as part of its policy oversight role in the management of the Agrarian Reform Program. The PARC has considerable influence derived from authority granted by the Comprehensive Agrarian Reform Law and its high-level composition (with the President as PARC Chairman). It has control over a relatively large budget allocation, which it uses to mobilize other government agencies in the provision of support services. According to the DBM, part of the funds are allocated by the PARC to the LRA and DENR for land titling services which makes it a stakeholder in efforts to make the system more efficient.

Another cabinet-level body that includes essential policy oversight agencies and deals with some of the LAMP issues is the Housing and Urban Development Coordinating Council (HUDCC). This body is responsible for coordinating the programs and policies of the different housing agencies but has not been very effective in leading the housing sector through difficult financial and structural reforms during the post-Marcos period of structural adjustments. Frequent changes in HUDCC leadership and an increasing preoccupation with actual delivery of services has drawn its attention from its core function of instituting policy reforms in the sector.

The areas of concern in land administration covered by the PALAMP is not within the entire scope of a single policy making body. Given the present situation where there are several agencies involved in the delivery of land administration services, the absence of a central body to exercise effective coordination has led to much of the problems sited by PALAMP and previous studies. The implementing agencies operate as independent entities with legally mandated authority to conduct their business and each reporting to a different cabinet member.

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<sup>1</sup> The number of signatures to complete an application for government services is a perfunctory but favored indicator of efficiency in the provision of frontline services to the public. It does not lead to structural changes in operations but defines and consolidates the review functions of authorized regulatory officers. Besides the LRA, agencies where reduction of signatures is deemed most urgent are in customs, passports, veterans benefits, etc.

## **The Reform Environment for Reforms in Institutional Arrangements**

Based on the information from various resource persons who have been interacting with the different stakeholder groups in the course of project activities, there is a general assessment that the social environment is not very open to reform and sometimes even appearing to be hostile to initiatives that are being pursued under the project.

### **Implementing Agencies Lack Motivation to Initiate any Meaningful Reform in Institutional Arrangements**

The multi-agency project structure and initial project activities of PALAMP were directed intensively at getting the implementing agencies to take an active part in the process of introducing improvements in land administration. Invariably, the responses reflect a certain degree of helplessness in view of the imposition of certain laws. Quite strangely, most resource persons recognize the need to update these laws but they have not done their job of proactively collaborating with Congress for the drafting and passage of the needed legislation. Even minor reforms are hindered further by the tendency of most people in the agencies to justify the lack of reforms with self-imposed inflexibility in the interpretation of these antiquated laws.

The behavior of the implementing agencies towards reform is also easily gleaned from the utter lack of response to the findings of earlier studies under the Natural Resources Management and Development Project. The problems that are being observed in the existing institutional arrangements were first identified and analyzed comprehensively by this study, which was made more than ten years ago. Mostly, the needed measures were simply in the nature of exercising management authority to elicit higher performance efficiency from operating units.

There appears to be no external pressure on the implementing agencies to improve their performance in the delivery of land titling and land administration services. Bad outcomes resulting from poor judgement or conflicting decisions of government agencies do not get national attention. Since there are many agencies operating similar functions, any agency conveniently attributes poor efficiency to the proliferation of government bodies, rules and regulatory functions. The problems with the existing system are not brought to bear on an agency's low level of competence and therefore give no reason for an agency to explore better and more efficient modes of delivery.

The lack of a central agency that could effectively coordinate policies and operations in land administration perpetuates the absence of motivation among the implementing agencies to push reforms. Not only does this make the decision-making process unmanageable but it also puts a lot of uncertainty in the chances of the sector to stay on the reform track for the long period it is expected to take.

## **Much of the Social Costs Arising from the Existing System are Hidden**

In many other areas of public sector reform, the social cost of an existing system would usually drive stakeholders to push for urgent improvements. Widely accepted methodologies for measurement and tracking of social costs are used to draw up appropriate policies and rules that draw crucial political support.

In land administration, much of the social costs arising from the present problems are hidden by long-standing informal arrangements that are not easily observable and therefore defying measurement and critical analysis. Graft and corruption is widely known to prevail in any kind of transaction with government agencies having to do with land titling and administration. PALAMP activities handle the issue in various ways depending on how participants are affected by graft and corruption. Stakeholders who are among the “customers” for land administration services are the most vocal about the problem and have not hesitated to criticize failure of past reform efforts to address the issue.

The prevalence of graft and corruption gives rise to other problems for the reform program. For instance, rules and office procedures lose credibility, hence efforts to introduce changes in such processes are lost on the very same operating units who are supposed to be leading such innovations. Moreover, it will take time for the public to be convinced that government personnel are willing to reform, hence the response of stakeholders to a more efficient formal system in these agencies is hard to predict.

Aside from the ill effects of graft and corrupt practices in the delivery of land administration services, there are a number of other social costs that are just as evasive. Based on interviews with stakeholders, some of these are as follows:

- Additional cost of development and construction of housing projects for payment of informal facilitation fees that are routinely borne by housing developers and agents but are ultimately passed on to families as additional cost
- Delayed implementation of government and private housing projects due to the long time that it takes to obtain the needed clearances and approvals
- Poor living conditions in informal housing settlements due to the reluctance of families and government housing programs to spend on improvements and amenities in land which are not supported by legal and uncontested claims
- Informal settlers who are in most need of land and housing have no legal rights and cannot speak openly about their problems with government policies, rules and processes

## **Very Active Informal Market Undermines Ability of Government to Mount a Credible Reform Program**

Due to the deep-seated problems with the formal system of land administration, an informal market for land has grown in coverage and sophistication throughout the past several decades. The pattern is prevalent in economically depressed settlements where the lack of financial resources leave families no option but to obtain access to land through the informal market. The lack of access to correct information coupled with their low level of education makes poor households easy targets for land speculators and informal market intermediaries.

With the devolution policy of government, addressing the problems of informal settlements is one of the responsibilities that were transferred to local governments. However, the transition has been quite slow due to lack of capacity and limited LGU finances. As a result, squatter settlements have grown in most of the urban areas. Ironically, parcels of government-owned land reserved for future infrastructure projects are among the most vulnerable to encroachment.

Government credibility in the sector is also seriously eroded by the widespread perception that the entire system of land administration is so weak that a considerable portion of land transactions involve fake titles. There is yet no public knowledge of any serious effort on the part of government to solve this problem permanently. Moreover, the responsibility for the problem is again tossed back and forth among a number of government agencies both in land administration and justice administration.

Just like in any public sector reform, changes are introduced through formal interventions such as official policies, rules and new organizational arrangements. In land administration, the transactions are predominated by the behavior of the informal land market. Hence it is hard to ensure that reforms introduced in the formal system would result in the desired outcomes and to a great extent, this will depend on how active the informal system is during the transition.

## **Conditions for Participatory Reform of Institutional Arrangements**

The negative conditions described in the previous section call for corresponding strategies to neutralize them as a requisite step to the successful reform of land administration agencies. It has to be able to bring about changes in behavior of stakeholders from passive indifference to active commitment and from negative resistance to positive acceptance and support for the reform. More importantly, it has to create favorable conditions for the participation of the poor in advocacy work as well as in enjoying the benefits from the program.

## **Reveal Hidden Social Costs**

Not enough has been done to come up with a good estimate of social costs arising from the present institutional arrangements in the sector. The most

common approach used in estimating the prevalence and cost of graft and corruption is through the conduct of perception surveys. The same approach can generate information about the magnitude of costs borne by citizens under the existing institutional arrangements among land administration agencies. There is a need to estimate the levels of informal facilitation fees or “SOP”, which are passed on by real estate brokers and agents to their clients. Official indicators of standard and actual processing times can also be used to make an estimate of the cost of delayed completion of housing, resettlement and land redistribution programs. The incidence of crimes and unresolved cases arising from land conflict may also serve to draw public attention to the importance of the reform in promoting peace, order and justice in the speedy settlement of land claims. The information will greatly benefit the reform program by raising public awareness of real costs, stir up public interest in the issues and build up support for the reform of institutional arrangements.

### **Working with the Market, Not Against It**

The informal market for land cannot be ignored in the formulation of the right strategy for developing the formal system of land administration. The social assessment report conducted 2001 for PALAMP in 2001 revealed that very few in the communities had any actual experience in any form of land transaction and only a small percentage of the transactions involved titling or registration. This clearly indicates that there is low perceived demand for formal land titling and registration and a much more prevalent use of non-formal systems of land occupation.

Increased access of the target sector to land titling and administration services has to come with a much improved ability of the formal system to compete with the perceived efficiency of informal systems. Communities are looking for localized mechanisms for delineation of properties and mediation/resolution of conflict, open and transparent fees, efficient service with adequate consumer assistance especially in understanding simple rules. Simply put, the formal system has to learn to deliver services in accordance with what the market wants rather than delivering services in mechanical conformity with inflexible rules.

All other factors that effectively increase the “price” paid by customers for land titling and administration services have to be dealt with as a priority area for reform. The number of signatures may be directly related to the processing period and the burden of facilitation fees and should be reviewed to shorten the time it normally takes for customers to finish transactions.

The demand for titling and registration services among the poor can receive a big boost from other targeted programs that call for the use of legal documents to prove land ownership. The CARP and the National Shelter Program are among the major pro-poor programs that can benefit from an efficient land titling and registration system. The target beneficiaries of these programs should be made aware of the problems in land administration so that measures to improve efficiency translate easily to the access of the poor to shelter and land.

## **Engendering a Reform Culture in Implementing Agencies**

The weak motivation for reform within the implementing agencies can be traced to the lack of a performance orientation in their management systems, which is typical of government institutions. The main report recommends a number of administrative measures to put pressure or create positive incentives for efficient and client-focused services.

- Establish reform goals that are confirmed and supported by high-level officials and translated into an action plan with specific assignment of responsibilities
- Mobilize a multi-stakeholder performance monitoring system that can give direct feedback to policy oversight agencies
- Develop a system of rewards and sanctions corresponding to positive and negative consequences of implementing or not implementing their responsibilities under the action plan
- Communicate a high-level commitment among oversight policy agencies for full support of new institutional arrangements in terms of providing the system with sufficient budgetary resources
- Inform the public of administrative changes in land administration to develop more confidence in the system, stimulate demand for formal means of getting access to land resources and force frontline services to be responsive to their needs
- Map out a long-term plan for more fundamental changes in institutional arrangements and develop interim strategies to obtain political support for reorganization of agencies

## **Participation Framework**

This section is to lay down a basic plan for stakeholder participation so that they can each perform a positive role in moving forward the program for reform in land administration.

| <b>Stakeholder Group</b>  | <b>Important Concerns Relevant to LAMP</b>  | <b>Proposed LAMP Participation Strategy</b>  |
|---|---|--|
| <b>I. Target Beneficiaries</b>  |   |  |
| Prospective buyers and sellers of land  | <p>Not formally organized and not represented in policy dialogues</p> <p>Seeking to streamline functions and reduced steps in land titling and registration</p>   | <p>Generate awareness of issues through the mass media and broad communication strategies to increase public awareness</p> <p>Representation in Policy Advisory Group...with a view to permanent representation in policy board of central land authority</p>  |
| Informal settlers   | <p>Most urgent need for shelter security and better living conditions through housing assistance</p> <p>Basic sector with formal representation in PCUP and NAPC for pro-poor programs and policies</p> <p>No patience for long-term institutional reform</p> | <p>Assess their readiness and interest for community-level intervention as being demonstrated in the pilot sites</p> <p>Develop and be involved in barangay-level mechanisms for assessment, processing and resolution of land disputes</p> <p>Collaborate with other agencies and LGU for housing assistance and related land titling and distribution services</p> <p>Ride on their advocacy for comprehensive land use planning in all LGUs</p> |
| Bankers and bank clients using real estate properties as collateral for contracting loans | <p>Well organized groups with substantial resources for research and policy advocacy</p> <p>Have social and economic status that enables them to call government attention to any barriers in the use of land for collateral</p>                              | <p>Generate awareness of administrative and structural issues in land administration</p> <p>Stimulate interest in the reform agenda through a better knowledge of the cost of informal facilitation fees under the present system</p>  |

|                                       |   |  |
|---------------------------------------|---|--|
| <p>Private real estate developers</p> | <p>With large financial stakes in the land administration and titling reforms</p> <p>Formally represented in HUDCC</p> <p>Strongly motivated to participate in the reform effort and have already taken the initiative in some areas</p>  | <p>Representation in Policy Advisory Group...with a view to their permanent representation in policy board of central land authority</p> <p>Tap their resources and networks to broaden support for reform, especially among members of Congress</p> <p>Ride on their advocacy for comprehensive land use planning in all LGUs</p> |
| <p>Government housing agencies</p>    | <p>Formally represented in HUDCC and is able to keep track of policy developments, but presently preoccupied with debate on the creation of new housing department</p> <p>In the market for available land for development</p> <p>Constrained from paying facilitation fees therefore efficiency in the delivery of housing units is hampered</p> | <p>Generate awareness of administrative and structural issues in land administration</p> <p>Stimulate interest in the reform agenda through a better knowledge of the cost of informal facilitation fees under the present system</p>  |

| <b>II. Implementing Agencies</b>                                   |  |   |
|--|--|---|
| DENR- Land Management Bureau                                       | <p>Strongly justifies its sole authority in the issuance of free patents</p> <p>Will cooperate if forced by the passage of a law or the implementing guidelines of fiscal plans</p>  | <p>Firm up support for the establishment of a coordinating body over the various land administration agencies</p> <p>Firm up support for the integration of policy making, survey, titling, registration activities in land administration</p> <p>Through Memorandum of Agreement, and their participation in the LAMP TWG, establish interagency collaborative mechanisms in land administration</p> |
| DENR- National Mapping and Resource Information Authority (NAMRIA) | <p>Urgently needs help for updating of systems and services to meet growing and sophisticated needs for mapping</p> <p>Institutional reform increases prospects for better allocation of government funds for the production of maps</p> | <p>Firm up support for the establishment of a coordinating body over the various land administration agencies</p> <p>Firm up support for the integration of policy making, survey, titling, registration activities in land administration</p> <p>Through Memorandum of Agreement, and their participation in the LAMP TWG, establish interagency collaborative mechanisms in land administration</p> |
| Land Registration Authority (LRA)                                  | <p>Recently achieved some recognition for modernization of processes because of BOO project;</p> <p>Adverse behavior (lack of commitment) towards LAMP activities constitutes a major project risk</p>                                   | <p>Firm up support for the establishment of a coordinating body over the various land administration agencies</p> <p>Firm up support for the integration of policy making, survey, titling, registration activities in land administration</p> <p>Through Memorandum of Agreement, and their participation in the LAMP TWG, establish interagency collaborative mechanisms in land administration</p> |

|  |   |   |
|--|---|---|
| <p>Department of Agrarian Reform (DAR)</p> | <p>Prominent political posture as lead agency for the implementation of CARP, the largest land redistribution program</p> <p>Has proven ability to draw additional resources from the national government budget as well as from donor agencies for priority programs</p> | <p>Firm up support for the establishment of a coordinating body over the various land administration agencies</p> <p>Firm up support for the integration of policy making, survey, titling, registration activities in land administration</p> <p>Through Memorandum of Agreement, and their participation in the LAMP TWG, establish interagency collaborative mechanisms in land administration</p> |
|--|---|---|

| <b>III. Professionals</b>          |  |  |
|------------------------------------|--|--|
| Surveyors                          | LAMP issues highlight the need to promote the technical skills and integrity of the profession   | Get their support for the framework for institutional reform by involving them in the Policy Advisory Group in preparation for a long-term role in the central land authority to coordinate land administration agencies   |
| Lawyers                            | LAMP brings out their expertise in sorting out the ambiguity of certain laws<br><br>Most technically competent to increase the integrity of financial and legal information for land transactions and registration   | Tap their expertise in the formulation of legal measures to permanently incorporate improvements in the land administration system.<br><br>Get their support for the framework for institutional reform through their participation in the Policy Advisory Group |
| Accountants                        | Advocates of simplified valuation rules and approaches to increase transparency of financial reports, tax assessment and financial closure of land transactions  | Generate awareness of administrative and structural issues in land administration<br><br>Use professional organizations to broaden the support for the framework for institutional reform  |
| Real Estate Agents and Consultants | Formally organized and recognized by government in policy dialogue groups; have some influence over government policy formulation including those related to land administration issues<br><br>CREBA, IPREC and PAREB have resources for using mass media; e.g. write columns, letters to the editor, articles on varied issues in land administration and housing | Generate awareness of administrative and structural issues in land administration<br><br>Tap their resources for advocacy for reforms of institutional arrangements, including the creation and authorization of a central body for land administration          |

| <b>IV. Policy Oversight Agencies</b>        |   |  |
|---|---|--|
| President GMA<br>Office of the<br>President | <p>Seeks LAMP response to her administration's poverty alleviation thrust</p> <p>Personal concern for land administration issues indicated by her interest in the de Soto proposal</p>  | <p>Generate awareness of administrative and structural issues in land administration</p> <p>Give high-level imprimatur to institutional reform objectives coming from the LAMP Policy Advisory Group</p> <p>Associate herself with the LAMP reform program in order to motivate implementing agencies through the work of the Task Force</p> <p>Provide policy guidance to the NEDA Board in processing LAMP recommendations and give her approval to the policy commitments for LAMP II</p> |
| Department of<br>Budget and<br>Management   | <p>Through the PCEG, offers LAMP a venue for getting government officials to understand, validate and adopt recommendations for institutional reform</p> <p>Streamlining measures to eliminate duplication and overlaps under LAMP helps to enforce fiscal policies to eliminate waste in public expenditures</p> | <p>Generate awareness of administrative and structural issues in land administration</p> <p>Strong role in the LAMP Policy Advisory Group and the TWG to push streamlining of agencies</p> <p>Through the PCEG, obtain official endorsement of institutional reform measures of LAMP</p> <p>Follow up implementation of institutional reform measures through budget execution</p>   |
| Department of<br>Finance                    | <p>Seeks ways to improve local revenue mobilization by LGUs from efficient land administration</p> <p>BIR as main national revenue agency benefits from proper setting of tax liabilities from transparent valuation of land transactions</p>   | <p>Generate awareness of administrative and structural issues in land administration</p> <p>Support administrative measures to improve the efficiency of revenue collection systems at BIR and LGUs through institutional reform recommendations</p>   |

|   |  |  |
|---|--|--|
| <p>National Economic and Development Authority (NEDA)</p> | <p>ODA coordination and monitoring will involve the evaluation of LAMP outputs and policy recommendations</p> <p>Relate LAMP objectives to goals of National Development Plan and poverty alleviation</p> <p>Very nebulous role in land use management and land development and has attempted to intervene in urban development policy</p> | <p>Generate awareness of administrative and structural issues in land administration</p> <p>As secretariat to NEDA Board will provide staff work for the presentation and endorsement of LAMP recommendations for institutional arrangements and proposal for LAMP II</p> <p>As secretariat to the National Land Use Committee, use LAMP findings and recommendations to push the passage of the pending bill on the National Land Use Plan.</p> |
| <p>Congress</p>   | <p>Unclear legislative agenda which offers little opportunity for collaboration in adapting legal framework to support institutional reform until 2004</p>   | <p>Generate awareness of administrative and structural issues in land administration</p> <p>Support administrative measures through the annual budget process</p>  |