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Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
CENTRAL OFFICE
Manila

DEPARTMENT ORDER)
)
NO. **152**)
)
Series of 2017)

SUBJECT: Reissuance of Department Order No. 124, s. 2017, Directing the Use of the DPWH Right-of-Way Acquisition Manual By All Concerned

To provide a clear, uniform, and user-friendly guide on the rules and procedures for the acquisition by the DPWH of right-of-way (ROW) for its infrastructure projects, in accordance with the provisions of Republic Act No. 10752 (ROW Act) and its Implementing Rules and Regulations, in order to achieve a more effective and expeditious implementation of the projects, all concerned officials and offices of this Department are hereby directed to use and observe the provisions of the attached updated **DPWH ROW Acquisition Manual (DRAM), dated December 08, 2017.**

This Order supersedes Department Order No. 124, series of 2017, and takes effect immediately.


MARK A. VILLAR
Secretary

Department of Public Works and Highways
Office of the Secretary



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Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS

DPWH RIGHT-OF-WAY ACQUISITION MANUAL

MAIN GUIDELINES

08 December 2017

TABLE OF CONTENTS

PREFACE

ACRONYMS

GLOSSARY OF TERMS

1. INTRODUCTION

- 1.1 Purpose of the Manual
- 1.2 Legal Framework
- 1.3 Transfer of ROW Functions to Legal Service
- 1.4 Creation of UPMO ROW Task Force
- 1.5 Delegation of Authority to PPPS Director and Regional Directors for ROW Transactions and Creation of ROW Task Forces

2. PROCEDURES FOR ROW ACQUISITION

- 2.1 Overall ROW Acquisition Process
- 2.2 Pre-Acquisition Activities
- 2.3 Parcellary Survey
- 2.4 Preparation of Preliminary ROW/Resettlement Action Plan (RAP)
- 2.5 Preparation of Final RAP under DED
- 2.6 Update and Validation of RAP based on DED
- 2.7 Environmental Impact Assessment and Environmental Compliance Certificate
- 2.8 Appraisal of Properties including Use of GFIs and IPAs
- 2.9 Appraisal of Land
- 2.10 Appraisal of Structures and Improvements based on Replacement Cost
- 2.11 Appraisal of Crops and Trees
- 2.12 Modes of ROW Acquisition
- 2.13 ROW Acquisition through Donation
- 2.14 ROW Acquisition through Deed of Exchange
- 2.15 ROW Acquisition of Lands through Quit Claim (CA 141)
- 2.16 ROW Acquisition by Easement of ROW
- 2.17 ROW Acquisition through Negotiated Sale
- 2.18 Preparation of Deed of Absolute Sale
- 2.19 ROW Acquisition through Expropriation
- 2.20 Transfer of Title/Tax Declaration
- 2.21 Validation of ROW Claims
- 2.22 Preparation of Budget and Provision of Appropriations for ROW
- 2.23 Processing of Payments for ROW Claims and Related Expenses
- 2.24 Clearing of Structures within ROW
- 2.25 Relocation of Public Utilities
- 2.26 Clearing of Other Improvements within ROW
- 2.27 Clearing of Perennial Trees within ROW
- 2.28 Preparation of ROW Completion Report
- 2.29 Processing of Title Documents
- 2.30 Management of ROW

3. PROCEDURES FOR SPECIAL CASES

- 3.1 ROW Acquisition for Mortgaged Properties
- 3.2 ROW Acquisition by Road Conversion
- 3.3 ROW Acquisition of Untitled Lands

- 3.4 ROW Acquisition of Lands where Owner is Deceased
- 3.5 ROW Acquisition of Lands where Landowner is a Corporation
- 3.6 ROW Acquisition of Lands where Property is under Guardianship or
Administratorship
- 3.7 ROW Acquisition of Lands where Vendor is represented by Attorney-in-Fact
- 3.8 ROW Acquisition of Lands when there are No Claimants
- 3.9 ROW Acquisition of Structures and Improvements of Owners With
No Rights to the Land
- 3.10 ROW Acquisition of Subsurface Properties
- 3.11 ROW Acquisition for PPP Projects
- 3.12 ROW Acquisition for Design-and-Build Projects
- 3.13 Outstanding Claims for Completed Projects
- 3.14 Amendments of DRAM

APPENDICES– *See Separate Volume*

- 1 Republic Act (RA) No. 10752
- 2 Implementing Rules and Regulations (IRR) of RA 10752
- 3 Commonwealth Act (CA) No.141
- 4 DPWH Department Order (DO) No. 187, series of 2002
- 5 DO 327, series of 2003
- 6 DO 133, series of 2014
- 7 DO 203, series of 2016
- 8 DO 65, series of 2017
- 9 DO 147, series of 2001
- 10 Standard Terms of Reference for Parcellary Surveys
- 11 RAP Data Checklist
- 12 ROW Land Data Matrix
- 13 RAP Preliminary Cost Estimate for Land
- 14 RAP Preliminary Cost Estimate for Structures/Improvements and Crops/Trees
- 15 RAP Report Outline
- 16 Updated RAP Final Cost Estimate for Land
- 17 Updated RAP Final Cost Estimate for Structures/Improvements and Crops/Trees
- 18 DENR-DPWH Memorandum of Agreement, 10 March 1999
- 19 Scoping Report Template
- 20 Environmental Impact Assessment (EIA) Template
- 21 Environmental Management Plan (EMP) Template
- 22 Environmental Monitoring Plan (EMoP) Template
- 23 Screening Form Template
- 24 DENR Enform-1
- 25 Template of Terms of Reference for Property Appraisal Services by GFI/IPA
- 26 Template of Approved Budget for the Contract (ABC) for Appraisal Services
- 27 Form of Memorandum of Agreement with GFI for Property Appraisal Services
- 28 Form of Contract Agreement with IPA for Property Appraisal Services
- 29 Deed of Donation
- 30 Agreement to Demolish and Remove Improvements (ADRI)
- 31 Deed of Exchange
- 32 Agreement for Right-of-Way Easement
- 33 Permit to Enter
- 34 Deed of Absolute Sale – For Land, Structures/Improvements, and Crops/Trees (Capital
Asset)

- 35 Deed of Absolute Sale – For Land, Structures/Improvements, and Crops/Trees (Ordinary Asset)
- 36 Extra Judicial Settlement of Estate with Deed of Absolute Sale
- 37 Deed of Absolute Sale – Land Only (Capital Asset)
- 38 Deed of Absolute Sale – Land Only (Ordinary Asset)
- 39 Agreement to Demolish, Remove, and Reconstruct Improvements (ADRRRI)
- 40 Quit Claims Deed for Unpatented Lands
- 41 Quit Claims Deed for Lands Acquired under the Public Land Law
- 42 ROW Completion Report Outline
- 43 DO 5, series of 2003
- 44 DO 73, series of 2014
- 45 Implementing Rules and Regulations to Ensure the Observance of Proper and Humane Relocation and Resettlement Procedures Mandated by the Urban Development and Housing Act of 1992
- 46 ROW Management and Action Plan (MAP) Report Outline
- 47 ROW Monthly Report Outline
- 48 DO 70, series of 2017, Documents Tracking System, Annex K on ROW
- 49 Joint Circular of DOE and DPWH on Relocation of Electric Cooperative Lines

LIST OF WORKFLOWS

- WF 1. Work Flow for Overall Process of ROW Acquisition
- WF 2. Workflow for ROW Aspects of Feasibility Study
- WF 3. Workflow for Conduct of Parcellary Survey
- WF 4. Work Flow for Preparation of Preliminary ROW/Resettlement Action Plan
- WF 5. Work Flow for Preparation of Final RAP under DED
- WF 6. Work Flow for Validation of Final RAP based on DED
- WF 7. Work Flow for Engagement of GFIs/IPAs
- WF 8. Work Flow for ROW Acquisition through Donation
- WF 9. Work Flow for ROW Acquisition through Execution of Quit Claim
- WF 10. Work Flow for ROW Acquisition through Exchange
- WF 11. Work Flow for ROW Acquisition through Negotiated Sale
- WF 12. Workflow for ROW Acquisition through Expropriation

PREFACE

The provision of infrastructure is a most vital ingredient for the social and economic development of the Philippines. The acquisition of property to be used as right-of-way (ROW) for infrastructure, however, had in the past often been a long and cumbersome process, which greatly hindered the implementation of infrastructure projects to the detriment of the general public.

To address this issue, Republic Act (RA) No. 10752 - “An Act to Facilitating the Acquisition of Right-of-Way, Site or Location for National Government Infrastructure Projects” or “Right-of-Way Act” – was approved on 07 March 2016, and became effective on 03 April 2016. RA 10752 repealed the previous ROW Act (RA 8974). RA 10752 aims to fast track and simplify negotiated sale as the preferred mode of ROW acquisition by making the price offer and terms of negotiation more attractive and just for the owners than the current rules. It enables Implementing Agencies (IAs) to quickly adopt a market-based price without fear of audit disallowance, while ensuring that the rights of property owners and project-affected persons (PAPs) are duly protected.

The set of Implementing Rules and Regulations (IRR) of RA 10752 was approved by an Inter-Agency Committee, headed by the Secretary of the Department of Public Works and Highways (DPWH), on 25 May 2016. The IRR became effective on 07 August 2016 through DPWH Memorandum Circular No. 23, series of 2016.

In accordance with the provisions of Section 18 of the IRR of RA 10752, the Department has prepared this DPWH ROW Acquisition Manual (DRAM). This DRAM will be an update of the earlier Manual dated 01 April 2003 which was based on RA 8794.

The DRAM aims to achieve the following objectives:

- a. To provide a working guide of the DPWH on the rules, procedures, and formats to be used by its different offices involved in ROW acquisition – namely, the Implementing Offices (IOs) which include the Unified Project Management Office (UPMO) Clusters and the Public-Private Partnership Service (PPPS) in the Central Office, Regional Offices (ROs), and District Engineering Offices (DEOs); and the support offices, including the Unified PMO ROW Task Force (URTF), Legal Service (LS), Planning Service (PS), Financial Service (FS), and Bureau of Design (BOD) in the CO, and their counterpart offices at the ROs and DEOs.
- b. To serve as reference for property owners and PAPs on the rules and processes in ROW acquisition, including their basic rights and obligations.
- c. To guide other concerned government entities – including the Office of the Solicitor General (OSG), Department of Justice (DOJ), Bureau of Internal Revenue (BIR), Department of Finance (DOF), key Housing Agencies, Department of Environment and Natural Resources (DENR), Department of Agrarian Reform (DAR), Department of Agriculture (DA), Department of National Defense (DND), Registers of Deeds, Local Government Units (LGUs), Courts, and Commission on Audit (COA), among others – and Official Development Assistance (ODA) Agencies - on ROW aspects that entail their active participation.

- d. To provide reference for concerned Government Financial Institutions (GFIs) and Independent Property Appraisers (IPAs) in undertaking the appraisal of property needed for ROW.

The DRAM covers the entire ROW acquisition process – including (a) Project Feasibility Study with Environmental Impact Assessment and preparation of Preliminary ROW Action Plan (RAP) with property appraisal, (b) inclusion of the Project in the Medium-Term Infrastructure Program, (d) provision of appropriations in the General Appropriations Act (GAA), (e) Fund Release, (g) Detailed Engineering Design (DED) including Parcellary Surveys and preparation of Final RAP, (h) RAP Validation, (i) Actual ROW Acquisition through Donation, Negotiation, Expropriation, and Other Modes, (j) Payments, (k) Transfer of Title to the Republic, (l) Clearance of ROW, and (m) Management of ROW.

The DRAM is expected to enhance the quality of DPWH ROW acquisition by showing a clear step-by-step procedure, which is quicker, consistent across all DPWH offices, more transparent, and with greater accountability. In turn, this will result in faster and more economical provision of infrastructure works and services needed to accelerate socio-economic development.

The DRAM consists of the Main Guidelines Volume and the Appendices Volume. In the Main Guidelines Volume, for each major topic, the Manual presents and discusses the Workflow Chart, Objective, Lead Persons, Support Entities, Overview, and Procedures. The Appendices Volume provide the pertinent laws, rules and regulations, Department Orders, and template forms, agreements, and reports.

To ensure that concerned stakeholders are properly consulted, the DRAM preparation group has conducted workshops and focus group discussions on the draft DRAM with UPMO Cluster Directors, PPP Service Director, Regional Directors, representative District Engineers, Finance Service, Legal Service, and other concerned internal and external agencies to obtain their inputs and suggestions to make the DRAM most effective and workable.

The DPWH has produced the DRAM under the overall direction of Secretary Mark A. Villar. Assisting him was a DPWH Steering Committee chaired by Undersecretary Karen Olivia V. Jimeno and composed of members of the DPWH Management Committee, which provided policy and operational guidance in the development of the Manual. Actual crafting of the Manual was managed by an inter-office Technical Working Group led by the Legal Service. The United States Agency for International Development – Advancing Competitiveness (COMPETE) Project provided technical assistance to the DPWH through the engagement of consultants who worked closely with the Department staff in developing the DRAM.

ACRONYMS

AC	Actual Consideration
ADRI	Agreement to Demolish and Remove Improvements
ADRRRI	Agreement to Demolish, Remove and Reconstruct Improvements
AIP	Annual Infrastructure Program
BIR	Bureau of Internal Revenue
BOC	Bureau of Construction
BOD	Bureau of Design
BSP	Bangko Sentral ng Pilipinas
CA	Commonwealth Act
CADC	Certificate of Ancestral Domain Claim
CGT	Capital Gains Tax
CLOA	Certificate of Land Ownership Award
CLUP	Comprehensive Land Use Plan
CNC	Certificate of Non-Coverage
CO	Central Office
COA	Commission on Audit
CPDO/CPDC	City Planning and Development Officer/Coordinator
DA	Department of Agriculture
DAR	Department of Agrarian Reform
DAS	Deed of Absolute Sale
DBM	Department of Budget and Management
DE	District Engineer
DENR	Department of Environment and Natural Resources
DEO	District Engineering Office
DST	Documentary Stamps Tax
DED	Detailed Engineering Design
DND	Department of National Defense
DPWH	Department of Public Works and Highways
ECA	Environmentally Critical Areas
ECC	Environmental Compliance Certificate
ECP	Environmentally Critical Project
EIA	Environmental Impact Assessment
EIAPO	Environmental Impact Assessment Project Office
EIS	Environmental Impact Statement
EMB	Environmental Management Bureau
EMoP	Environmental Monitoring Plan
EMP	Environmental Management Plan
EO	Executive Order
EP	Emancipation Patent
ESSD	Environmental and Social Safeguards Division
FS	Feasibility Study
GAA	General Appropriations Act
GFI	Government Financial Institution
HLURB	Housing and Land Use Regulatory Board
HRAS	Human Resources and Administrative Service
HUDCC	Housing and Urban Development Coordinating Council
IEE	Initial Environmental Examination
IPA	Independent Property Appraiser

IA	Implementing Agency
IO	Implementing Office
IP	Indigenous People
IPAP	Indigenous People Action Plan
IRR	Implementing Rules and Regulations
KPI	Key Performance Indicator
LAPRAP	Land Acquisition Plan and Resettlement Action Plan
LGU	Local Government Unit
LIAC	Local Inter-Agency Committee
LMB	Land Management Bureau
LMS	Land Management Section
LRIP	Livelihood Restoration and Improvement Program
LS	Legal Service
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MPDC	Municipal Planning and Development Coordinator
MPDO	Municipal Planning and Development Officer
MRIC	Municipal RAP Implementation Committee
MTIP	Medium Term Infrastructure Program
NAC	Net Actual Consideration
NEDA	National Economic and Development Authority
NEP	National Expenditures Program
NHA	National Housing Authority
NHI	National Historical Institute
NPAA	Network of Protected Agricultural Areas
NWRB	National Water Resources Board
OCT	Original Certificate of Title
OSG	Office of the Solicitor General
PAP	Project-Affected Person
PCA	Philippine Coconut Authority
PCM	Public Consultation Meeting
PD	Presidential Decree
PDC	Provincial Development Council
PDD	Planning and Design Division
PDS	Planning and Design Section
PED	Preliminary Engineering Design
PFS	Preliminary Feasibility Study
PMO	Project Management Office
PNP	Philippine National Police
PPDC	Provincial Planning and Development Coordinator
PPDO	Provincial Planning and Development Officer
PPP	Public-Private Partnership
PPPS	PPP Service
PS	Planning Service
RA	Republic Act
RAP	Right-of-Way Action Plan
RIC	Resettlement Implementation Committee
RD	Regional Director
RO	Regional Office
ROW	Right-of-Way

ROW-CR	ROW Completion Report
RP	Republic of the Philippines
RPT	Real Property Tax
RrD	Register of Deeds
RTC	Regional Trial Court
SDP	Social Development Program
SEMS	Social and Environmental Management System
TCT	Transfer Certificate of Title
TOR	Terms of Reference
TWG	Technical Working Group
UPAO	Urban Poor Affairs Office
UPMO	Unified Project Management Office
URTF	UPMO ROW Task Force
VAT	Value Added Tax
WB	World Bank
WOP	Writ of Possession

GLOSSARY OF TERMS

Additional Right-of-Way or ROW, as used in Public-Private Partnership (PPP) and Design-and-Build (DB) projects, means the additional land or land rights other than the Basic ROW that are required by the Concessionaire to implement the project.

Appraised Value means the market value of a property as estimated by an Independent Property Appraiser or Government Financial Institution.

Approved Budget for the Contract or ABC refers to the budget for a contract for property appraisal services - approved by the Head of the Implementing Office (IO) as basis for the engagement of Independent Property Appraisers (IPAs) or Government Financing Institutions (GFIs) that will undertake the property appraisal.

Basic Right-of-Way, as used in PPP and DB Projects, means the ROW defined by the IO based on the Pre-Feasibility Study or Feasibility Study of the project, particularly the Preliminary ROW Acquisition Plan (RAP).

BIR Zonal Valuation is an approved zonal schedule of fair market values on real property set by the Bureau of Internal Revenue (BIR) as basis for computation of internal revenue taxes.

Concession Agreement means the contract between the IO and the Concessionaire for a Public-Private Partnership (PPP) project.

Construction means the undertaking of all civil, structural, and related works to build or produce the project.

Design-and-Build or DB is a method of project delivery in which one entity – i.e., the designer-builder – concludes a single contract with the IO to undertake the Detailed Engineering Design (DED) and Construction of the project.

Detailed Engineering Design or DED means the conduct of technical investigations and analyses to define the appropriate features of an infrastructure project, usually with a degree of accuracy of plus or minus five (5) to ten (10) percent of the final quantities and costs of the completed structure. The DED outputs typically include, among others, the Parcellary Survey and Final ROW Acquisition Plan (RAP) including property appraisal for the project.

Final RAP refers to the RAP prepared as part of the Detailed Engineering Design of the project.

Government Financial Institution or GFI refers to a national government owned or controlled corporation that the Implementing Office may engage to provide property appraisal services, including estimates of the market values of the property, affected by the ROW for a project.

Implementing Agency or IA refers to any department, bureau, office, commission, authority or agency of the national government, including any government-owned or -controlled corporation or state college or university, authorized by law or its respective charter to undertake national government projects. The DPWH as a whole is an IA.

Implementing Office or IO refers to any of the units of the DPWH authorized to implement projects, such as a Unified Project Management Office (UPMO) Cluster, Regional Office (RO), and District Engineering Office (DEO).

Independent Property Appraiser or IPA refers to an individual or firm that may be engaged by the Implementing Office to provide property appraisal services, including estimates of the market values of the property, affected by the ROW for a project.

Informal Settler refers to an individual or family that has no legally recognized right to the land which it and its structure occupies.

Infrastructure Project means the construction, improvement, rehabilitation, demolition, repair, restoration or maintenance of roads and bridges, railways, airports, seaports, communication facilities, civil works components of information technology projects, irrigation, flood control and drainage, water supply, sanitation, sewerage and solid waste management systems, shore protection, energy/ power and electrification facilities, national buildings, school buildings, hospital buildings, or other related construction project of the government. The term “Infrastructure Project” shall have the same meaning as, and shall be used interchangeably with, “Project,” “civil works,” or “works.”

Market Value means the price of what a willing buyer would pay a willing seller for a given property or asset, assuming that both have a reasonable knowledge of the worth of the property.

Parcellary Survey refers to the activities undertaken as part of the Detailed Engineering Design of a project to define the proposed ROW alignment and limits, the affected lots showing the name of the owners/claimants, lot numbers, and areas, and technical descriptions, and all improvements within the ROW limits.

Preliminary ROW Acquisition Plan or RAP refers to the RAP prepared as part of the Pre-Feasibility Study or Feasibility Study of the project, and serves as the basis of, among others, the proposed budget for the ROW.

Procurement refers to the acquisition of goods, consulting services – e.g., services of Independent Property Appraisers - and the contracting for infrastructure projects by the Implementing Office.

Property refers to the land affected by the ROW, and the structures/improvements and crops/trees on the land.

Public-Private Partnership or PPP refers to an arrangement between the government (public) and a private party whereby the latter undertakes, partly or wholly, the financing, design, construction, and/or operation and maintenance of an infrastructure facility, in accordance with the provisions of Republic Act (RA) No. 6977, as amended by RA 7718, the Build-Operate-and Transfer Act and other relevant laws.

Replacement Cost refers to the cost necessary to replace the structure or improvement affected by a ROW with a similar asset based on current market prices, i.e., with no deduction for depreciation or damage of the original asset.

Right-of-Way or ROW means a part or the entirety of a property, site or location, with defined physical boundaries, used or required by a government infrastructure project.

ROW Action Plan or RAP refers to the document that defines the extent of the ROW to be acquired for a project, including, among other things, cost estimates for acquiring land, structures/improvements, crops/trees, relocation of informal settlers, and recommended compensation and entitlement package for owners and project-affected persons (PAPs), implementation schedule, and impact and mitigating measures for the ROW acquisition.

1. INTRODUCTION

1.1 Purpose of the Manual

The Department of Public Works and Highways (DPWH) has prepared this DPWH Right-of-Way (ROW) Acquisition Manual (DRAM), dated September 2017, in compliance with Section 18 of the Implementing Rules and Regulations (or IRR, as shown in **Appendix 1**) of Republic Act (RA) No. 10752 (or Right-of-Way Act, as shown in **Appendix 2**), which prescribes that, *to provide clear, specific, and operational guidelines for the efficient acquisition of ROW for its infrastructure projects, each IA (i.e., Implementing Agency) shall prepare and implement its own “Manual of Procedures for ROW Acquisition.”*

This DRAM takes the place of the earlier DPWH Infrastructure ROW Procedural Manual, dated 01 April 2013, which was based on the old ROW Act (RA 8974).

The DRAM will serve as the basic working guide of the DPWH in the proper implementation of the improved process for the acquisition of infrastructure ROW, pursuant to the provisions of RA 10752 and its IRR. In particular, the DRAM has the following objectives:

- a. The DRAM aims to define the rules, procedures, standard documents, and template forms to be used by the different offices of the DPWH in ROW acquisition, which include the following, among others:
 - Implementing Offices (IOs) – the entities within the DPWH responsible for carrying out the infrastructure project – e.g., Unified Project Management Office (UPMO) Cluster, Public-Private Partnership (PPP) Service, Regional Office (RO), and District Engineering Office (DEO).
 - Legal Service (LS) and its counterpart Legal Staff in the ROs and DEOs
 - Planning Service (PS) - including the Environmental and Social Safeguards Division (ESSD) - and its counterpart Planning and Design Divisions/Sections in the ROs/DEOs.
 - Financial Service and its counterpart Financial Division/Sections in the ROs and DEOs.
 - Bureau of Design (BOD) and Planning and Design Divisions/Sections in the ROs/DEOs.
- b. The DRAM is also intended as reference for property owners and other Project-Affected Persons (PAPs) on the requirements and procedures to be followed to facilitate ROW acquisition, while ensuring that they obtain due process and fair compensation.
- c. The Manual will also guide other concerned government entities – including the Office of the Solicitor General (OSG), Department of Justice (DOJ), Bureau of Internal Revenue (BIR), Department of Finance (DOF), Housing Agencies, Department of Environment and Natural Resources (DENR), Department of Agrarian Reform (DAR), Department of Agriculture (DA), Department of National Defense (DND), Registers of Deeds, Local Government Units (LGUs), Courts, and Commission on Audit (COA), among others – as

well as Official Development Assistance (ODA) Agencies, on the ROW aspects that entail their active participation.

- d. Finally, the DRAM shall serve as guide for the Government Financial Institutions (GFIs) and Independent Property Appraisers (IPAs) in determining the appropriate price offers to property owners affected by ROW acquisition.

1.2 Legal Framework

The procedures in the acquisition and management of ROW for infrastructure projects, as embodied in this Manual, are governed by the existing legal framework consisting of laws, rules and regulations, Department Orders, and other guidelines relevant to ROW. These include the following:

- **Main Legal Basis**
 - **RA 10752** dated March 07, 2016, entitled “An Act to Facilitating the Acquisition of Right-of-Way, Site or Location for National Government Infrastructure Projects,” or “Right-of-Way Act,” which took effect on April 03, 2016 (**Appendix 1**).
 - **IRR of RA 10752** dated May 25, 2016 which took effect on August 07, 2016 (**Appendix 2**).

- **Other Legal References**
 - **Commonwealth Act (CA) No. 141**, “Public Land Act”(Excerpts in **Appendix 3**)
 - **RA 6957**, as amended by RA 7718, “Build-Operate-and-Transfer Law,” and its IRR
 - **RA 9184**, “Government Procurement Reform Act,” and its IRR
 - **RA 7279**, “Urban Development and Housing Act of 1992,” and its IRR.
 - **RA 7160**, “Local Government Code of 1991”
 - **RA 8371**, “Indigenous People’s Act of 1997”
 - **PD 1586**, “Philippine Environmental Impact System”
 - **Presidential Decree (PD) No. 1067**, “Philippine Water Code”
 - **DO 147, series of 2001**, “Authority for DPWH Regional Directors and District Engineers to Hire Private Surveying Firms”
 - **DO187, series of 2002**, “Strict Compliance to Inclusion of Preparation of Parcellary Plans and Cost Estimates for ROW Acquisition in Detailed Engineering of Infrastructure Projects” (**Appendix 4**)
 - **DO 327, series of 2003**, “Guidelines for Land Acquisition and Resettlement Action Plans (LAPRAPs) for Infrastructure Projects” (**Appendix 5**)
 - DPWH **LARRIPP** or Land Acquisition, Resettlement, Rehabilitation and Indigenous People’s Policy, revised March 2007
 - **DO 34, series of 2007**, “Simplified Guidelines for the Validation and Evaluation of Infrastructure Right-of-Way Claims”
 - **DO 133, series of 2014**, “Return/Transfer of Functions Relative to Acquisition of Right-of-Way to the Legal Service” (**Appendix 6**).
 - **DO 151, series of 2016**, “Prescribing the Use of DPWH Procurement Manual, dated June 2016”
 - **DO 203, series of 2016**, “Creation of Unified Project Management Office Right-of-Way (UPMO-ROW) Task Force” (**Appendix 7**).
 - **DO 65, series of 2017**, Delegation of Authority to PPS Director and Regional Directors for ROW Transactions and Deployment of ROW Task Forces
 - **DO 70, series of 2017**, Documents Tracking System, as amended
 - **DOE-DPWH Joint Circular**, Relocation of Electric Cooperative Lines
 - This **DPWH ROW Acquisition Manual (DRAM)**

1.3 Transfer of ROW Functions to Legal Service (LS)

The DPWH Secretary has issued Department Order (DO) no. 133, series of 2014 (**Appendix 6**), which transferred/returned to the LS all ROW-related functions previously vested in the Infrastructure Right-of-Way-Project Management Office (ROW-PMO) and the Bureau of Design (BOD) in an interim capacity pursuant to DO 49 and DO 49-A, series of 2013.

This organizational move was made in the interest of the service, and in view of the approval by the Department of Budget and Management of the Notice of Organization Staffing and Compensation Action (NOSCA) for the LS of the DPWH wherein one of its four divisions is the Right-of-Way Acquisition and Enforcement Division (ROWAED), and since the acquisition of ROW is essentially a legal matter.

1.4 Creation of UPMO ROW Task Force

The DPWH Secretary has also issued Department Order (DO) No. 203, series of 2016 (**Appendix 7**), which created the UPMO-ROW Task Force (URTF) and its Technical Working Group (TWG). This Order is in line with the Department's decentralization efforts to streamline procedures for a more effective and expeditious implementation of urgent national roads, bridges and various flood control projects being implemented by the Unified Project Management Offices which are hampered by the delay in the ROW acquisition

The URTF is composed of the Undersecretary for UPMO Operations as Chairman, the Director of the LA as Vice-Chairman, and the UPMO Cluster Directors as Members.

The URTF shall be supported by a TWG composed of representatives of the URTF members.

The URTF shall perform the following functions:

- a. Organize a ROW Team for each UPMO Cluster that will handle the ROW acquisition of its projects, to be headed by the Project Managers assigned to the project.
- b. Monitor the ROW acquisition status and recommend appropriate actions on projects with problematic ROW.
- c. Execute and recommend appropriate resolutions pertaining to payment of ROW affected by various UPMO projects which are beyond the authority of the Project Directors.
- d. Review the validation of supporting documents undertaken by its TWG and recommend payments after evaluation as to propriety of the claims.

The TWG shall exercise the following functions:

- a. Ensure that all relevant papers and documents in support of the ROW claim are carefully screened and verified as to their authenticity and genuineness in order to forestall fraud, pursuant to the provisions of the Simplified Guidelines for Validation and Evaluation of ROW Claims.
- b. Ensure that the computation of land valuations and disturbance compensation (structures and other improvements) are based on the RA 10752 and its IRR and other applicable laws, policies and department orders.

Under DO 203, the processing and payment of valid ROW claims for UPMO projects shall be governed by the following guidelines:

- a. Processing of claims shall only be made upon the approval of the URTF/ROW Team Resolution.
- b. Payment for lots and improvements (structures and trees) should be effected in accordance with the provisions of RA 10752 and IRR and other governing laws, policies and DOs.
- c. Payments of ROW claims shall be made by the concerned DEOs.

The UPMO concerned shall submit to the URTF the inventory and status of ROW claims every month. The URTF Chairperson shall submit the overall accomplishments of the Task Force to the Secretary, through the Undersecretary for UPMO Operations, every quarter.

The UPMO concerned shall safe-keep ROW documents within its jurisdiction and prepare a continuing inventory of lots acquired for ROW for submission to the URTF and the Records Management Division of the Human Resource and Administrative Service in the CO.

The URTF shall likewise safe-keep the URTF Resolutions and other ROW documents submitted by the UPMOs, such as Deeds, Court Orders, Transfer Certificate Title and deliver the same to the National Archive.

The Records Management Division of the CO shall also safe-keep authentic copies of related documents from the UPMOs concerned.

In addition to the provisions of DO 112, series of 2016, approval of ROW Committee Resolutions, Deeds of Sale, and Vouchers (for Payment Properties and Court Deposit), and signing of Verification and Certification of Expropriation Complaints may be done by the concerned Project Manager for claims amounting up to PhP 5 Million.

1.5 Delegation of Authority to PPS Director and Regional Directors for ROW Transactions and Deployment of ROW Task Forces

To further streamline the operations of the DPWH, and decentralize and rationalize ROW operations for a more effective and expeditious implementation of infrastructure projects, the DPWH Secretary has issued Department Order (DO) No. 65, series of 2017 (**Appendix 8**), which provides for the following:

- a. The approving authority for all ROW functions and transactions, regardless of amount, involving Public-Private Partnership (PPP) and Toll Regulatory Board (TRB) projects, shall be lodged with the PPP Service (PPPS) Director.
- b. The approving authority for ROW claims and transactions, regardless of amount, for regional projects, that are neither PPP, TRB, nor Unified Project Management Office (UPMO) projects, shall be lodged with the Regional Director(s) concerned.
- c. UPMO-ROW activities and approving authorities shall continue to be governed by DO 203, s. 2016, and Special Order (SO) No. 1, s. 2017.
- d. Each ROW Task Force created through this Order shall take all steps for the timely completion of all ROW functions under its authority and, thus, first, secure full site possession of the required ROW to allow the immediate commencement of construction of the PPP, TRB, or Regional Office project concerned, and, second, complete the legal acquisition of such ROW, as outlined in the DRAM and all relevant ROW DOs and issuances.
- e. The Legal Service (LS) is directed to perform the following support functions in the pursuit of the objectives of ROW Task Forces:
 - (1) ROWA activities described in Annex “A” of DO 65 and in the DRAM, especially those provisions which concern the designation and delegation of new signing/approving authorities.
 - (2) Pre-validation, validation, or re-validation of ROW transactions, as necessary.
 - (3) Technical assistance.
 - (4) Logistics and ground works.
 - (5) Advisory functions.
 - (6) Inter-agency consultation, coordination, and collaboration.
 - (7) Other activities necessary to ROW acquisition and enforcement.
- f. The following ROW Task Forces may be created:
 - (1) For PPP and TRB projects: The PPS Director is authorized to constitute a ROW Task Force, to be headed by him, for each PPP/ TRB project, or portion thereof, the ROW acquisition of which is being implemented by the DPWH.
 - (2) For Regional Projects: The Regional Director concerned, upon prior notification of and clearance from the Undersecretary for Legal Affairs and Priority Projects, may constitute a ROW Task Force headed by him.

- g. In addition to the basic mandate in item d above, every ROW Task Force shall take all steps necessary for the timely completion of all ROW functions, including the following:
 - (1) Exercising all pertinent tasks and functions associated with ROWA as described in Annex “A” of DO 61 and in the DRAM.
 - (2) Engaging in inter-agency coordination and consultation.
 - (3) Recommending, to the appropriate authority, appropriate measures to address ROW problems which lie outside the authority of any member of the ROW Task Force.
 - (4) Advising and recommending to the Undersecretary for Planning and PPP, budgetary matters for purposes of submitting accurate, complete, and informed budget requests to the Department of Budget and Management, and for other budgetary planning objectives.

- h. The authority delegated to the Division Chief of ROWAED, LS, under DO 48, s. 2017, concerning the “approval and signing of comments on ROW cases in response to routine requests of the Office of the Solicitor General (OSG)” shall, with respect to all ROW-related cases that are pending as of February 22, 2017 (the original date of DO 19, s. 2017), include the authority to sign and execute all court-bound papers, including verifications and/or certifications of non-forum shopping, only for the purpose of appeal.

- i. For purposes of initiating original expropriation complaints or other original ROW-related cases on or after February 22, 2017, the following officials shall be the authorized signatories for verifications and/or certifications of non-forum shopping and for all related pleadings and other court-bound papers:
 - (1) For regional projects that are neither PPP, TRB, nor UPMO projects – Regional Directors concerned.
 - (2) For PPP and TRB projects – PPS Director.
 - (3) For UPMO-ROW activities – These shall continue to be governed by DO 203, s. 2016, and SO 1, s. 2017.

- j. DO 65 supersedes DO 19 (s. 2017), DO 156 (s. 2016), DO 133 and 133-A (s. 2014), DO 24 (s. 2007), and DO 327 (s. 2003), and all other DOs and policies, or portions thereof, contrary to or inconsistent with DO 65 are amended accordingly.

In accordance with this DO, the following documents pertaining to ROW transactions shall be signed/approved by the PPS Director and Regional Director concerned:

- a. Parcellary Survey Plan
- b. Program of Work
- c. Deed of Donation
- d. Notice (to Owner) of Taking
- e. Letter Offer (to Owner)
- f. Deed of Absolute Sale
- g. Agreement to Demolish and Remove Improvements
- h. Easement Agreement
- i. Quit Claim
- j. Endorsement to the Office of the Solicitor General for Expropriation
- k. Compromise Agreement
- l. Deed of Barter or Exchange

- m. Deed of Reconveyance to or Repurchase by Land Owner, or Deed of Transfer
- n. Disbursement Voucher for Payments to Owner, BIR, LGUs, and Register of Deeds.
- o. Checks or List of Due and Demandable Accounts Payable
- p. Reimbursement Agreements
- q. Deed of Assignment
- r. Validation of ROW Action Plan

The relevant procedures pertaining to the above documents are discussed in other Sections of this DRAM.

The Regional Director, however, may delegate to the District Engineer concerned the approval of Disbursement Vouchers and Checks for payments of ROW claims and transactions, particularly where the District Engineering Office (DEO) is the Implementing Office and the ROW funds are released to and administered by the DEO.

To complement the provisions of DO 65, series of 2017, the following responsibilities of the Environmental and Social Safeguards Division (ESSD) of the Planning Service (formerly Environmental Impact Assessment Project Office or EIAPO) as defined in DO 327, series of 2003, shall remain in effect:

- a. Assist in the preparation and review of ROW/Resettlement Action Plans (RAPs).
- b. Assist in facilitating consultation meetings and information dissemination to project-affected persons (PAPs) and other relevant stakeholders throughout the RAP process.
- c. Provide training on RAPs.
- d. Assist the DEOs and the RAP Implementation Committees (RICs) in the validation of PAPs and entitlements.
- e. Track and monitor the implementation of RAPs.

2. PROCEDURES FOR THE ROW PROCESS

2.1 Overall Process of ROW Acquisition

2.1.1 Objectives

The improved ROW acquisition process for the DPWH discussed in this Manual is based on RA 10752 and its IRR which seek to achieve the following objectives:

- a. To significantly expedite the implementation of infrastructure projects.
 - (1) The new process should reverse the past pattern where up to about 90% of ROW acquisition cases is through expropriation – which was usually long-drawn – and only about 10% is through negotiated sale – which was often unattractive to property owners.
 - (2) The new process should lead to faster ROW acquisition and payment of ROW claims and transactions.
- b. To provide clearer, fairer, and simpler terms for ROW acquisition to both property owners/project-affected persons (PAPs) and Implementing Offices (IOs).
 - (1) The improved process is grounded on market-based valuation of property.
 - (2) The new process promotes the use of Government Financial Institutions (GFIs) and Independent Property Appraisers (IPAs) for professional objective valuation of property.
 - (3) The process covers applicable modes of acquisition and compensation. These include - aside from the regular modes of negotiation and expropriation - ROW for properties granted under Commonwealth Act No. 141, acquisition of subsurface ROW, and properties of informal settlers, among others.
 - (4) With the improved process, there will be less apprehension by IOs of possible audit disallowance.
- c. To fast track and simplify negotiated sale as the preferred mode of ROW acquisition.
 - (1) The immediate offer of market value of the land and replacement cost of structures will induce property owners to accept negotiated sale as a just and expeditious mode.
 - (2) The assumption by the IO of the capital gains tax provides an additional incentive to the owners.
 - (3) Payment terms will be simpler and more beneficial to the owners.
- d. To streamline the expropriation process in case negotiated sale fails or is not feasible.
 - (1) The improved process requires complete documentation to support the expropriation complaint, provides for the immediate deposit to the court of the value of the property and its prompt release to the owners.
 - (2) The process provides, upon making the deposit, for immediate Writ of Possession of the property by the IO to enable early project implementation.

(3) The process includes guidelines for expeditious practical action in special cases – such as where there are no land classification, no/old BIR zonal values, are unknown/deceased owners, and outstanding ROW claims.

- a. To improve budget preparation for ROW acquisition and project implementation.

The new process provides for the ROW budget to cover all pertinent cost items – including parcellary surveys, property appraisal, compensation/entitlements, resettlement, taxes, Environmental Compliance Certificate (ECC) application, and related IO expenses.

2.1.2 Overall Work Flow

The IO must observe the overall workflow for the ROW acquisition process shown in **WF 1**. The succeeding sections in Chapter 2 of this Manual explain in detail the procedures for major activities in this workflow.

The significant features of the ROW process include the following:

- a. The process shall be applicable to both foreign-assisted and locally funded infrastructure projects.
- b. The principles and general rules shall apply to all scopes of work of the project – whether the project involves entirely new construction or expansion/improvement of existing infrastructure.
- c. The IO shall ensure that adequate funds for ROW costs are provided in project budgets which are included in the DPWH infrastructure program within the budget ceilings. The appropriations shall preferably be made at least one year ahead of actual construction works.
- d. A Pre-Feasibility Study (PFS) or Feasibility Study (FS) shall generally be conducted for each project to define, among other things, the ROW requirements. The level of detail for these studies will vary, depending on the type, size, and complexity of the project.
- e. The IO shall formulate a ROW Action Plan (RAP) based on the PFS/FS. The RAP shall contain the description and extent of the lands, structures/improvements, and crops/trees to be acquired as ROW, the estimated costs and compensation due to the property owners and Project-Affected Persons (PAPs), the budget for all ROW costs including provision for inflation and contingencies, and the schedule of implementation and annual funding requirements.
- f. If ROW costs differ from the approved ROW budget after the Detailed Engineering Design (DED) has been finalized, a budget adjustment shall be made.
- g. The IO shall secure an ECC or Certificate of Non-Coverage (CNC), as applicable, before undertaking the DED. For projects costing over PhP 500 million, the ECC shall be secured before approval of the project by the National Economic and Development Authority (NEDA)/Investment Coordination Committee (ICC).

- h. Parcellary Surveys shall be conducted for all projects in accordance with DO 187, series 2002, as amended (**Appendix 4**). Parcellary Surveys, as well as the RAP preparation, shall be undertaken at least one year ahead of the scheduled construction works.
- i. The determination of PAPs and affected improvements shall be based on the cut-off date, which is the start of the census of PAPs and tagging for improvements.
- j. Where feasible, the first mode of acquisition shall be to request donation from the property owner.
- k. If donation is not feasible, negotiated sale for the acquisition of the property shall be pursued based on the provisions of RA 10752 and its IRR as prescribed in this Manual. Hence, the first and final price offer shall be the sum of: (i) the current market value of the land, (ii) the replacement cost for structures and improvements, and (iii) the current market value of the crops and trees.
- l. To determine the appropriate price offer for negotiated sale, the IO may engage a GFI or IPA as provided in this Manual.
- m. If, within 30 days, the owner does not accept the price offer under negotiated sale, the IO may initiate expropriation proceedings with the appropriate court.
- n. It is the responsibility of the IO to obtain and validate all necessary documents for ROW claims.
- o. Prior to payment, ROW claims shall be screened, fully verified and validated, and the supporting documents authenticated in accordance with the checklist in the DRAM.
- p. The Legal Staff of the RO shall review the Deeds of Absolute Sale (DAS) involving ROW acquisition for Regional Projects that are neither Public-Private Partnership (PPP), Toll Regulatory Board (TRB) nor Unified Project Management Office (UPMO) Projects, regardless of the amount involved. The Legal Service (LS) shall review the DAS for PPP, TRB and UPMO Projects, regardless of the amount involved.
- q. Approval of the DAS shall be made by the following officials:
 - (1) PPP Service Director for PPP and TRB Projects
 - (2) Regional Director for Regional Projects that are neither PPP, TRB, nor UPMO Projects
 - (3) Project Director concerned for UPMO Projects involving ROW costs up to PhP 5 Million.
 - (4) Undersecretary for UPMO Operations for Projects involving ROW costs above PhP 5 Million
- r. Valid claims for all lands, structures and other improvements shall be paid in full in accordance with government rules and regulations. For negotiated sale, the IO shall remit to the BIR the Capital Gains Tax (CGT), for the account of the owner, to be deducted

from the Total Price or compensation indicated in the DAS. The IO shall remit to the LGU concerned any unpaid Real Property Taxes of the owner, to be deducted from the consideration or Total Price in the DAS. The IO shall pay the Documentary Stamp Tax (DST) to the BIR, the Transfer Tax to the Provincial/City Treasurer, and the Registration Fees to the Register of Deeds, to be funded from appropriate funds of the IO outside the said compensation or Total Price in the DAS.

- s. The Financial Service in the Central Office (CO)/counterpart units in the RO/DEO shall monitor the releases and disbursement of ROW funds made by the IO.
- t. All IOs shall properly liquidate all ROW disbursements and submit quarterly reports of payments made for all claims to the Undersecretary concerned.
- u. In general, before the IO issues the Notice of Award for the construction contract, the IO must obtain at least a Permit to Enter (PTE) the ROW from the owner, or a or a notarized DAS or Deed of Donation executed in favor of the government, or a Writ of Possession (WOP) from the concerned court, as the case may be. In case of a large multi-year project, the Notice of Award may be immediately issued to cover the entire project, but the Notice to Proceed (NTP) may be issued by segment according to the phased implementation of the project with corresponding phased delivery of the required ROW. In such a case, the general practice is that each ROW phase should provide a land area free from obstructions with at least a PTE to enable the contractor to do at least six months of continuous construction.
- v. The IO shall properly file all documents pertaining to the acquisition of ROW and shall effect the transfer of titles or other tenurial instruments in the name of the Republic of the Philippines within three months from the perfection of the DAS, or in the case of expropriation, from the date of full payment.
- w. DEOs shall be responsible and accountable for the proper management of all ROW and ensure that encroachments, structures, and informal settlers are not allowed within the ROW limits. All District Engineers (DEs) through the RDs shall submit monthly reports of the status of ROW to the Undersecretary concerned.
- x. All utilities must be fully cleared from the ROW before the issuance of the Notice of Award for the construction contract. If a utility company does not comply with the IO's notification to relocate the utility within the specified time, the IO shall clear the utility and bill the utility company accordingly. The relocation of electric cooperative lines, however, shall be governed by the Joint Circular of the Department of Energy (DOE) – DPWH dated July 2017.
- y. The use of ROW for facilities and utilities shall be in accordance with DPWH guidelines and will be strictly enforced by the respective DEOs.
- z. The IU shall prepare the final as-built ROW Plans upon completion of the project, for submission to the Undersecretary concerned.

2.1.3 Timeline for ROW Acquisition Process

Shown below is the guiding timeline for the different activities comprising the overall process of ROW acquisition. The timeline is indicative, rather than prescriptive, considering the wide range of projects of different types – e.g., from widening to new construction of roads - under different physical conditions – e.g., flat to mountainous terrain, rural to urban areas, etc. - and varying ROW requirements – e.g., land only to land with structures and informal settlers.

This indicative timeline is expected to cover the majority of ROW cases involving ordinary ROW activities for most typical infrastructure projects under normal physical conditions. Ranges of time periods are shown, from minimum to maximum, depending on the type and size of the projects and the extent of ROW requirements.

Timelines for Major Activities

1. Project Identification – *continuing activity*
2. Feasibility Study
 - a. ECC/CNC Application (excluding review process by DENR prior to ECC issuance)

For national roads (new construction)

Case 1
 ≥ 20 km (length with no critical slope)
 OR ≥ 10 km (length with critical slope) – 5 to 8 months

Case 2
 > 2 km but < 20 km (length with no critical slope)
 OR > 2 km but less than 10 km (length with critical slope) – 2 to 3 months

For national roads (widening, rehabilitation, and/or improvement)

Case 1
 $> 50\%$ increase in capacity (or in terms of length and width) AND
 ≥ 20 km (length with no critical slope)
 OR ≥ 10 km (length with critical slope) – 4 to 5 months

Case 2
 $> 50\%$ increase in capacity (or in terms of length and width) AND
 > 2 km but < 20 km (length with no critical slope)
 OR > 2 km but less than 10 km (length with critical slope) – 2 to 3 months

Case 3
 $\leq 50\%$ increase in capacity (or in terms of length and width) but ≤ 2 km increase in length – not covered by Philippine EIS System; CNC issued within a week
 - b. Preliminary RAP
 - (1) Land Appraisal
 - (2) Improvements, crops and trees Cost Estimation

For Items (1) and (2) (normally combined)

For national roads (new construction)

Case 1
 ≥ 20 km (length with no critical slope)
 OR ≥ 10 km (length with critical slope) – 4 to 6 months

Case 2
 > 2 km but < 20 km (length with no critical slope)
 OR > 2 km but less than 10 km (length with critical slope) – 3 to 4 months

For national roads (widening, rehabilitation, and/or improvement)

Case 1

>50% increase in capacity (or in terms of length and width) AND

≥ 20 km (length with no critical slope)

OR ≥ 10 km (length with critical slope) – 3 to 4 months

Case 2

>50% increase in capacity (or in terms of length and width) AND

> 2 km but < 20 km (length with no critical slope)

OR > 2 km but less than 10 km (length with critical slope) – 2 to 3 months

(3) Estimation of Relocation Cost for Informal Settlers (if applicable) – 5 to 6 months

3. Inclusion in MTIP - 1 to 3 months

4. Inclusion in AIP NEP/GAA – 1 to 6 months for AIP/NEP plus up to 6 months for GAA

5. Fund Release/Allotment – upon approval of GAA or 1-2 months for special requests.

6. Detailed Engineering Design

a. Parcellary Survey

For national roads (new construction)

Case 1

≥ 20 km (length with no critical slope)

OR ≥ 10 km (length with critical slope) – 6 to 9 months;

Case 2

> 2 km but < 20 km (length with no critical slope)

OR > 2 km but less than 10 km (length with critical slope) – 3 to 5 months

For national roads (widening, rehabilitation, and/or improvement)

Case 1

>50% increase in capacity (or in terms of length and width) AND

≥ 20 km (length with no critical slope)

OR ≥ 10 km (length with critical slope) – 3 to 4 months

Case 2

>50% increase in capacity (or in terms of length and width) AND

> 2 km but < 20 km (length with no critical slope)

OR > 2 km but less than 10 km (length with critical slope) – 2 to 3 months

b. ROW Action Plan (RAP)

(1) Consultation Meetings

(2) Census and Survey

(3) Land Appraisal

(4) Improvements

(5) Computation of Relocation Cost

For Items (1) to (5) combined

For national roads (new construction)

Case 1

≥ 20 km (length with no critical slope)

OR ≥ 10 km (length with critical slope) – 6 to 8 months

Case 2

> 2 km but < 20 km (length with no critical slope)

OR > 2 km but less than 10 km (length with critical slope) – 5 to 7 months

For national roads (widening, rehabilitation, and/or improvement)

Case 1

>50% increase in capacity (or in terms of length and width) AND
 ≥ 20 km (length with no critical slope)

OR ≥ 10 km (length with critical slope) – 4 to 6 months

Case 2

>50% increase in capacity (or in terms of length and width) AND
> 2 km but < 20 km (length with no critical slope)

OR > 2 km but less than 10 km (length with critical slope) – 3 to 4 months

(6) Formation of RIC – 2 to 3 months

7. RAP Validation

For national roads (new construction)

Case 1

≥ 20 km (length with no critical slope)

OR ≥ 10 km (length with critical slope) – 3 to 4 months

Case 2

> 2 km but < 20 km (length with no critical slope)

OR > 2 km but less than 10 km (length with critical slope) – 2 to 3 months

For national roads (widening, rehabilitation, and/or improvement)

Case 1

>50% increase in capacity (or in terms of length and width) AND
 ≥ 20 km (length with no critical slope)

OR ≥ 10 km (length with critical slope) – 3 to 4 months

Case 2

>50% increase in capacity (or in terms of length and width) AND
> 2 km but < 20 km (length with no critical slope)

OR > 2 km but less than 10 km (length with critical slope) – 2 to 3 months

8. Right of Way Acquisition

a. Donation

Deed of Donation – 2 to 3 months

b. Negotiation

(1) Deed of Absolute Sale – 3 to 6 months

(2) Relocation of Utilities – 3 to 4 months

(3) Partial Payment for Land – 2 to 3 months (assuming complete requirements)

(4) Partial Payment for Crops and Trees - 2 to 3 months (assuming complete requirements)

c. Expropriation

(1) Court WOP and Order to Pay – 0.5 to 1 month

(2) Pay Just Compensation to Owner – 1 to 2 months

9. Transfer of Title of RP

a. Processing of Title Docs – within 30 days

b. Final Payment for Land – within 30 days after transfer of Title to RP

c. Final Payment for Improvements – within 30 days (after required proof of demolition of structures and improvements met)

10. Clear ROW

- a. Manage ROW – *continuing task of DEOs*

2.1.5 ROW Acquisition Procedures for Simple Projects vs. Major Projects

For simple projects – i.e., road widening – the IO may follow the streamlined procedures for ROW acquisition provided in **Table 2.1-1**, as contrasted with the normal pre-acquisition requirements for a typical major project – i.e., new road construction.

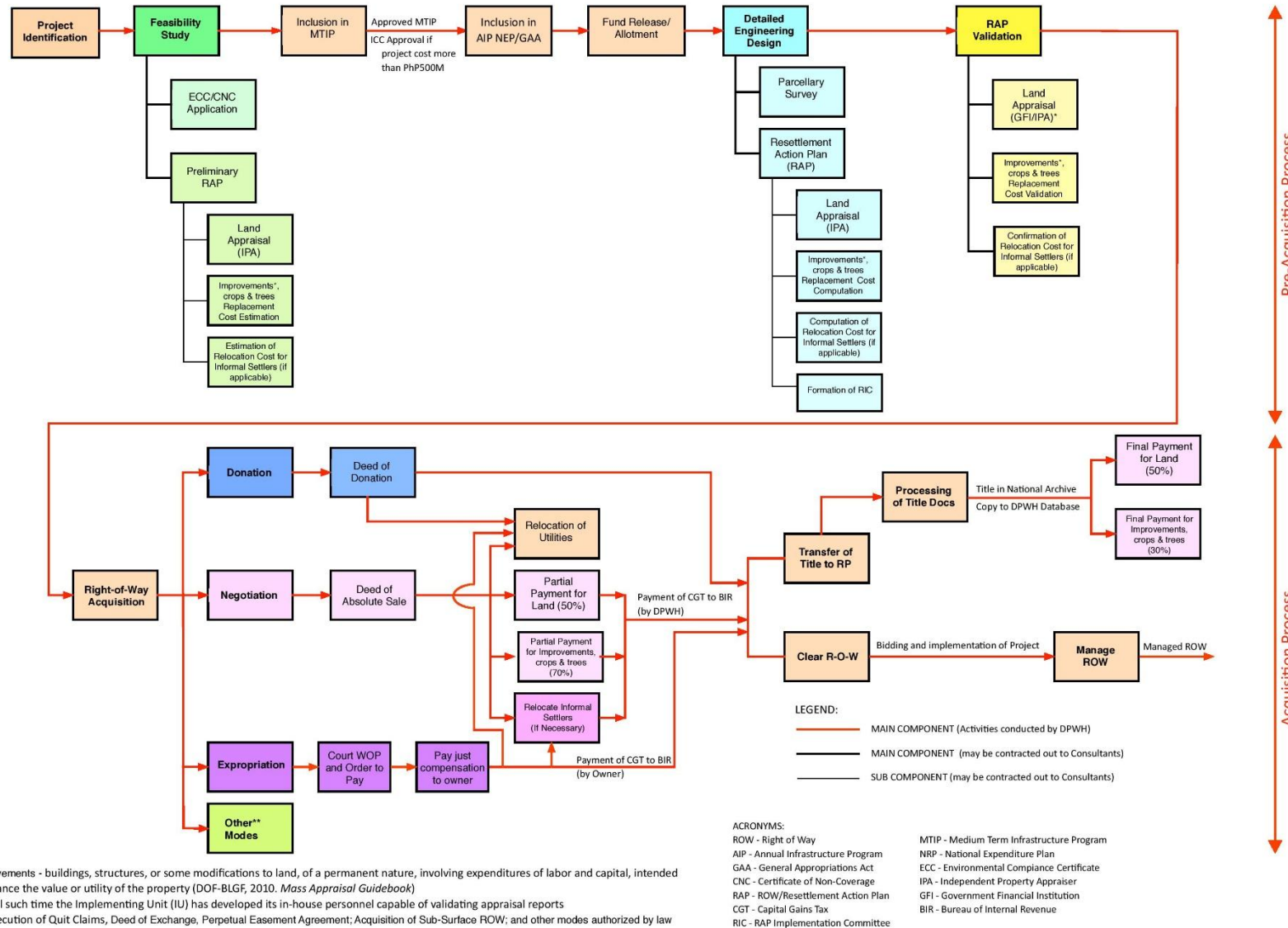
Table 2.2-1. ROW Acquisition Procedures for Simple Projects (e.g., Road Widening) vs. Major Projects (e.g., New Construction)

Activity	Simple Road Widening	Major New Construction
<i>Pre-Feasibility/Feasibility Study (FS)</i>	<i>DPWH should do at least Pre-FS</i>	<i>DPWH should do FS, usually using consultant</i>
Environmental Compliance Certificate (ECC)/Certificate of Non-Coverage (CNC) Application	DPWH shall secure CNC from DENR	DPWH, with aid of consultant if needed, shall conduct Env'tl Impact Assessment (EIA), prepare Environmental Impact Statement (EIS), and secure ECC/CNC from DENR
Preliminary RAP	<i>Preliminary RAP is for ROW budgeting purposes, including cost of Parcellary Survey and Final RAP.</i>	<i>Preliminary RAP is for ROW budgeting purposes, including cost of Parcellary Survey and Final RAP.</i>
Land Market Appraisal and Value	DPWH may estimate this, using BIR ZV x factor not exceeding 2; or use GFI/IPA under small value procurement	DPWH may use GFI/IPA to do land appraisal and determine market value
Structures/Improvements Replacement Cost	DPWH should estimate this, using benchmark/rule-of-thumb data, e.g., cost/square m – and approximate area and type of structure (e.g., wooden, concrete, or mixed)	DPWH should estimate this, using benchmark/rule-of-thumb data, e.g., cost/square m – and approximate area and type of structure (e.g., wooden, concrete, or mixed)
Crops/Trees Market Value	DPWH may estimate this, using DA/PCA/DENR/DOF/LGU data	DPWH may estimate this, using DA/PCA/DENR/DOF/LGU data
Relocation Cost of Informal Settlers, if applicable	Resettlement site is applicable only for IS qualified as underprivileged. Ask LGU/NHA to provide, fund, and develop resettlement site. If LGU/NHA is unable to do so, DPWH may fund and develop the site. DPWH should estimate cost of resettlement site, using benchmark data, e.g., cost/square m of serviced site (land, road, drainage, etc.)	Resettlement site is applicable only for IS qualified as underprivileged. Ask LGU/NHA to provide, fund, and develop resettlement site. If LGU/NHA is unable to do so, DPWH may fund and develop the site. DPWH should estimate cost of resettlement site, using benchmark data, e.g., cost/square m of serviced site (land, road, drainage, etc.)
<i>Detailed Engineering Design (DED)</i>	<i>DPWH may do DED in-house, or outsource parts of DED</i>	<i>DPWH may outsource DED or parts thereof to DED consultant</i>
Parcellary Survey	DPWH may outsource this to licensed GE based on template TOR	DED consultant may do this, using licensed GE, following template TOR.
Final RAP	To be done at least one year ahead of implementation.	
Land Market Appraisal and Value	DPWH may use GFI/IPA under small value procurement	DED consultant or GFI/IPA may do this, using licensed Appraiser
Structures/Improvements Replacement Cost	DPWH may determine this, using Bill of Quantities (BOQ)/ Bill of Materials (BOM)	DPWH or DED consultant may determine this, using experienced estimator
Crops/Trees Market Value	DPWH may determine this, using DA/PCA/DENR/DOF/LGU data	DED consultant may determine this, using DA/PCA/DENR/DOF/LGU data

Activity	Simple Road Widening	Major New Construction
Relocation Cost of Informal Settlers, if applicable	Ask LGU/NHA to provide, fund, and develop resettlement site. If LGU/NHA is unable to do so, DPWH may fund and develop the site. DPWH should estimate cost of resettlement project, based on BOQ/BOM.	Ask LGU/NHA to provide, fund, and develop resettlement site. If LGU/NHA is unable to do so, DPWH may fund and develop the site. DPWH or DED consultant should estimate cost of resettlement project, based on BOQ/BOM.
Formation of Resettlement Implementation Committee (RIC)	Applicable if there are IS. Execute MOA with LGU.	Applicable if there are IS. Execute MOA with LGU.
<i>RAP Validation</i>	<i>DPWH may do the validation after DED approval, but before Notice of Award to civil works contractor.</i>	<i>DPWH may do the validation, or use GFI/IPA to do it</i>
Land Market Appraisal and Value	DPWH should validate this, using competent in-house staff, or outsource this to GFI/IPA	DPWH may use GFI/IPA to validate this, except where DED RAP is done by GFI/IPA, in which case DPWH will validate
Structures/Improvements Replacement Cost	DPWH should update and confirm this, using in-house staff.	DPWH may update and validate this
Confirmation of Relocation Cost of Informal Settlers, if applicable	DPWH should update and confirm this, in coordination with LGU/NHA	DPWH may update and validate this, or use GFI/IPA to do this task, in coordination with LGU/NHA

WF1. Work Flow for Overall Process of ROW Acquisition

OVERALL ROW ACQUISITION PROCESS (CONSTRUCTION OF NEW ROADS/INFRASTRUCTURES)



2.2 *Pre-Acquisition Activities*

As shown in **WF 1** (Work Flow for Overall Process of ROW Acquisition), the IO must undertake the following pre-requisite activities as a basis for actual ROW acquisition:

a. Feasibility Study (FS)

The FS or Preliminary FS (PFS) should be undertaken according to existing DPWH guidelines and should include, among other things, the preparation of the following documents relevant to ROW acquisition

- (1) Application for Environmental Compliance Certificate (ECC)/Certificate of Non-Coverage (CNC) based on an Environmental Impact Assessment (EIA)
- (2) Preliminary ROW Action Plan (RAP) – This should cover the following, among other things:
 - (a) Preliminary Land Appraisal (Value)
 - (b) Preliminary Estimation of Replacement Cost of Structures/Improvements
 - (c) Preliminary Estimation of Value of Crops/Trees

The IO must follow the work flow for the aspects of the Feasibility Study pertaining to ROW acquisition as shown in **WF2**.

b. Detailed Engineering Design (DED)

The DED must be carried out according to existing DPWH guidelines and should include, among other things, the following outputs:

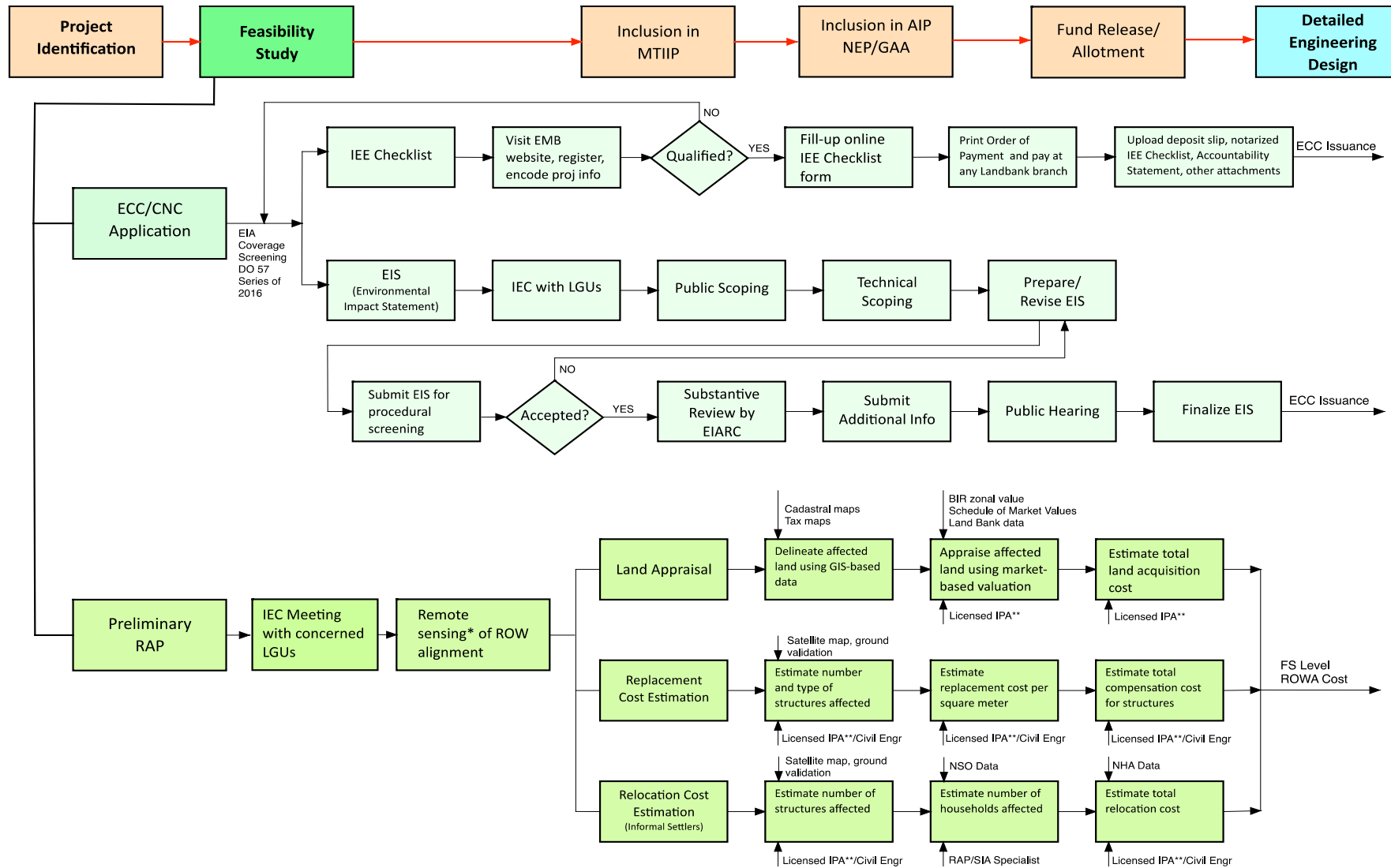
- (1) Parcellary Survey Report
- (2) RAP – This should update and refine the Preliminary RAP and include the following components:
 - (a) Land Appraisal – This may be done by a GFI/IPA per RA 10752.
 - (b) Computation of Replacement Costs of Structures/Improvements
 - (c) Computation of Values of Crops and Trees

c. RAP Validation by IO

This should entail a review of the RAP prepared during the DED stage and should include the validation and acceptance of the RAP by the IO. This activity should yield the following outputs to be used as basis for setting the price offer to the owners of the properties concerned:

- (1) Validated Land Appraisal – This may be done with the assistance of a GFI/IPA.
- (2) Validated Replacement Cost of Structures/Improvements
- (3) Validated Value of Crops/Trees

WF 2. Work Flow for ROW Aspects of Feasibility Study



*Remote sensing is the acquisition of information about an object or phenomenon without making physical contact with the object and thus in contrast to on-site observation (e.g., if available cadastral maps and/or tax maps would be very useful for initial land appraisal, and satellite imagery such as Google maps for initial replacement cost estimation)

** - Licensed Independent Property Appraiser (IPA) may be a company or an individual

2.3 *Parcellary Survey*

Objective: To conduct a parcellary survey and prepare a Parcellary Survey Report, which contains the essential technical information for ROW acquisition.

Lead Office/Person: For projects at CO: UPMO Cluster/ PPS Director
For projects at RO/DEO: RD/DE

Support:

- Registered Geodetic Engineer (GE) of IO/DED consultant
- Bureau of Design Staff
- UPMO Cluster/PPPS Staff
- RO Staff
- DEO Staff

Overview:

The Parcellary Survey should be done as part of the DED and its outputs shall serve as the technical basis for defining the lots to be acquired for the ROW of a project.

As stated in DO 147, series of 2001 (**Appendix 9**), the Parcellary Survey may be undertaken directly by the concerned IO (CO-BOD-UPMO cluster/RO/DEO), or by consultants if the IO has limited in-house capability or available personnel to do the job directly. In either case, the preparation of parcellary plans is started once the ROW plans for the proposed project are completed as part of the DED, utilizing the standard TOR in **Appendix 10**.

Adequate funds should be provided for the conduct of the Parcellary Survey out of the applicable ROW appropriations. As mentioned in **Section 2.22** of the DRAM, such ROW appropriations should preferably be provided separate from, and at least one year ahead of, the civil works appropriations to avoid delays in project implementation. This will enable the IO to undertake the Parcellary Survey one year or more in advance of the scheduled construction works.

The IO shall follow the work flow in **WF 3** for the conduct of a Parcellary Survey.

Procedure:

Meeting with Local Officials before conducting the survey:

1. If the IO is a DEO, arrange a meeting with the LGU Officials, particularly the City/Municipal Mayor, Assessor, and Barangay Chairpersons. There should be at least one meeting in each city/municipality to be traversed, before conducting the parcellary survey. Proper scheduling should be observed to allow ample time for meaningful discussions among the LGU Officials, and thus avoid too much rush which may inadvertently leave some important issues unsettled.
2. If the IO is an UPMO Cluster or RO, request assistance from the concerned DEO in arranging a meeting with the LGU Officials. The number of meetings and scheduling of such shall be the same as those prescribed in Step 1.

3. Draft the invitation letters to be signed by the respective Head of IO or his representative. Make sure that the purpose of the meeting is clearly stated, and the importance of the presence of each participant highlighted.
4. Send the invitations through the concerned DEOs at least two weeks before the schedule of the meeting.
5. DEO representatives must make personal follow-ups to ensure that all the concerned Barangay Chairpersons will attend the meeting.
6. During the meeting, explain the purpose of the parcellary survey, the activities that will be undertaken, and the data requirements. The Survey Team Leader must emphasize to the Barangay Chairpersons that the property owners' cooperation will expedite the process and help attain higher accuracy in the preparation of parcellary plans.
7. It will also be desirable if the Survey Team Leader can persuade the Barangay Chairpersons to meet with the concerned property owners and relay to them what was discussed during the meeting with the LGUs, before any field work is carried out.

Data Gathering:

8. Obtain a copy of the Preliminary RAP, or an updated one if any, and a complete set of the ROW plans. Review the RAP Data Checklist (**Appendix 11**) and list down the data gaps to be filled in.
9. Validate if the data included in the RAP are still relevant. If not, go to the concerned Office and obtain necessary information. If cadastral maps are included in the RAP, proceed to Step 15, otherwise, proceed to the next step.
10. Go to the respective Assessor's Offices and request copies of cadastral maps. If cadastral maps are not available at this Office, proceed to the next step.
11. Go to the DENR-Land Management Bureau (LMB) or Land Management Section (LMS) of concerned DENR Regional Office to obtain the following:
 - a. Cadastral maps, together with the technical description of the lots needed for the ROW.
 - b. Certificate of Ancestral Domain Claim (CADDC) areas, whether these are proclaimed or proposed.
12. If cadastral maps are not available at the LMB/LMS, go to the Land Registration Authority, borrow its Index Map, and request the needed cadastral maps.
13. If technical descriptions are not available at the LMB/LMS, go to the Office of the Register of Deeds, specify the title numbers to obtain such.

14. If there are no title numbers, go to the respective Assessor's Offices. Borrow their Tax Mapping Index which shows the title numbers of the lot numbers reflected in the cadastral map.
15. Using the cadastral maps and right-of-way plans including title numbers of lots needed for right-of-way as references, go to the respective Assessor's Offices and request a list of landowners.
16. For lots with OCTs, go to the Office of the Register of Deeds and check if these were obtained through CA 141 (Public Land Act). List down all OCTs that were awarded through CA 141. This listing is an important input to the ROW Land Data Matrix (**Appendix 12**) that will be appended in the Parcellary Survey Report to be prepared in Step 40 below.

If so, check if there is any annotation in the OCT that indicates that the piece of land has been subjected to a Quit Claim deed in the past. If so, list down this information in the last column of the ROW Land Data Matrix.
17. For lots with TCTs, go to the Office of the Register of Deeds and check if the Mother Titles of these TCTs were obtained through CA. List down all TCTs with Mother Titles that were awarded through CA 141. This listing is an important input to the ROW Land Data Matrix (**Appendix 12**) that will be appended in the Parcellary Survey Report to be prepared in Step 40 below.

If so, check if there is any annotation in the TCT that indicates that the piece of land has been subjected to a Quit Claim deed in the past. If so, list down this information in the last column of the ROW Land Data Matrix.
18. In the RAP, take note of the lots that are classified as agricultural lands, if any. Go to the City/Municipal Agrarian Reform Office and request a list of registered tenants and/or Emancipation Patent (EP) awardees.
19. To determine if agricultural areas identified are within the Network of Protected Agricultural Areas (NPAA), obtain a copy of the Comprehensive Land Use Plan (CLUP) from the concerned Cities/Municipalities, or the Provincial Physical Framework Plan (PPFP) from the concerned province(s), and look for the maps showing the NPAAs. If these documents are not available, go to the Department of Agriculture (DA) to obtain said maps.
20. In the RAP, take note of the lots that are classified as military reservation areas, if any. Go to the Department of National Defense (DND) to obtain the map showing the boundaries and technical description of the said reservation area.
21. In the RAP, take note if there are any historical sites or structures (buildings, monuments, landmarks, etc.) identified. If so, go to the National Historical Institute (NHI) to obtain the necessary information regarding the historical site identified.
22. In the RAP, take note if there are easements from water bodies. If so, go to the National Water Resources Board (NWRB) to obtain the necessary information on these easements.

23. To determine if there are proclaimed protected areas in the project site, go to the concerned DENR Office and obtain from the LMB (Central Office) or the LMS (DENR Regional Office) a listing of protected areas in the province where the Project is located, and a map showing these protected areas.
24. To determine the different types of land uses in the project area, the CLUP or the PPFPP can be used, since these documents contain the present (existing) and proposed (future) land use plans of the province/city/municipality. If these are not available in these documents, go to the respective Provincial Development Council (PDC), or to the Housing and Land Use Regulatory Board (HLURB) to obtain the land use plans needed.

Field survey

25. Coordinate with the respective barangay captains regarding the schedule of field survey. Show them the listings obtained in Step 15. Request them to refer local guides who are very familiar with the site, preferably those who know the owner of lots to be acquired.
26. Using the listings obtained in Step 15 confer with the local guide, plan out where to start, go to the site, and look for the property owners.
27. Ask the local guide to properly introduce you and the members of the survey team to the property owner or other family members.
28. If they have been previously informed by their barangay captain regarding the conduct of parcellary survey, briefly explain the activities that will be undertaken.
29. Politely request photocopies of their TCT/OCT and/or latest tax declaration.
30. Proceed to the field for monumenting and detailed mapping.

Preparation of plans

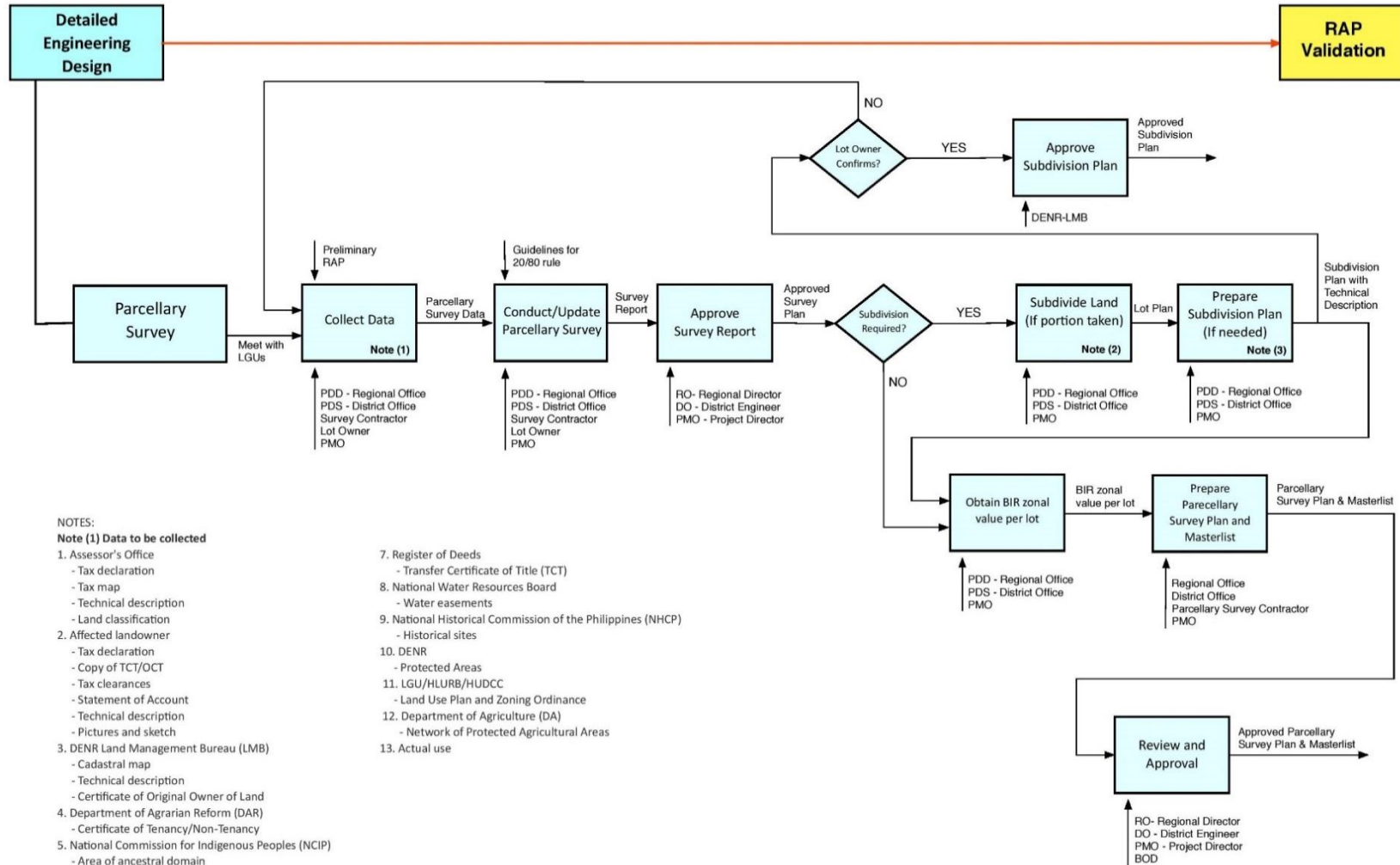
31. Using field data obtained in Step 30 and listings from Steps 10 to 15, prepare a parcellary survey plan containing the following:
 - a. Design road alignment/structure
 - b. ROW boundary for the project
 - c. Affected lots showing the name of the owner/claimant, lot number, and area in square meters
 - d. All improvements within the ROW limit
32. Submit survey plan to the IO (CO-UPMO Cluster/RO/DEO) for approval. Attach a routing slip for tracking.
33. The IO should evaluate the submitted survey plan and make the necessary comments or approve the plan within five (5) days.
34. Based on the approved survey plans, determine which lots need to be subdivided.

35. If entire lots will be acquired, proceed to Step 40.
36. If there are lots that need to be subdivided, prepare subdivision plan for each affected lot containing the following information:
 - a. Name of owner/claimant, lot number, and area
 - b. Computations of lot technical descriptions
37. Present the subdivision plan to the respective landowners for their concurrence.
38. If the lot owner concurs with the subdivision plan, submit it to the Land Management Bureau or concerned Land Management Section of the DENR Regional Office for approval. If the owner does not concur with the plan, go back to Step 8 and proceed to the succeeding steps until concurrence is obtained.
39. Once the subdivision plan is approved by the LMB/LMS, obtain BIR zonal valuation for each affected lot.
40. Prepare the Parcellary Survey Report consisting of the following:
 - a. General location of the project
 - b. Parcellary survey plan
 - c. Subdivision plans
 - d. Index Map of the entire project area showing the affected lots
 - e. ROW Land Data Matrix (**Appendix 12**), consisting of a list of affected lots, with the respective lot and block numbers, registered claimant/owner, total area, area affected, and notation whether property is mortgaged or not, or if it is under litigation, or if it has incurred any encumbrances, or if the Mother Title was obtained through CA141
 - f. Lot data computations showing delineation of affected area relative to the entire property
 - g. Attachments consisting of the following:
 - (1) Copies of original or transfer certificates of title, tax declarations, and lot technical description
 - (2) Tax clearance from landowners
 - (3) Cadastral maps
 - (4) Certificate of Tenancy/Non-Tenancy (if applicable)
 - (5) Maps showing CADC areas (if any)
 - (6) Maps showing military reservation areas (if any)
 - (7) Easement documents from the NWRB (if applicable)
 - (8) List and brief description of historical sites/structures (if any)
 - (9) List and maps of proclaimed protected areas from the DENR (if any)
 - (10) Land use plans (either from the CLUP/PPFP or from copies obtained from the HLURB)
 - (11) Map showing if the project is located within an NPAA
41. Submit the Parcellary Survey Report to the Head of the concerned IO for approval. Attach a routing slip for tracking.

42. The Head of the IO shall then evaluate the submitted survey plan and make the necessary comments or approve the plan.
43. Submit a copy of the Approved Parcellary Survey Report to the Undersecretary concerned.

WF 3. Work Flow for Conduct of Parcellary Survey

PREPARATION OF PARCELLARY SURVEY



2.4 Preparation of Preliminary ROW Action Plan (RAP)

In this DRAM, the RAP integrates and supersedes the ROW Action Plan and Land Acquisition and Resettlement Action Plan (LAPRAP) that were previously used by the DPWH.

- Objectives:*
- a. To estimate ROW costs as part of the Feasibility Study (FS) or Pre-Feasibility Study (PFS) for projects proposed for inclusion in the Medium Term Infrastructure Program (MTIP).
 - b. To prepare a Preliminary RAP to serve as basis for inclusion of ROW costs in the project budget.

Lead Office/Person: For projects at CO: UPMO Cluster/ PPPS Director
For projects at RO/DEO: RD/DE

Support:

- Planning Service (PS)-ESSD and Project Preparation Division (PPD) for CO projects
- Planning and Design Division/Section (PDD/PDS) for RO/DEO projects
- Bureau of Design (BOD)/counterpart units in RO/DEO
- Bureau of Construction (BOC)/counterpart units in RO/DEO
- UPMO Cluster/PPPS staff concerned
- PS Staff
- ROW Engineers
- Consultants

Overview:

This procedure is one of the main features of the improved ROW Process which helps ensure that ROW costs are included in project budgets. This will be carried out by formulating a Preliminary RAP during the project PFS or FS. The RAP shall contain, among other things, (a) description of the lands, structures/improvements, and crops/trees to be acquired as ROW; (b) profile of Project Affected Persons (PAPs); (c) pricing of property based on BIR zonal values, tax declarations, and recent sales, (d) possible adverse impacts of project and mitigation measures; (e) cost estimates for acquiring land and improvements needed as ROW and for relocation of informal settlers, (f) recommended compensation and entitlement package for owners and PAPs; and (f) RAP implementation schedule.

The Preliminary RAP shall, at the minimum, be prepared as part of PFS. However for large scale projects costing over PhP 500 Million, the Preliminary RAP shall be prepared during the FS.

The Head of the PS in the CO, or of the PDD/PDS in the RO/DEO, shall supervise the gathering of pertinent information. ROW Engineers, assisted by field researchers, shall undertake field survey, dialogues/interviews with key LGU informants, and data gathering.

The IO shall observe the work flow shown in **WF 4** in undertaking the preparation of the Preliminary RAP.

Procedure:

1. Prepare a brief Project Description consisting of the following:
 - a. Type of proposed structure (road, bridge, dike, building, etc.)
 - b. Scope of Work according to the following:
 - o *Construction* – Provision of a new infrastructure.
 - o *Rehabilitation* - Restoration of an existing damaged infrastructure to essentially the same condition as when it was first constructed
 - o *Improvement* – Upgrading/expansion of an existing infrastructure to a condition and capacity better than that of the present
 - c. Project Technical Description - A short and concise description of the physical and technical nature of the project, including the physical measurements, e.g., kilometers (km) of roads; lineal meters (lm) of dikes, floor area of buildings, etc.
 - d. Municipalities to be traversed/affected by the project
 - e. Justification/benefits of the project
 - f. Location map of project
2. If the Project is for construction of a new roadway, proceed to Step 3. If the Project involves the rehabilitation or improvement of an existing roadway, conduct a preliminary site investigation. Take note of the following:
 - a. Width of existing roadway, compared to ROW limits
 - b. Presence/absence of shoulders and side ditches (if necessary)
 - c. Name of each barangay traversed by the roadway
 - d. Type and number of encroachments, if any
3. For all projects, initiate consultation meetings with the concerned Governor, Provincial Engineer, Provincial Planning and Development Officer/Coordinator (PPDO/PPDC), Provincial Assessor, Mayors, City/Municipal Engineers, City/Municipal Planning and Development Coordinators (CPDCs/MPDCs), and City/Municipal Assessors, as applicable. Present the Project Description. Seek comments and opinions, without allowing any party to manipulate conditions to favor their personal advantage.
4. If the number of available DEO-PDS staff is not sufficient to accomplish the survey within the given time frame, train enumerators, preferably from the local community, since they are more familiar with the area and the members of the community.
5. Conduct barangay Public Consultation Meetings (PCMs). PCMs must be held in each barangay that will be traversed by the project. Venues for PCMs must be at neutral grounds, such as barangay halls, day care centers, public schools, and the like. This is to avoid certain individuals or groups from maneuvering conditions to work for their personal interests. The following topics are considered mandatory during the PCMs:
 - a. Brief project description
 - b. Reiteration of concept of RAP as a tool for socio-economic development. The RAP preparer must ensure that the RAP concept is clearly understood by the PAPs.
 - c. Tagging and taking of photographs of owner and structures

- d. In the case of informal settlers, specify the Cut-Off date for eligibility, which is reckoned as the start of the census for PAPs and tagging for improvements
- e. Importance of honesty and accuracy of responses in the census and socio-economic survey to be carried out
- f. Open Forum to allow the PAPs to express their ideas, apprehensions, concerns and even objections regarding the proposed project

For initial coordination meetings with the LGUs and PCMs, the ESSD of the Planning Service can assist the project proponent particularly in the RAP preparation and legal framework of involuntary resettlement.

6. Inquire about the availability of sites allotted for socialized housing. Request inclusion of PAPs in their shelter plan in case relocation becomes necessary.
7. Conduct census and socioeconomic survey of the PAPs. A census covering general information on all the PAPs shall be undertaken. This includes demographic data and basic information on the owner and properties to be affected. For severely affected PAPs, obtain more detailed information, such as the amount and source of income and expenditures, availability of basic social services, etc., as part of the socio-economic profile to be established.

For areas with legitimate indigenous people (IPs), carry out a separate socio-economic survey of the affected IP community, as part of the Indigenous People Action Plan (IPAP), particularly if the IPs are holders of Certificates of Ancestral Domain Claim or Title (CADCs/CADTs).

8. Input properly accomplished survey instruments in the computer using an established statistical package. This will enable a systematic and fast processing of data gathered and thus help in establishing the socio-economic profile of the PAPs interviewed, and in computing the compensation package due them.

Preliminary RAP Data Gathering:

9. Meet with the CPDC/MPDC and request the possibility of including the project in the Land Use Map, or better yet, in their Comprehensive Land Use Plan (CLUP), if it is due for revision. Request the following data:
 - a. Socio-Economic Profile
 - b. Copy of CLUP
10. Request the City/Municipal Assessor to provide the following data:
 - a. Available cadastral maps of the areas to be traversed/affected by the project
 - b. Latest Land Valuation Map
 - c. Pricing of land based on tax declaration
 - d. Availability of technical descriptions for lots to be affected by the project
 - e. Schedule of payments for improvements

11. If cadastral maps are not available or are incomplete at the City/Municipal Assessor's Office, go to the concerned DENR Regional Office, Land Management Section and request a copy of said maps.
12. Go to the nearest BIR District Office and request a copy of the latest applicable zonal valuation in the area of interest
13. Conduct a ground survey, taking note of the following:
 - a. Number and names of barangays to be traversed/affected
 - b. Number of structures that will probably be affected
 - c. Type of land use (agricultural, residential, commercial, etc.)
 - d. Most common type of structures (concrete, wood, light materials)
 - e. Type of plantations/orchards (mango, banana, etc.)
14. Using pre-numbered stickers, tag each structure within the defined ROW limit. Take photographs of each of these tagged structures. If possible, ask the property owner to be in the photographs to be taken for easier identification.

Land Appraisal:

15. With the help of cadastral maps and tax maps, identify the exact location of the affected land using GIS-based data.
16. Appraise the affected land using market-based valuation using the appropriate option for property appraisal discussed in **Section 2.8** of the DRAM.
17. Using the data gathered above, prepare the Preliminary ROW Cost Estimates for Land (**Appendix 13**).

Replacement Cost Estimation:

18. Using a satellite map or drone camera or through ground survey, estimate the number and types of structures affected by the project. Since this procedure will require an expert opinion, it must be carried out by the IO using an engineer with extensive experience in this field or a licensed IPA.
21. In the case of owners of structures/improvements who do not have legally recognized rights to the land, check if they meet all of the following criteria to be considered eligible for payment of Replacement Cost of their structures/improvements affected by the ROW in accordance with Section 6.8 of RA 10752-IRR:
 - a. Must be a Filipino citizen.
 - b. Must not own any real property or any other housing facility.
 - c. Must not be professional squatter or member of a squatting syndicate as defined in RA 7279.
 - d. Must not occupy an existing government ROW.

The owner and occupant must also show a proof of ownership of the structure/improvement, e.g., Certification from Barangay.

Informal settler families classified as underprivileged and homeless (under RA 7279) and not qualified under the criteria above shall be entitled to relocation per RA 7279 in accordance with Section 14 of RA 10752-IRR.

19. Prepare cost estimates of all structures and improvements per square meter based on Replacement Cost, as defined in the IRR of RA 10752. This task should generally be carried out directly by the IO, using an in-house Cost Estimator, considering that this is within the core area of competence of the DPWH. Where necessary for major projects, this task may be carried out by the FS consultant, if any, as part of its scope of services, or separately by a qualified GFI/licensed IPA using an engineer with extensive experience in this field, under the strict supervision of the IO.

As provided in Section 15 of RA 10752-IRR, for projects that are at the PFS or FS stage only, the proposed budget for the Replacement Cost of affected structures or improvements may be based on benchmark or rule-of-thumb unit costs which are derived from industry standards and accepted by the DPWH. An example of a benchmark unit cost is cost per square meter of floor area of a house or building.

20. Using the data gathered above, prepare the Preliminary ROW Cost Estimates for Structures and Improvements (**Appendix 14**).

Relocation Cost Estimation for Informal Settlers:

21. With data from the Philippine Statistics Agency (PSA), estimate the number of households affected by the project. This task must be carried out by a RAP/Social Impact Specialist.
22. Ask the concerned LGU/NHA to provide, fund, and develop the resettlement site. If the LGU/NHA is unable to do so, the IO may fund and develop the site. The IO should estimate the cost of the resettlement site, using at least benchmark data, e.g., cost/square meter of serviced site, i.e., cost of land, roads, drainage, and other basic community facilities.

Compensation/Entitlements Package for PAPs

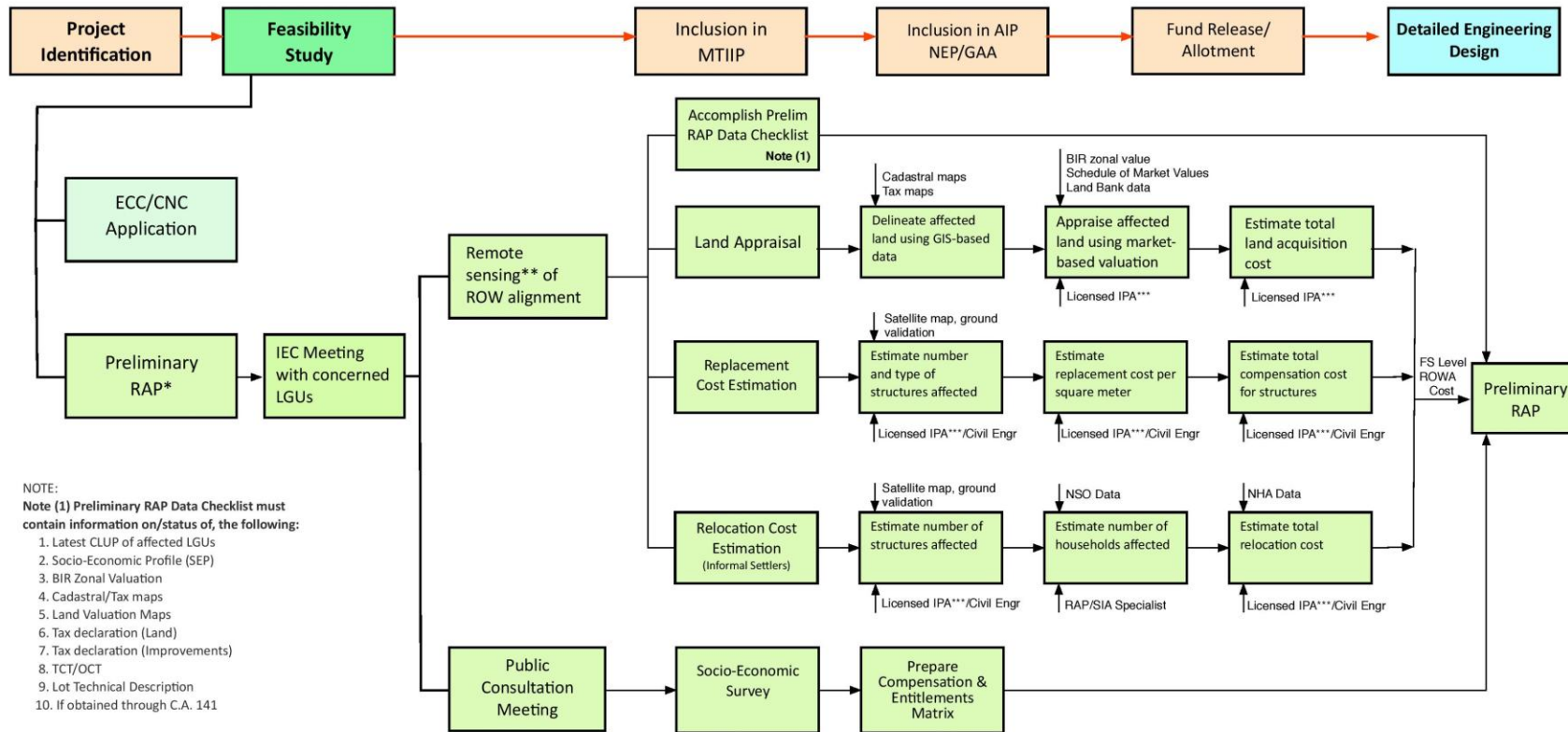
23. Determine the compensation/entitlements package to the PAPs in accordance with the Guidelines on RAP Preparation under DO 327, series of 2003 (**Appendix 5**), including the following:
 - a. Replacement cost for structures and other improvements (if PAP is eligible in accordance with Section 5(b) of RA 10752)
 - b. Payment for crop and trees (See **Section 2.11** of this Manual)
 - c. Rehabilitation Assistance (if applicable)
 - d. Financial Assistance (if applicable)
 - e. Free Transportation
 - f. Transitional Allowance (if applicable)

Preliminary RAP Report

24. Prepare an ROW Data Checklist, following the template provided in **Appendix 11**, showing the data gaps, including information on the type and status of these gaps. For example, during the preparation of the Action Plan, if the BIR zonal valuation is still incomplete, or in the process of being finalized, the checklist must reflect the estimated schedule of completion so that whoever will conduct the Parcellary Survey will be properly guided. The Checklist must also specify the sources of information for the data gathered, as well as the gaps identified.
25. Prepare the Preliminary RAP Report in accordance with the Report Outline provided in **Appendix 15**. Include a summary of the estimated Preliminary ROW Acquisition Costs with a breakdown into basic components – viz., land, structures/improvements, crops and trees, relocation, other entitlements.
26. Forward the Preliminary RAP Report to the Planning Service for review and endorsement prior to approval.
27. Submit the Preliminary RAP Report to the appropriate authority for approval, as follows:
 - a. DE if the IO is a DEO
 - b. RD if the IO is a RO
 - c. Undersecretary concerned if the IO is a CO-UPMO Cluster/PPPS

WF 4. Work Flow for Preparation of Preliminary ROW/Resettlement Action Plan

PREPARATION OF PRELIMINARY ROW/RESETTLEMENT ACTION PLAN



*Preliminary RAP/ROW Action Plan (as referred to in the 2003 Procedural Manual) must at least contain the following:

- a. Cadastral/tax maps from concerned LGUs
- b. Number and names of barangays to be affected
- c. Latest Schedule of Market Values (SMVs) from Assessor's Office
- d. Latest BIR zonal values
- e. Pricing of land based on tax declaration
- f. Valuation of land and structures by Licensed IPA
- g. Number and type of structures to be affected (remote sensing + ground validation)
- h. Type of land use (e.g., agricultural, residential, commercial, etc.)
- i. Type of plantations/orchards (if any)
- j. Number of trees to be affected (may be obtained from EIA if EIS was prepared)

**Remote sensing is the acquisition of information about an object or phenomenon without making physical contact with the object and thus in contrast to on-site observation (e.g., if available cadastral maps and/or tax maps would be very useful for initial land appraisal, and satellite imagery such as Google maps for initial replacement cost estimation)

*** - Licensed Independent Property Appraiser (IPA) may be a company or an individual

2.5 Preparation of Final RAP under DED

- Objectives:*
- a. To estimate ROW costs as part of the DED for projects proposed for inclusion in the Medium-Term Infrastructure Plan (MTIP).
 - b. To prepare a RAP to serve as basis for inclusion of ROW costs in the project budget.

Lead Office/Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- Planning Service (PS)-ESSD in CO/Planning and Design Division/Section in RO/ DEO
- ROW Engineers
- Bureau of Design (BOD)/counterpart units in RO/DEO
- Bureau of Construction (BOC)/counterpart units in RO/DEO
- UPMO Cluster/PPPS staff concerned

Overview:

The IO shall observe the work flow shown in **WF 5** in undertaking the preparation of the Final RAP under DED.

Procedure:

1. During the DED stage of a project, the Final RAP is prepared. The Final RAP may be prepared by the DED consultant as part of its scope of services. As an option, the Final RAP may be prepared separately by a GFI/IPA.
2. Prepare a brief Project Description consisting of the following:
 - a. Type of proposed structure (road, bridge, dike, building, etc.)
 - b. Scope of Work according to the following:
 - o *Construction* – Provision of a new infrastructure.
 - o *Rehabilitation* - Restoration of an existing damaged infrastructure to essentially the same condition as when it was first constructed
 - o *Improvement* – Upgrading/expansion of an existing infrastructure to a condition and capacity better than that of the present
 - c. Project Technical Description - A short and concise description of the physical and technical nature of the project, including the physical measurements, e.g., km of roads; lm of dikes, floor area of buildings, etc.
 - d. Municipalities to be traversed/affected by the project
 - e. Justification/benefits of the project
 - f. Location map of project

2. If the Project is for construction of a new road, proceed to Step 3. If the Project involves the rehabilitation or improvement of an existing road, conduct a preliminary site investigation. Take note of the following:
 - a. Width of existing road, compared to ROW limits
 - b. Presence/absence of shoulders and side ditches (if necessary)
 - c. Name of each barangay traversed by the roadway
 - d. Type and number of encroachments, if any
3. For all projects, initiate consultation meetings with the concerned Governor, Provincial Engineer, Provincial Planning and Development Officer/Coordinator (PPDO/PPDC), Provincial Assessor, Mayors, City/ Municipal Engineers, City/Municipal Planning and Development Coordinators (CPDCs/MPDCs), and City/Municipal Assessors, as applicable. Present the Project Description and brief outcome of meeting with Provincial Officials. Seek comments and opinions, without allowing any party to manipulate conditions to favor their personal advantage. Arrange separate appointments with the City/Municipal Assessors and Planning Coordinators.
4. If the number of available DEO-PDS staff is not sufficient to accomplish the survey within the given time frame, train enumerators, preferably from the local community, since they are more familiar with the area and the members of the community.
5. Conduct barangay Public Consultation Meetings (PCMs). PCMs must be held in each barangay that will be traversed by the project. Venues for PCMs must be at neutral grounds, such as barangay halls, day care centers, public schools, and the like. This is to avoid certain individuals or groups from maneuvering conditions to work for their personal interests. The following topics are considered mandatory during the PCMs:
 - a. Brief project description
 - b. Reiteration of concept of RAP as a tool for socio-economic development. The RAP preparer must ensure that the RAP concept is clearly understood by the PAPs.
 - c. Tagging and taking of photographs of owner and structures
 - d. In the case of informal settlers, specify the Cut-Off date for eligibility, which is reckoned as the start of the census for PAPs and tagging for improvements
 - e. Importance of honesty and accuracy of responses in the census and socio-economic survey to be carried out
 - f. Open Forum to allow the PAPs to express their ideas, apprehensions, concerns and even objections regarding the proposed project

For initial coordination meetings with the LGUs and PCMs, the ESSD of the Planning Service can assist the project proponent particularly in the discussion and disclosure of the RAP.

Land Appraisal:

6. Using the Parcellary Survey and Linear Staking of ROW, identify the limits of the affected land.
7. Disclose affected lands.
8. Determine the market value of the affected land using the appropriate option for property appraisal discussed in **Section 2.8** of the DRAM. If the appraisal is to be carried out by the DED consultant as part of its scope of services, the appraisal must be done by licensed appraiser, using the applicable standards for assessment stated in Section 12 of the IRR of RA 19752. If done separately by a GFI or IPA, the Terms of Reference to be used by the GFI/IPA should include the same applicable standards for assessment.
9. Using the data gathered above, prepare the Final ROW Cost Estimates for Land (**Appendix 16**).

Replacement Cost Computation:

10. Through census and tagging, determine the number of structures affected by the project. Since this procedure will require an expert opinion, it must be carried out by a licensed IPA, or at least an Engineer with extensive experience in this field. This task must be strictly supervised by the IO.
11. Through census and tagging and the socio-economic survey, determine the number of households affected by the project. This task must be carried out by a RAP/SIA Specialist.
12. Prepare Structure Map
13. In the case of owners of structures/improvements who do not have legally recognized rights to the land, check if they meet all of the following criteria to be considered eligible for payment of Replacement Cost of their structures/improvements affected by the ROW in accordance with Section 6.8 of RA 10752-IRR:
 - a. Must be a Filipino citizen.
 - b. Must not own any real property or any other housing facility.
 - c. Must not be professional squatter or member of a squatting syndicate as defined in RA 7279.
 - d. Must not occupy an existing government ROW.

In addition, to be eligible for payment of Replacement Cost, check if the owner and occupant has proof of ownership of the structure/ improvement, e.g., Certification from Barangay.

14. Compute the Replacement Cost of structures and improvements based on applicable Bill of Quantities (BOQ)/Bill of Materials (BOM) and in accordance with the guidelines in **Section 2.10** of the DRAM. In general, the IO should do this using its in-house qualified

Cost Estimator, considering that this is within the core area of competence of the DPWH. For major projects with a DED consultant, the consultant may be required to estimate the Replacement Cost as part of its scope of services; or if this is not part of the DED consultant's scope, a GFI/IPA may separately be engaged, especially where the IO in-house staff is fully occupied with similar tasks.

15. Using the data gathered above, prepare the Final ROW Cost Estimates for Structures and Improvements (**Appendix 17**).

Relocation Cost Estimation for Informal Settlers:

16. For informal settler families classified as underprivileged and homeless (under RA 7279) and not qualified under the criteria in item 14 above, but are qualified for relocation per RA 7279 in accordance with Section 14 of RA 10752-IRR, prepare the relocation site development plan.
17. Compute the total relocation cost. This task must also be carried out by the IO or the DED consultant or a licensed IPA, based on BOQ/BOM.
18. Ask the concerned LGU/NHA to provide, fund, and develop the resettlement site. If the LGU/NHA is unable to do so, the DPWH may fund and develop the site.
19. Execute MOA with LGU regarding the formation of a Resettlement Implementation Committee (RIC).

Compensation/Entitlements Package for PAPs

20. Determine the compensation/entitlements package to the PAPs in accordance with the Guidelines on RAP Preparation under DO 327, series of 2003 (**Appendix 5**), including the following:
 - a. Replacement cost for structures and other improvements (if PAP is eligible in accordance with Section 5(b) of RA 10752)
 - b. Payment for crop and trees
 - c. Rehabilitation Assistance (if applicable)
 - d. Financial Assistance (if applicable)
 - e. Free Transportation
 - f. Transitional Allowance (if applicable)

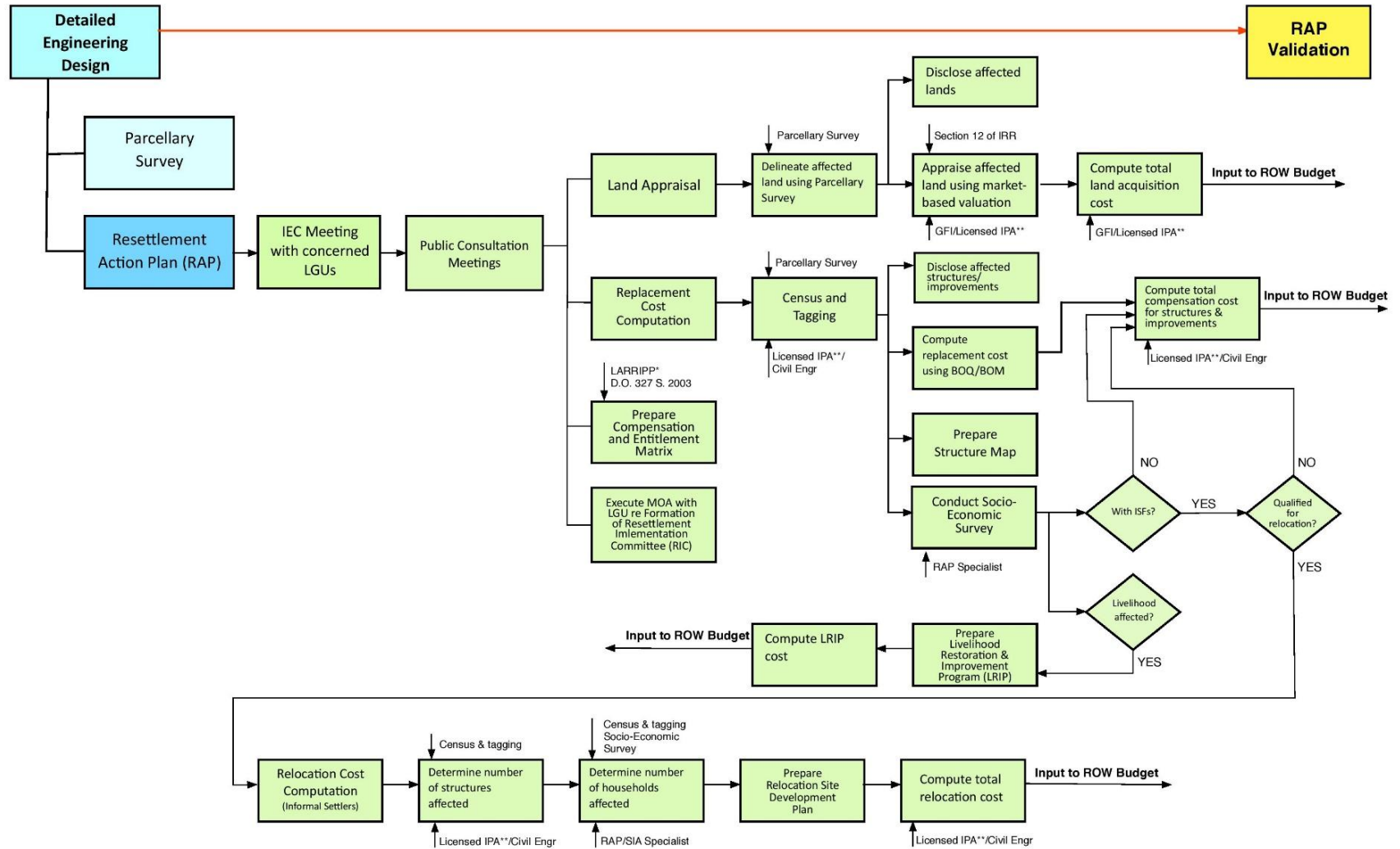
Final RAP Report

21. Prepare the Final RAP Report in accordance with the Report Outline provided in **Appendix 15**. Include a summary of the estimated Final ROW Acquisition Costs with a breakdown into basic components – viz., land, structures/improvements, crops and trees, relocation, other entitlements.

22. Forward the Final RAP Report to the Planning Service/counterpart Planning and Design Unit in the RO/DEO, for review and endorsement prior to approval.
23. Submit the Final RAP Report to the appropriate authority for approval, as follows:
 - a. DE if the IO is a DEO
 - b. RD if the IO is a RO
 - c. Undersecretary concerned if the IO is a UPMO Cluster/PPPS

WF 5. Work Flow for Preparation of Final RAP under DED

PREPARATION OF RESETTLEMENT ACTION PLAN DURING DED



* - Land Acquisition Resettlement Rehabilitation and Indigenous Peoples Policy
 ** - Licensed Independent Property Appraiser (IPA) may be a company or an individual

2.6 Update and Validation of Final RAP based on DED

Objective: To update, validate and finalize the RAP based on the results of the DED

Lead Office/Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- Planning Service (PS) ESSD)/RO Planning and Design Division/DEO Planning and Design Section representative
- BOD representative
- BOC representative
- UPMO Cluster/PPPS representative

Overview:

This procedure is initiated upon the completion of the DED, particularly when there are changes in the design of the infrastructure project which will affect the defined ROW boundaries, and/or the DED, including the Final RAP, was finished several years ago such that physical and economic conditions may have substantially affected the appraisal values. For example, in case of a road project, there are instances wherein realigned sections deviate significantly from the alignment that was established during the Project Identification and/or PFS/FS – such as, as a result of the shifting of alignment, some sections may have encroached or traversed another city or municipality, which may have valuations for land and improvement that are different from the city/municipality that were previously covered.

The IO shall follow the work flow for the validation of the Final RAP based on the DED as shown in **WF 6**.

Procedure:

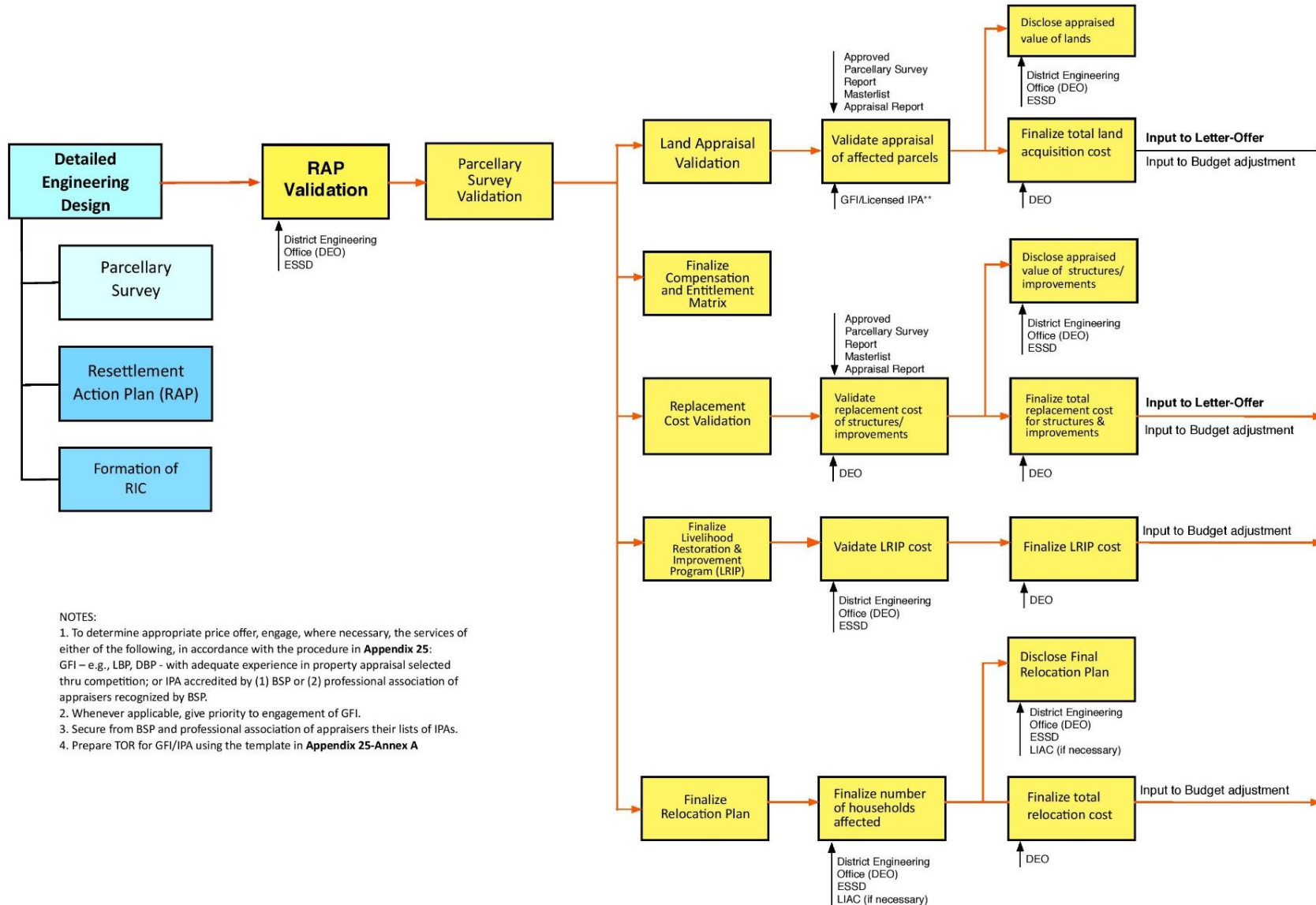
1. Obtain the ROW Plan and Structure Map based on the DED. The ROW Plan shows the ROW limits as defined in the Detailed Design. The Structure Map shows the structures that will be affected by the project.
2. Check if there are structures that will be affected in the realignment sections. If so, take note of the number of structures.
3. Prepare for field verification. For projects implemented by the CO, notify the respective DEOs, and request their assistance during the field visit. Bring a clear copy of the ROW Plan for reference.
4. During field verification, take note of the type of land uses in the areas where the realignment sections are located. Record the kilometer post reading where changes in land use pattern are noticed, for example, from agricultural to commercial or residential, and vice versa.

5. In the absence of kilometer posts, use the ROW plan as reference point, and reset the odometer in the service vehicle to zero at the beginning of the realignment section. Note the changes in land use types using the odometer readings as reference points.
6. Check if the realignment sections are still within the same cities/municipalities identified during the conduct of the PFS/FS. If not, visit the concerned city/municipal office and request from the Assessor a copy of the cadastral map, Land Valuation Map, and updated schedule of payment for improvements.
7. Go to the nearest BIR District Office and request a copy of the latest applicable zonal valuation in the area of interest.
8. Go back to the DEO or field office (if any) and consolidate gathered information.
9. For each landowner, verify and check the validity and updated values of the proposed price offer for the property as indicated in the RAP, which should cover the sum of the following:
 - a. Current market value of the land.
 - b. Replacement cost of structures and improvements.
 - c. Current market value of crops and trees.
10. To validate and update the proposed price offer, engage, where necessary, the services of either of a GFI or an IPA, taking into consideration efficiency, economy and the need of the IO to facilitate the implementation of national government infrastructure projects, in accordance with the procedure provided in **Appendix 26** and discussed in **Section 2.8** of this DRAM.
11. Disclose the validated appraised value of lands. This task shall be undertaken by the UPMO Cluster/PPPS/RO/DEO and the ESSD.
12. To validate and update the Replacement Cost of a structure or improvement, use the guidelines given in **Sec. 2.10** of the DRAM.
13. Disclose the validated appraised value of structures/improvements. This task shall be undertaken by the PMO/RO/DEO and the ESSD.
14. Based on the above, recompute the updated ROW cost and fill up new forms using the templates in **Appendices 16** and **17** for Land and Improvements, respectively.
15. Set the appropriate validated price offer for the negotiated sale, using as basis the GFI/IPA appraisal reports and, where applicable, the IO's estimated Replacement Cost of Structures/Improvements determined in Step 12, all as reviewed and validated by the IO.
16. Finalize the Compensation and Entitlements Matrix.
17. Validate and finalize the Livelihood Restoration and Improvement Program (LRIP) cost. This task shall be undertaken by the DEO and the ESSD.

18. Finalize the number of households affected. This task shall be undertaken by the UPMO Cluster/PPPS/RO/DEO and the ESSD. If necessary, they may seek the assistance of the Local Inter-Agency Committee (LIAC).
19. As an optional step to enhance transparency and to immediately identify and resolve conflicting claims over the ownership of the lots affected by the ROW, publish the list of affected lots in conspicuous places within the premises of the IO and the city/municipal building and post the list in the DPWH website for the information of all concerned so that anyone can challenge any of the claims. Take immediate steps to validate the challenging claims and resolve the ownership issues. Then, modify the Final RAP accordingly.
20. Disclose the Final Relocation Plan under the Final RAP. This task shall be undertaken by the UPMO Cluster/PPPS/RO/DEO and the ESSD. If necessary, they may seek the assistance of the LIAC.
21. Finalize the total relocation cost.
22. Ensure that all corrections/updates have been reflected in the Letter-Offer, budget adjustment, and in pertinent portions of the Updated RAP.
23. Attach the newly gathered data, i.e., GFI/IPA appraisal reports, BIR zonal valuation, cadastral maps, and Land Valuation Maps in the Updated RAP.
24. Attach a routing slip to the RAP to ensure timely processing of documents.
25. Submit the Updated RAP to the appropriate authority for approval, as follows:
 - a. DE if the IO is a DEO
 - b. RD if the IO is a RO
 - c. Undersecretary concerned if the IO is a UPMO Cluster/PPPS
26. The PS must review the Updated RAP after which it shall update the MTPIP accordingly.
27. The PS must then prepare the necessary request for adjustment in the project budget to reflect the updated ROW costs.

WF 6. Work Flow for Validation of Final RAP based on DED

RAP VALIDATION PROCESS



- NOTES:
1. To determine appropriate price offer, engage, where necessary, the services of either of the following, in accordance with the procedure in **Appendix 25**: GFI – e.g., LBP, DBP - with adequate experience in property appraisal selected thru competition; or IPA accredited by (1) BSP or (2) professional association of appraisers recognized by BSP.
 2. Whenever applicable, give priority to engagement of GFI.
 3. Secure from BSP and professional association of appraisers their lists of IPAs.
 4. Prepare TOR for GFI/IPA using the template in **Appendix 25-Annex A**

2.7 Environmental Impact Assessment and Environmental Compliance Certificate

Lead Office/Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/ DE

Support:

- Planning Service (PS) ESSD in CO/Planning and Design Division/Section in RO/ DEO
- UPMO Cluster/PPPS Staff
- RO Staff
- DEO Staff
- Planning Staff

The IO shall observe the work flow in **WF 2** (ROW Aspects of Feasibility Study) in applying for an Environmental Compliance Certificate (ECC) or a Certificate of Non-Coverage (CNC), as applicable.

The IO shall secure ECCs for projects before the DED stage. For projects costing over PhP 500 Million, however, the IO shall secure the ECC before NEDA/ICC approval.

To secure an ECC, the IO must undertake an Environmental Impact Assessment (EIA). The level of detail of the EIA depends on the type, size, and extent of environmental impact. In accordance with DENR Administrative Order (DAO) 96-37, all major infrastructure projects are classified as Environmentally Critical Projects (ECPs), and as such shall be subject to the preparation of an Environmental Impact Statement (EIS) prior to the issuance of an ECC. All national roads and bridges are classified under this category. Projects that are not classified as ECPs but are situated in Environmentally Critical Areas (ECAs) are required to submit an Initial Environmental Examination (IEE) or an IEE Checklist to merit an ECC. Projects that do not fall under the Philippine EIS System are required to apply for a CNC. In March 1999, a Memorandum of Agreement (MOA) was executed between the DENR and the DPWH (**Appendix 18**). This MOA embodies important provisions that were agreed upon by the two Departments, particularly the criteria for the classification of infrastructure projects into the categories mentioned.

The EIA report - i.e., either one of the following, depending on the type of project: EIS or Project Description for CNC application - shall be submitted by the IO to the concerned DENR Office for review and approval, after which an ECC is issued.

Provided in the following sections are procedures for preparing documents that form part of the requirements to merit an ECC. Please refer to the SEMS Operations Manual for further details. This Manual is available at the Environmental and Social Safeguards Division (ESSD) of the Planning Service.

2.7.1 Preparation of Environmental Impact Statement (EIS)

Objective: To prepare an EIS for submission to the DENR

Lead Person: Study Team Leader

Support: Project Manager
Module Experts
Technical Reviewer
Editorial Reviewer

Overview:

The activity is triggered by the submission of a Project Design from the IO to the ESSD.

The IO should designate a Project Manager and a Team Leader among the staff of the concerned offices, such as ESSD, IU, RO or DEO. Although one person may be assigned to perform the two roles, they are best given to two persons in the case of major projects. The Project Manager (PM) should look after the overall administration of the project, including the deployment of staff, budget, and disbursements, while the Team Leader (TL) should focus on the technical aspects of the EIA and the integration of the report. The PM should be from the concerned office preparing the EIA, while the TL may be a consultant.

Procedure:

1. Obtain the Project Description of the project from the IO, consisting of the following:
 - a. Type of proposed structure (road, bridge, dike, building, etc.)
 - b. Scope of Work according to the following:
 - (1) *Construction* – Provision of a new infrastructure.
 - (2) *Rehabilitation* - Restoration of an existing damaged infrastructure to essentially the same condition as when it was first constructed
 - (3) *Improvement* – Upgrading/expansion of an existing infrastructure to a condition and capacity better than that of the present
 - c. Project Technical Description - A short and concise description of the physical and technical nature of the project, including the physical measurements, e.g., km of road; lm of dike, floor area of building, etc.
 - d. Municipalities to be traversed/affected by the project
 - e. Justification/benefits of the project
 - f. Location map of project
2. Consult DAO 96-37 and DPWH-DENR MOA to confirm that an EIA (and not an IEE or CNC) is required for project, based on the information from Step 1. When in doubt, consult or call the EIA division of the EMB-Central Office.
3. Package the information about the project into a Project Description and prepare a cover letter requesting a scoping meeting. Submit documents to the EMB-DENR Central Office. DENR's response will be to set a schedule for the First-Level Scoping Meeting. However, it may also refer the project to a regional office for submission as an EIA or IEE. A follow-up call to the DENR may be necessary if a response is not obtained within five working days.
4. Ensure that the Formal Scoping Session following Chapter 3 of the DRAM and Section 2.5 of the SEMS Manual is conducted.

5. Ensure that the Technical Scoping Meeting following Section 2.6 of the SEMS Manual is conducted.
6. Prepare and submit the Scoping Report using Scoping Report Template (**Appendix 19**).
7. Prepare a detailed project description following the EIA template (**Appendix 20**).
8. Conduct baseline data gathering following the scoping report, DAO 96-37 and the EIA template.
 - a. Go to the ESSD library to look for relevant data from previous EIAs. Check database for digital maps, reports and other electronic data.
 - b. Please refer to Section 2.7 of the SEMS Manual for guidance on the conduct of a perception survey.
 - c. Please refer to Section 2.9 of the SEMS Manual for guidance on baseline water quality monitoring.
 - d. Please refer to Section 2.10 of the SEMS Manual for guidance on baseline air quality monitoring.
 - e. Please refer to Section 2.11 of the SEMS Manual for guidance on baseline noise monitoring.
9. Conduct consultations and discussions on the proposed project, properly documenting the minutes of all activities. Please refer to guidance on the conduct of group discussions (Please refer to Section 2.8 of the SEMS Manual).
10. Prepare the Impact Assessment section (Please refer to Section 2.12 of the SEMS Manual)
11. Prepare an Environmental Management Plan (EMP) by revising the standard EMP (**Appendix 21**) into a site- and project-specific plan.
12. Prepare an Environmental Monitoring Plan (EMoP) by revising the standard EMoP (**Appendix 22**) to suit the proposed project.
13. Integrate the EIA using the EIA template.
14. Submit draft document to the designated technical reviewer. A meeting may be held among team members to discuss the reviewer's comments.
15. Submit the revised draft for editorial review.
16. Revise the document into the final format and check for completeness using the DENR screening form and scoping checklist. Do not submit the EIA for screening if there are missing sections.
17. Submit one copy of the EIA to the DENR for screening if the report is deemed complete.
18. The DENR is expected to respond within three days with an accomplished Screening Form (**Appendix 23**) indicating whether the EIA may be submitted, or is lacking in

certain sections. Revise the report to include the missing requirements, then resubmit. Transmit the revised report with a cover letter identifying the pages where the missing sections have been supplied.

19. After clearing the screening step, prepare the required number of copies for DENR review. Submit the report and pay the filing fee. Make sure that a dated proof of acceptance is received from the DENR.
20. Participate in the EIS review process (Please refer to Section 2.13 of the SEMS Manual)
21. Organize and conduct the public hearing (Please refer to Section 2.14 of the SEMS Manual).
22. Periodically request an update on the ECC status from the DENR.
23. File the ECC and submit a copy to the IU.

2.7.2 Application for Certificate of Non-Coverage (CNC)

Objective: To prepare a Certificate of Non-Coverage (CNC) for submission to the DENR

Lead Person: Study Team Leader

Overview:

The activity is triggered by the submission of a Project Description from the IO to the ESSD.

A Study Team Leader should be selected among the staff of the preparing office to prepare the CNC application. Instructions for completing a CNC Application and IEE checklist are found in the DPM.

Procedure:

1. Obtain the Project Description of the project from the IO, consisting of the following:
 - a. Type of proposed structure (road, bridge, dike, building, etc.)
 - b. Scope of Work according to the following:
 - (1) *Construction* – Provision of a new infrastructure.
 - (2) *Rehabilitation* - Restoration of an existing damaged infrastructure to essentially the same condition as when it was first constructed
 - (3) *Improvement* – Upgrading/expansion of an existing infrastructure to a condition and capacity better than that of the present
 - c. Project Technical Description - A short and concise description of the physical and technical nature of the project, including the physical measurements, e.g., km of road; lm of dike, floor area of building, etc.
 - d. Municipalities to be traversed/affected by the project
 - e. Justification/benefits of the project
 - f. Location map of project

2. Complete Enform-1 containing a brief description of the project, and a map of the project site.
3. Prepare a cover letter to formally stating the application for a CNC. The letter must justify why the project is not covered by the EIS system. This justification must cite a specific provision of DAO 96-37, DPM, or the DPWH-DENR MOA. In addition, it will be worth emphasizing in the letter that the project's impact on the environment is minimal, and that the project site is not considered a critical area.
4. Submit the application for a CNC to the proper regional office. Pay the required filing fees, and make sure that a dated proof of acceptance or receiving copy of the application is received from the DENR.
5. Call the DENR weekly to request CNC status.
6. File the CNC and submit a copy to the IO. A follow-up call to the DENR may be necessary if a response is not obtained within one week.

2.8 Appraisal of Properties Using Government Financial Institutions (GFIs) and Independent Property Appraisers (IPAs)

Objective: To conduct an appraisal of properties to be acquired for the ROW and prepare an appraisal report with the aid of GFIs and IPAs

Lead Office/Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/ DE

Support:

- FS/DED Consultant
- UPMO Cluster/PPPS Staff
- RO Staff
- DEO Staff
- PS Staff

Overview:

The process for the engagement of GFIs and IPAs for property appraisal services is summarized in **WF 7**.

As provided in Section 6.2 of the IRR of R.A. 10752, the IO may engage the services of either a GFI or an IPA in determining the appropriate price offer for the acquisition of ROW through negotiated sale. Given that ROW Action Plans (RAPs) are prepared in three stages of project development, viz., Feasibility Study, Detailed Engineering Design, RAP Validation, and the valuation of subject properties is a major component of such, the following guidelines shall be observed.

Procedure:

2.8.1 Levels of Appraisal

The appraisal or valuation shall be done at three stages of project development, as follows:

a. During Feasibility Study (FS)

This involves a preliminary appraisal of the affected property as an input to the Preliminary RAP which is an integral component of the FS. The IO may undertake the FS by itself, i.e., by administration, using its own staff and resources, or may outsource the FS to consultants. For major projects, outsourcing the FS to consultants is usually more cost-effective considering the workload of DPWH in-house staff.

(1) If the IO decides to undertake the FS by administration, it has two alternatives in conducting the preliminary property appraisal portion of the FS:

- (a) The IO may do the property appraisal portion of the FS by itself provided that it has qualified (as defined in Section 6.5 of the IRR) in-house expertise to do so. In particular, the IO may directly do the appraisal of the structures and

improvements based on Replacement Cost (See Section 2.10), considering that this is within the core area of competence of the DPWH. The IO may also directly do the appraisal of the crops and trees, using the latest applicable established market values of the Department of Agriculture (DA), Philippine Coconut Authority (PCA), Department of Environment and Natural Resources (DENR), Department of Finance (DOF), or Local Government Unit (LGU).

(b) The IO may engage either a Government Financial Institution (GFI) with experience in property appraisal or an Independent Property Appraiser (IPA) to conduct the preliminary property appraisal as an input to the Preliminary RAP under the FS.

(2) If the IO decides to outsource the FS - which should include the preliminary property appraisal as part of the Preliminary RAP component - to a consultant, the consultant's team must include an IPA that is qualified to do the property appraisal.

b. During Detailed Engineering Design (DED)

This entails a more detailed property appraisal as an input to the Final RAP component of the DED. The IO may undertake the DED by itself (i.e., by administration) or outsource the DED to DED consultants. For major projects, outsourcing the DED to consultants is usually more cost-effective considering the workload of DPWH in-house staff.

(1) If the IO decides to carry out the DED by administration, it has two alternatives to do the detailed property appraisal:

(a) The IO may do the detailed property appraisal component of the DED by itself provided that it has qualified (as defined in Section 6.5 of the IRR) in-house expertise to do. In particular, the IO may directly do the appraisal of the structures and improvements based on replacement cost (See Section 2.10) since this is within the core area of competence of the DPWH. The IO may also directly undertake the appraisal of the crops and trees, using the latest applicable established market values of the DA, PCA, DENR, DOF, or LGU.

(b) The IO may engage either a GFI or an IPA to conduct the detailed property appraisal as an input to the DED.

(2) If the IO decides to outsource the DED - which includes the detailed property appraisal as part of the Final RAP component - to a consultant, the consultant's team must include an IPA that is qualified to do the property appraisal component.

c. During RAP Validation

This involves a validation or updating of the property appraisal done as part of the Final RAP under the DED, especially where the appraisal was completed a long time ago. The IO may undertake the validation by itself (i.e., by administration) or outsource the validation to an external expert entity, particularly a GFI or an IPA.

- (1) If the IO decides to undertake the validation by itself, it must have qualified in-house expertise to do so. In particular, the IO may directly do the validation of the appraisal of the structures and improvements based on replacement cost (See Section 2.10) because this is within the core area of competence of the DPWH. The IO may also directly do the validation of the appraisal of the crops and trees, using the latest applicable established market values of the DA, PCA, DENR, DOF, or LGU.
- (2) If the IO decides to outsource the validation to engage an external expert entity:
 - (a) the IO shall give priority to the use of a GFI (vs. an IPA), which is capable and willing to do the validation in accordance with the scope, time frame and other requirements of the Terms of Reference (TOR) for the GFI/IPA.
 - (b) if the GFI does not indicate, within 15 days, its capability and willingness to conduct the validation according to the TOR, the IO may procure an IPA in accordance with the provisions of **Section 2.8.5** below.

2.8.2 Scope of Appraisal

Appraisal shall cover the three elements of real property needed for ROW: (a) Land, (b) Structures and Improvements, and (c) Crops and Trees.

Based on RA 10752 and its IRR, for negotiated sale, the appraisal shall consider the following aspects of valuation of the property:

- a. Current fair market value of land
- b. Replacement cost of structures and improvements
- c. Current fair market value of crops and trees

2.8.3 Terms of Reference and Approved Budget for the Contract for GFIs and IPAs

As basis for procuring the property appraisal services of a GFI or an IPA, the IO shall prepare the TOR for the services, using the template given in **Appendix 25**. The TOR shall have the following basic content:

- a. Background of the project for which the ROW is required, and the objectives of the property appraisal services to be provided by the GFI or IPA.
- b. Desired outputs to be delivered by the GFI or IPA, their description and degree of detail - e.g., estimated current market value of the land under consideration, replacement cost of structures and improvements therein, and current market value of crops and trees therein.
- c. Standards and specifications to be observed by the GFI or IPA in providing the services and producing the desired outputs, which shall include those listed under Section 12 of RA 10752-IRR, as may be applicable.
- d. Duration of the services and timetable for the delivery of outputs by the GFI or IPA.

- e. Qualifications of the GFI or IPA to be engaged.

In preparing the TOR, the IO may consult the GFI in case of services to be provided by the latter.

The IO shall also prepare the Approved Budget for the Contract (ABC) for the appraisal services, using the format in **Appendix 26**.

2.8.4 Procurement of GFIs

If the IO decides to engage the property appraisal services of a GFI to determine the appropriate price of a property to be offered to the property owner through negotiated sale, the IO shall conduct a competitive selection process. This process shall involve at least the two GFIs acknowledged as having the mandate, capability and experience to undertake property appraisal – viz., Land Bank of the Philippines (LBP) and Development Bank of the Philippines (DBP).

The DPWH may procure a GFI to undertake the property appraisal for individual projects or package of projects for a specific area, region or group of regions.

The process will involve the following steps:

- a. The IO shall prepare the TOR, following the template in **Appendix 25**. The TOR shall include, among other provisions, the following qualification criteria for the GFI:
 - (1) The GFI has the mandate to deliver the property appraisal services required by the IO.
 - (2) The GFI has the absorptive capacity to perform the required appraisal services.
 - (3) The GFI must actually undertake the required appraisal services by administration using its own in-house manpower and resources.
- b. The IO, through its Bids and Awards Committee (BAC), shall invite the GFIs, through a Request for Proposals (RFP), to submit their Technical and Financial Proposals in accordance with the TOR.
- c. The IO -BAC shall evaluate the proposals to be submitted by the GFIs, using the following method:
 - (4) The Technical Proposals must meet the minimum requirements of the TOR on a “pass-or-fail” basis with no ranking. No premium shall be given to a GFI which submits a Technical Proposal that exceeds the minimum TOR requirements. If both GFIs pass, they shall be considered on the equal footing insofar as the Technical Proposals are concerned.
 - (5) The Financial Proposals of the GFIs with passing Technical Proposals shall then be opened, and the GFI that submits the lower total Financial Proposal – i.e. total fee - shall be selected for award to perform the services.
- d. The IO and the selected GFI shall enter into and sign an Agency-to-Agency Agreement, particularly through a Memorandum of Agreement (MOA) for the property appraisal services, using the form in **Appendix 27**.

2.8.5 Procurement of IPAs

As provided in **Section 2.8.1**, in case the IO decides to engage the services of an IPA to determine the appropriate price of a property to be offered to the property owner through negotiated sale under Section 6 of RA 10752-IRR, the IO may adopt either of the following Options:

- a. Procure the IPA directly – particularly in the cases under items 2.8.1-a(1)(b), 2.8.2-b(1)(b), and 2.8.1-c(2) above.
- b. Require the FS/DED consultant, under its scope of services, to engage a qualified IPA, as part of the consultant’s team, to do the property appraisal – particularly in the cases under items 2.8.1-a(2) and 2.8.2-b(2).

In the case of Option 2.8.5-a (Direct Procurement), the IO may resort to the following modes of procurement in accordance with RA 9184-IRR:

a-1 Small-Value Procurement

Small-Value Procurement, as provided under Alternative Methods of Procurement (Annex “H”) of RA 9184-IRR, is applicable to property appraisal contracts whose Approved Budget for the Contract (ABC) does not exceed PhP 1,000,000. Most property appraisal services are expected to fall within Small-Value Procurement.

a-2 Regular Procurement

The IO shall resort to the regular mode of procurement under RA 9184 and its IRR in the case of the likely few number of large projects with extensive ROW acquisition involving property appraisal services with an ABC of more than PhP 1,000,000.

In either Option 2.8.5-a or 2.8.5-b above, the IO shall see to it that the IPA meets the following eligibility requirements for the property appraisal services consistent with the provisions of RA 10752-IRR:

- a. The IPA must be in the list of the BSP or of a professional association of appraisers recognized by the BSP, provided that IPAs not yet included in the list shall not be barred from joining the procurement for such services, and provided further that prior to the award of the contract, such IPAs shall be required to submit a proof that they are already included in the list. **Appendix 28** is a list of IPAs acceptable to the BSP (Department of Loans and Credit) as of 15 November 2016.
- b. The IPA must possess the license required for a Real Estate Appraiser by the Professional Regulation Commission (PRC) and registration of that Appraiser with the Professional Regulatory Board of Real Estate Service (PRBRES) pursuant to RA No. 9646 (Real Estate Service Act of the Philippines, 2009),

In the case of Option 2.8.5-a-1 (Small Value Procurement), the IO shall observe the following procedure consistent with the provisions of Annex “H” of RA 9184-IRR:

- a. The Implementing Unit of the IO shall submit a notice to the BAC, requesting the conduct of Small Value Procurement of the subject property appraisal services, indicating the TOR, ABC and other requirements for the procurement.
 - b. The BAC shall prepare the Request for Quotation (RFQ) and send it to at least three (3) IPA-consultants found to meet the eligibility requirements for the contract, as stated above, asking them to submit, within seven (7) calendar days from the date of invitation, their sealed bids consisting of simplified Technical and Financial Proposals.
 - (1) The Technical Proposal shall contain the following:
 - (a) Proposed staff of the IPA, with their curriculum vitae.
 - (b) Proposed methodology and work plan in providing the services, including the schedule of assignments of the key staff.
 - (2) The Financial Proposal shall present the fee offered by the IPA to perform the services.
 - c. At the same time, except for procurement with an ABC of PhP 50,000 and below, the BAC shall post, for a period of three (3) calendar day, the RFQ in the websites of the DPWH and the Philippine Government Electronic Procurement System (PhilGEPS) and in a conspicuous place in the IO's premises, in order to invite other interested consultants which meet the eligibility requirements to submit their sealed Technical and Financial Proposals within the same seven-day period.
 - d. The BAC shall receive and open the sealed bids (Technical and Financial Proposals) at the designated date and time. Receipt of at least one (1) bid is sufficient to proceed with the evaluation thereof.
 - e. The BAC shall then evaluate the Technical Proposals on a "pass-or-fail" basis – i.e., whether or not each Technical Proposal meets or "passes" the following minimum requirements:
 - (1) The IPA's Senior Real Estate Appraiser must possess the required professional license with the PRC and registration with the PRBRES.
 - (2) The IPA's proposed methodology and work plan must comply with the TOR requirements.
- All Technical Proposals that meet the both of the above minimum technical requirements shall be rated "passed" and shall be considered on equal footing insofar as the Technical Proposals are concerned; those that do not meet either requirement are rated "failed" and disqualified outright. No premium shall be given to an IPA which submits a Technical Proposal that exceeds the minimum TOR requirements.
- f. The BAC shall then evaluate the Financial Proposals of all IPAs whose Technical Proposals are rated "passed." The BAC shall declare the IPA with the lowest offered fee

as the Appraiser with the Highest Rated and Responsive Bid (HRRB) and, thus, recommend it to the Head of the IO for contract award.

- f. Upon approval of the award by the Head of the IO, the IO and the winning IPA shall enter into a Contract Agreement for the property appraisal services, using the form in **Appendix 28**.

In the case of Option 2.8.5-a-2 (Regular Procurement), the IO shall procure the IPA in accordance with the rules and procedures for the regular procurement of consulting services, as provided in Section 5, Volume III (Consulting Services) of the DPWH Procurement Manual (DPM), pursuant to the provisions of RA 9184-IRR.

2.8.6 Content of the Appraisal Report

The valuation report shall contain the following:

- a. Cover letter.
- b. A narrative report containing the summary of pertinent facts and conclusion.
- c. A brief description of the property appraised.
- d. Presentation of valuation methods and conclusion of value.
- e. Assumptions and limiting conditions.
- f. Certificate of the Appraiser.
- g. Terms of Reference (TOR), as an attachment

The IO shall review and validate the appraisal reports of the GFI or IPA. Once these reports are so validated, the IO shall use them as one of the bases of the IO's price offer for negotiated sale, consistent with the standards for assessment under Section 12 of RA 10752-IRR.

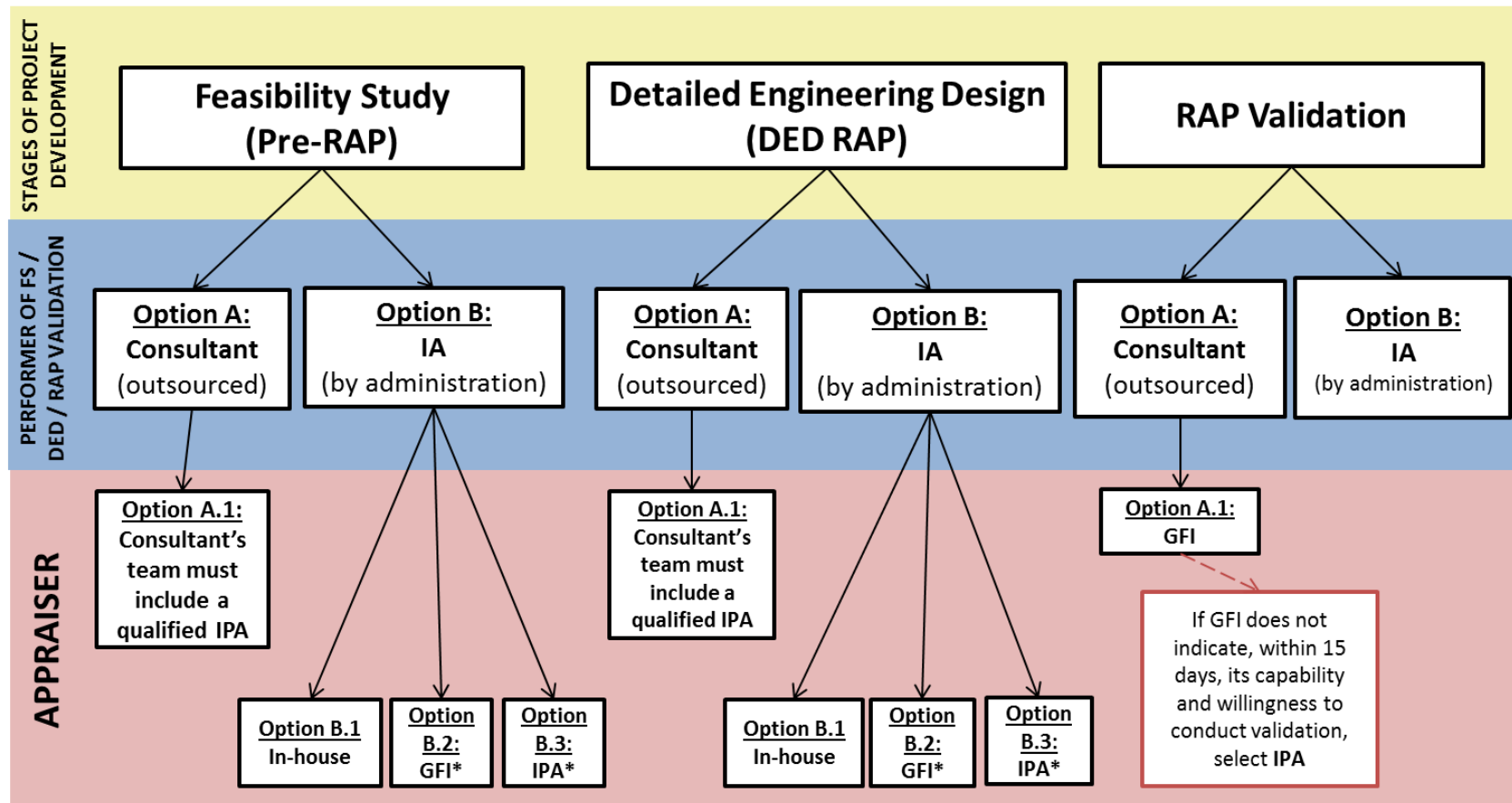
For this purpose, the IO is encouraged to develop its in-house personnel capable of reviewing and validating GFI/IPA appraisal reports.

During the validation process, the IO may require the GFI/IPA to re-evaluate its appraised price or provide additional justifications for it, particularly if the IO finds that the price is unusually too high (or too low) compared to, say, the prevailing BIR zonal value and market price information in the IO database and/or that the price does not fully conform to the pertinent standards and rules under RA 10752 and its IRR.

In any case, the IO shall make the final decision on the price to be offered to the property owner under negotiated sale.

WF 7. Work Flow for Engagement of GFIs/IPAs

Appraisals or valuations are done at three stages of project development – FS, DED, and RAP Validation stages. First, a preliminary appraisal of the affected property is done during the FS stage. Then, a more detailed property appraisal is conducted during the DED stage. This detailed property appraisal is then verified or validated during the RAP Validation stage.



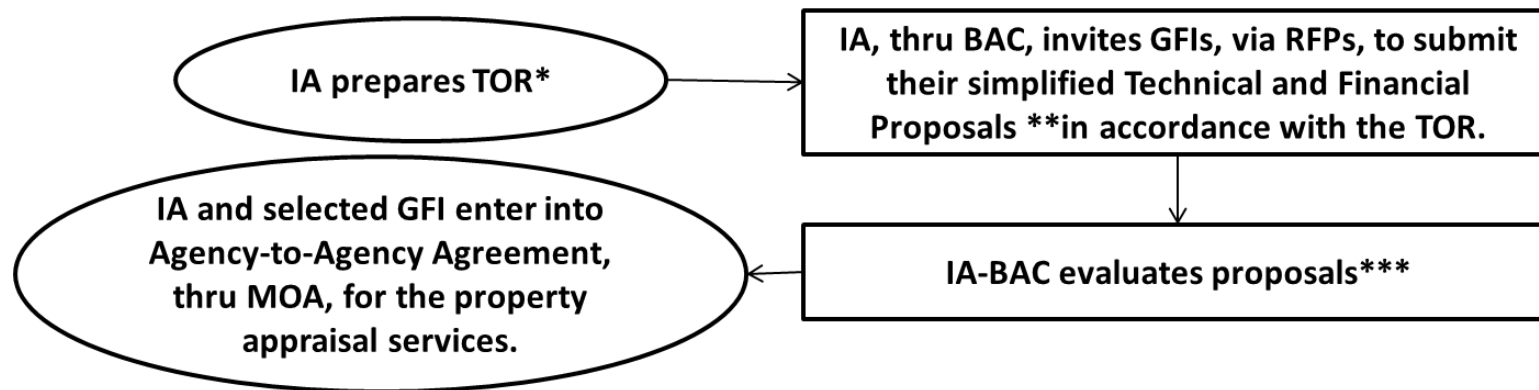
DED – Detailed Engineering Design
 FS – Feasibility Study
 GFI – Government Financial Institution

IPA – Independent Property Appraiser
 RAP – Right-of-Way / Resettlement Action Plan

*IA may engage the same GFI/
 IPA for FS RAP and DED RAP

Procedure for the Selection of GFIs

If the IO decides to engage a GFI, the IO shall conduct a competitive selection process. This process shall involve at least the two GFIs acknowledged as having the mandate, capability and experience to undertake property appraisal – viz., LBP and DBP - thru simplified competition as shown below. The IO may engage a GFI to do the property appraisal for the ROW requirements for individual projects or packages of projects for a specific area, region or group of regions.



*The TOR shall include, among other provisions, the following qualification criteria for the GFI:

- The GFI has the mandate to deliver the property appraisal services required by the IA.
- The GFI has the absorptive capacity to perform the required appraisal
- The GFI must actually undertake the required appraisal by administration..

**The simplified Technical Proposal shall include, the following:

- The proposed methodology and work plan.
- CVs of key staff, including licensed IPA.

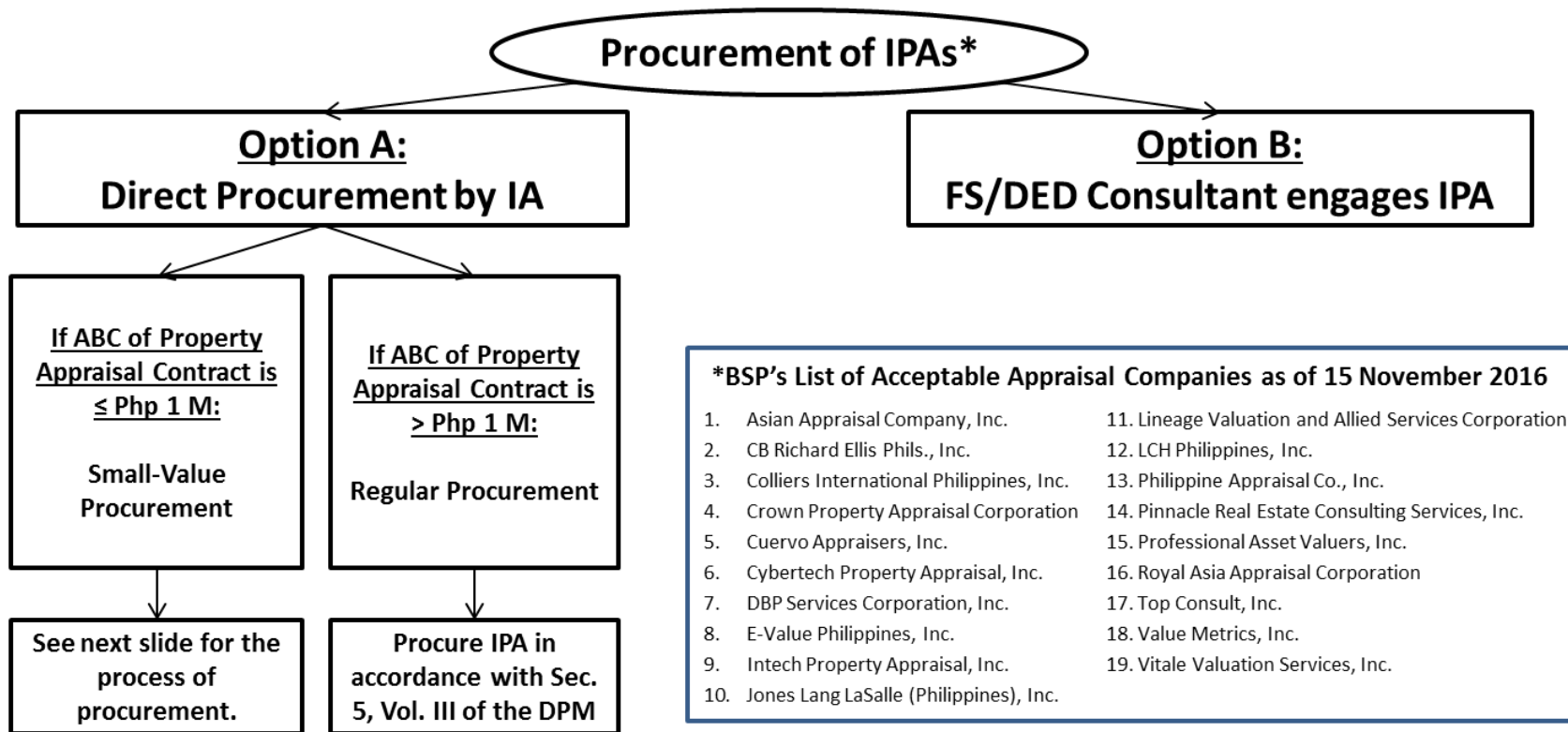
The Financial Proposal shall indicate the lump sum fee

***IA-BAC shall evaluate the proposals submitted, using the following method:

- The Tech Proposals must meet the minimum requirements of the TOR on “pass-or-fail” basis with no ranking. All GFIs that pass the Tech Proposals shall be considered on equal footing.
- The Financial Proposals of the GFIs with passing Tech Proposals shall be opened, and the GFI that submits the lowest total Financial Proposal shall be selected for award.

GFI – Government Financial Institution
 IA – Implementing Agency
 MOA – Memorandum of Agreement
 RFP – Request for Proposal
 TOR – Terms of Reference

The process of procuring IPAs is simple. Most Property Appraisal Contracts are less than PhP 1 million (ABC) which fall under “Small-Value Procurement” (per Alternative Methods in RA 9184-IRR). The chart below shows the methods of procurement of IPAs.

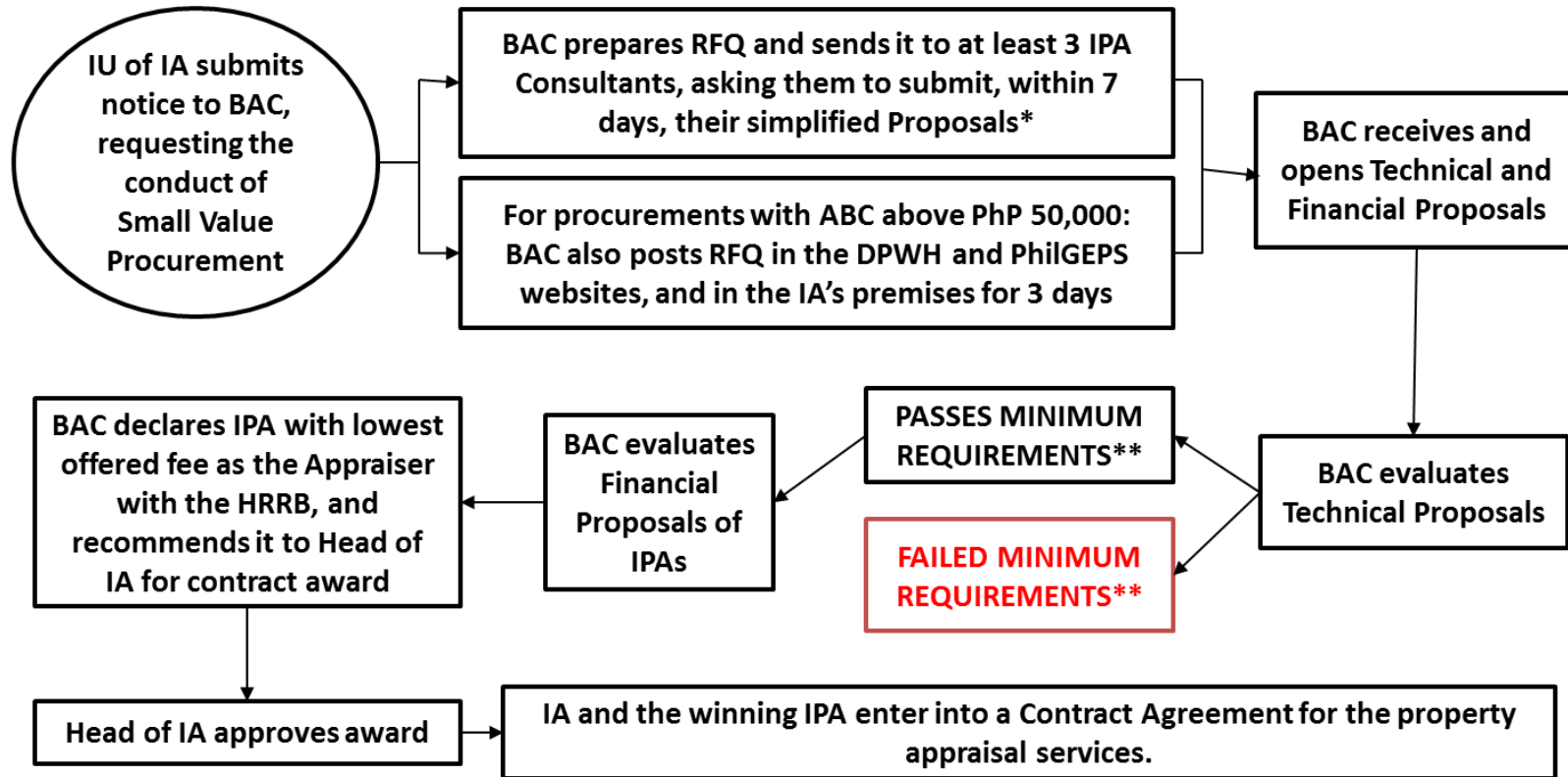


- *BSP’s List of Acceptable Appraisal Companies as of 15 November 2016**
- | | |
|---|---|
| 1. Asian Appraisal Company, Inc. | 11. Lineage Valuation and Allied Services Corporation |
| 2. CB Richard Ellis Phils., Inc. | 12. LCH Philippines, Inc. |
| 3. Colliers International Philippines, Inc. | 13. Philippine Appraisal Co., Inc. |
| 4. Crown Property Appraisal Corporation | 14. Pinnacle Real Estate Consulting Services, Inc. |
| 5. Cuervo Appraisers, Inc. | 15. Professional Asset Valuers, Inc. |
| 6. Cybertech Property Appraisal, Inc. | 16. Royal Asia Appraisal Corporation |
| 7. DBP Services Corporation, Inc. | 17. Top Consult, Inc. |
| 8. E-Value Philippines, Inc. | 18. Value Metrics, Inc. |
| 9. Intech Property Appraisal, Inc. | 19. Vitale Valuation Services, Inc. |
| 10. Jones Lang LaSalle (Philippines), Inc. | |

- *IPAs must:**
1. Be in the list of the BSP or of a professional association of appraisers recognized by the BSP
 2. Possess the license required for a Real Estate Appraiser by the PRC and the registration of that appraiser with the PRBRES

ABC – Approved Budget for the Contract
 BSP – Bangko Sentral ng Pilipinas
 DED – Detailed Engineering Design
 DPM – DPWH Procurement Manual
 FS – Feasibility Study
 IA – Implementing Agency
 IPA – Independent Property Appraiser
 PRBRES – Professional Regulatory Board of Real Estate Service
 PRC – Philippine Regulatory Commission

Procedure for Small Value Procurement (less than P1M)



ABC - Approved Budget for the Contract
 BAC – Bids and Awards Committee
 DPWH – Department of Public Works and Highways
 HRRB – Highest Rated and Responsive Bid
 IA – Implementing Agency
 IPA – Independent Property Appraiser
 IU – Implementing Unit
 PhilGEPS – Philippine Government Electronic Procurement System
 PRBRES – Professional Regulatory Board of Real Estate Service
 PRC – Professional Regulation Commission
 RFQ – Request for Quotation
 TOR – Terms of Reference

*Proposals shall consist of the following:

1. Technical Proposal containing:
 - a. Proposed staff of the IPA, with their curriculum vitae
 - b. Proposed methodology and work plan in providing the services
2. Financial Proposal presenting the fee offered by the IPA to perform the services.

**Minimum Requirements:

1. The IPA's Senior Real Estate appraiser must possess the required professional license with the PRC and registration with the PRBRES.
2. The IPA's proposed methodology and work plan must comply with the TOR requirements.

**TIMELINE FOR ENGAGING IPA UNDER SMALL VALUE PROCUREMENT
FOR PROJECT WITH DED AND PARCELLARY SURVEY**

	Day
BAC issues Request for Proposals (RFPs) to 3 IPAs	1
BAC receives Proposals from IPAs	7
BAC evaluates Proposals and determines IPA with Highest Rated and Responsive Bid (HRRB)	1
IO Head approves BAC Resolution and issues Notice of Award to winning IPA	1
IO and winning IPA sign contract	1
IO issues Notice to Proceed	1
Total	12

**TIMELINE FOR ENGAGING GFI FOR PROJECT
WITH DED AND PARCELLARY SURVEY**

	Day
BAC issues Request for Proposals (RFPs) to GFIs	1
BAC receives Proposals from GFIs	7
BAC evaluates Proposals and determines GFI with Highest Rated and Responsive Bid (HRRB)	1
IO Head approves BAC Resolution and issues Notice of Award to winning GFI	1
IO and winning GFI sign MOA	1
IO issues Notice to Proceed	1
Total	12

**TIMELINE FOR ENGAGING IPA UNDER REGULAR PROCUREMENT
WITH DED AND PARCELLARY SURVEY**

	Day
BAC advertises/posts Invitation to Bid	7
BAC conducts Eligibility Check and Shortlisting	1
BAC receives bids	20
BAC evaluates bids	1
IO Head approves ranking of IPAs	1
BAC negotiates with Highest Rated Bid (HRB)	1
BAC post-qualifies HRB	2
IO Head approves BAC Resolution and issues Notice of Award to winning IPA	1
IO and winning IPA sign contract	1
IO issues Notice to Proceed	1
Total	36

Many road projects requiring ROW involve widening by two lanes (6.7 m) with a length not exceeding 5 km. For this, the total ROW area is up to about 33,500 sq. m or 3.35 hectares. At PhP50,000 per hectare, appraisal services for this area will cost about PhP168,000 only.

For the relatively few new large road projects, say, 10 km long with a ROW width of 20 m, the total ROW area is at most 200,000 sq. m or 20 hectares. At PhP50,000 per hectare, appraisal services for this area will cost at most PhP1,000,000, which is equal to threshold for Small Value Procurement.]

2.9 Appraisal of Land

Objective: To conduct an appraisal of land to be acquired for the ROW and prepare an appraisal report with the aid of GFIs and IPAs

Lead Office/Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/ DE

Support:

- FS/DED Consultant
- GFI/IPA
- UPMO Cluster/PPPS Staff
- RO Staff
- DEO Staff
- PS-ESSD

Overview

Section 7 of RA 10752 provides the standards for the assessment of the value of land that is subject to negotiated sale

Procedure:

2.9.1 Standards for Land Appraisal/Assessment for Negotiated Sale

As provided in Section 7 of RA 10752 (Section 12 of the IRR), in order to facilitate the determination of the market value of the property/land, the following relevant standards shall be observed:

- a. The classification and use for which the property is suited based on, among other things, the latest approved land use plan and/or zoning ordinance, if any, of the city or municipality concerned. This shall be based on, among other things, the latest approved land use plan and/or zoning ordinance, if any, of the city or municipality concerned.
- b. The development cost for improving the land based on, among other things, the records and estimates of the City or Municipal Assessor concerned, GFI or IPA for similar or comparable lands. This shall be based on, among other things, the records and estimates of the City or Municipal Assessor concerned, GFI or IPA for similar or comparable lands.
- c. The value declared by the owners. This shall be based on the value shown in the owners' latest Tax Declaration Certificates or Sworn Statements.
- d. The current selling price of similar lands in the vicinity based on, among other things, the latest records on Deeds of Sale for similar lands in the office of the Register of Deeds concerned. This shall be based on, among other things, the latest records on Deeds of Sale for similar lands in the office of the Register of Deeds concerned.

- e. The reasonable disturbance compensation for the removal and/or demolition of certain improvements on the land and for the value of improvements thereon. This shall consider, among other things, the replacement cost of improvements at current market prices as provided in Section 6.6 of this IRR.
- f. The size, shape or location, tax declaration and zonal valuation of the land based on, among other things, the latest records on Deeds of Sale in the Register of Deeds, tax declaration by the City or Municipal Assessor, zonal valuation of the BIR for comparable properties. These shall be based on, among other things, the latest records on Deeds of Sale in the Register of Deeds, tax declaration by the City or Municipal assessor, zonal valuation of the BIR for comparable properties.
- g. The price of the land as manifested in the ocular findings, oral as well as documentary evidence presented.
- h. Such facts and events so as to enable the affected property owners to have sufficient funds to acquire similarly situated lands of approximate areas as those required from them by the government, and thereby rehabilitate themselves as early as possible.

In all cases, the increase in the value of the affected property brought about by the infrastructure project itself shall not be considered in the determination of the purchase price.

2.9.2 Use of GFI/IPA

As provided in **Section 2.8**, the IO may engage a GFI/IPA to do the appraisal of the land under any of the stages – viz., during FS (Preliminary Appraisal), during DED (Final Appraisal), or during RAP Validation (Appraisal Verification/Updating).

In accordance with Section 6.3 of RA 10752-IRR, the Terms of Reference (TOR), which shall be used by the GFIs and IPAs in setting the market value of the land, should include the applicable standards stated in Section 2.9.1 above.

2.9.3 Determination of the Market Value to be Offered to the Owner

For negotiated sale, Section 5(a) of RA 10752 states that:

(a) The implementing agency shall offer to the property owner concerned, as compensation price, the sum of:

- (1) The current market value of the land,*
- (2) The replacement cost of structures and improvements therein; and*
- (3) The current market value of crops and trees therein.*

To determine the appropriate price offer, the implementing agency may engage the services of a government financial institution with adequate experience in property appraisal, or an independent property appraiser accredited by the Bangko Sentral ng Pilipinas (BSP) or a professional association of appraisers recognized by the BSP to be procured by the implementing under the provisions of Republic Act No. 9184, otherwise known as the “Government Procurement Reform Act” and its implementing rules and regulations pertaining to consulting services.

Clearly, for parcels of land, the IO is required to offer the “current market value of the land.”

In determining the current market value or the appropriate price of the property to be bought by the government, the IO may seek the assistance of a GFI or a qualified IPA.

When there is a difference in the market value determined by the BIR, on one hand, and the market value determined by the GFI/IPA, on the other, the IO shall adopt **whichever is higher** of the two estimated market values – i.e. (a) the market value as determined by GFI/IPA, and (b) the market value as reflected in the BIR Zonal Value – as the appropriate price offer to the land owner under the mode of negotiated sale, for the reasons set forth below.

First, jurisprudence has adopted a “whichever is higher” principle whenever the Court is faced with an amount equal to the BIR zonal valuation on one hand, or the fair market value of the property, on the other. In *Brgy. Sindalan, San Fernando Pampanga vs. CA*,¹ the Supreme Court held:

“Since the individual stands to lose the property by compulsion of the law, the expropriation authority should not further prejudice the owner’s rights by delaying payment of just compensation. To obviate any possibility of delay in the payment, the expropriator should already make available, at the time of the filing of the expropriation complaint, **the amount equal to the BIR zonal valuation or the fair market value of the property..... whichever is higher.**” (emphasis supplied)

Second, the intent and reason of RA 10752 is to give more weight to the mode of negotiated sale. RA 10752 was enacted to limit the immense power of the government of taking land, attempting to put a citizen on equal footing with the government, in particular with negotiated sale. Thus, an interpretation of any provision of R.A. 10752 that would allow government to take advantage of the land owners will be contrary to the *raison d’etre* of RA 10752.

Third, if a lower market value as determined by the GFI/IPA is offered, and not the BIR Zonal Value, this would result in an absurd situation where the land owner will instantly receive more money if it opts to go through expropriation. This is not the intent and reason of RA 10752, which is to give more weight to the mode of negotiated sale and disfavor the resort to expropriation.

Fourth, aside from the valuation of the BIR, the determined market value of a GFI or a qualified IPA, in most cases, is also a good basis for the “appropriate price offer” for the purchase of the land sought to be bought by government. The BIR Zonal Value is an admission by the government that the market value is at least the value determined by the BIR.

¹ G.R. No. 150640, March 22, 2007

2.10 Appraisal of Structures/Improvements based on Replacement Cost

Objective: To conduct an appraisal of structures/improvements to be acquired for the ROW and prepare an appraisal report with the aid of GFIs and IPAs

Lead Office/Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/ DE

Support:

- FS/DED Consultant
- GFI/IPA
- UPMO Cluster/PPPS Staff
- RO Staff
- DEO Staff
- PS-ESSD

Overview:

Section 6.6 of the IRR of RA 10752 provides the rules for the determination of the Replacement Cost of structures/improvements.

Procedure:

In accordance with Section 6.6 of the IRR of RA 10752, the Replacement Cost of a structure or improvement affected by the ROW shall be based on the current market prices of materials, equipment, labor, contractors profit and overhead, and all other attendant costs associated with the acquisition and installation of a similar asset in place of the affected asset. There shall be no deduction for depreciation.

If the affected structure has been damaged or depreciated, then the Replacement Cost should be based on the pre-damaged or pre-depreciated condition of that structure. The Replacement Cost of the structure may vary from the market value of the existing structure since the structure that would actually replace it may have a different cost at current market prices. The replacement structure has to perform the same functions and meet the performance specifications as the original structure; it does not have to be an exact copy of the original asset.

The IO may directly determine the Replacement Cost of a structure or improvement, or engage the services of a GFI or an IPA to determine such Replacement Cost, or require the FS/DED consultant to estimate the Replacement Cost as part of its scope of services for the FS/DED.

In general, the IO shall directly determine the Replacement Cost - considering that this task is within the core area of competence of the DPWH. For this purpose, the IO shall observe the following guidelines, based on DPWH standards (e.g., Department Order No. 197, series of 2016), in estimating the Replacement Cost of the affected structure/ improvement in accordance with RA 10752-IRR Section 6.6:

- a. The IO shall prepare the basic plan and performance-type specifications for the structure to be replaced, generally considering its original condition. These shall indicate, among other things, the following:
 - (1) Main function or purpose of the structure – e.g., residential.
 - (2) Basic configuration and dimensions of the structure – e.g., two-storey house with a total floor area of 150 square meters.
 - (3) Major structural features – e.g., concrete and wooden structure, with galvanized iron (GI) roof.
- b. Based on the basic plan and specifications prepared in item a above, the IO shall estimate the Replacement Cost of the structure. The Replacement Cost is the price that the IO will pay the owner to replace the existing structure or asset with a similar asset at current market prices.
- c. The Replacement Cost shall be composed of the Estimated Direct Cost and the Estimated Indirect Cost of the replacement structure. These components shall be calculated in accordance with the succeeding items.
- d. The Estimated Direct Cost (EDC) shall consist of the following:
 - (1) Current market cost of materials to be used in doing the work item called for, which shall include the following:
 - (a) Cost at source including processing, crushing, stockpiling, loading, royalties, local taxes, construction and/or maintenance of haul roads, etc.;
 - (b) Expenses for hauling to project site.
 - (c) Handling expenses.
 - (d) Storage expenses.
 - (e) Allowance for waste and/or losses, at five percent (5%) of materials requirement.
 - (2) Current market cost of labor to be used for:
 - (a) Salaries and wages, within the limits authorized by the Department of Labor and Employment.
 - (b) Fringe benefits, such as vacation and sick leaves, benefits under the Workmen's Compensation Act, Social Security System (SSS) contributions, allowances, 13th month pay, bonuses, etc.
 - (3) Equipment Expenses:
 - (a) Rental of equipment – usually based on the current Associated Construction Equipment Lessors, Inc. (ACEL) rental rates. For simple computation, the operated rental rates are preferred to the bare rental rates as the former includes operator's wages, fringe benefits, fuel, oil, lubricants and equipment maintenance.
 - (b) Mobilization and demobilization – at one percent (1%) of the EDC of the civil works items.

- (4) Cost for Permits and Clearances, e.g., Building Permit.
- e. The Estimated Indirect Cost shall consist of the following items based on accepted construction industry practices:
- (1) Overhead Expenses not exceeding eleven percent (11%) of the EDC, which include the following, as applicable:
 - (a) Engineering and Administrative Supervision, including expenses for office equipment and supplies, power and water consumption, communication and maintenance.
 - (b) Transportation allowances.
 - (c) Premium on Contractor’s All Risk Insurance, where necessary.
 - (d) Financing Cost, e.g., premium on bonds.
 - (2) Contingencies and Miscellaneous not exceeding four percent (4%) of the EDC. These include expenses for unforeseen events and other activities.
 - (3) Contractor’s Profit Margin not exceeding eight percent (8%) of the EDC for projects with an EDC of more than PhP 5 million and ten percent (10%) for projects with an EDC of PhP 5 million and below.
 - (4) Value Added Tax (VAT) Component in accordance with law, five percent (5%) in the case of a property owned by a government agency, or twelve percent (12%) in the case of a property owned by a private party, of the sum of the EDC, Overhead, Contingencies, Miscellaneous, and Profit.

In all cases, the Indirect Costs shall not exceed the following limits:

Estimated Direct Cost (EDC)	Overhead, Contingencies, and Miscellaneous (OCM) as % of EDC	Profit, as % of EDC
Up to PhP5M	15	10
Above PhP5M to PhP50M	12	8
Above PhP50M to PhP150M	10	8
Above PhP150M	8	8

If the IO requires the FS/DED consultant to determine the Replacement Cost as part of its scope of FS/DED services, the consultant shall use the guidelines in this Section 2.10.

For projects that have undergone PFS or FS only, the estimated replacement cost of structures/improvements may be based on benchmark unit costs derived from industry standards and accepted by the DPWH – e.g., cost/square m of floor area of house or building (**IRR Sec. 15**).

For projects with DED, the estimated replacement cost shall be based on detailed estimates, including Bill of Materials/Bill of Quantities (**IRR Sec. 15**). In case the IO appraisers are not allowed by the owner to enter the property for purposes of estimating the replacement cost of

structures, the IO shall secure from the owner a waiver to the effect that the valuation of the structures may not comply with the definition of replacement cost in the law due to the inability of the appraisers to access the property. If the owner does not issue such a waiver, the IO shall get a certification from the Barangay Chairperson to this effect. The IO shall then make a reasonable estimate of the replacement cost based on visible physical features of the structures and other relevant data.

In case the ROW acquisition is considerably delayed or there is an abnormal increase in prices after the replacement cost has been estimated, the original replacement cost estimates should be updated to reflect the present market prices.

2.11 *Appraisal of Crops/Trees*

Objective: To conduct an appraisal of crops and trees to be acquired for the ROW and prepare an appraisal report with the aid of GFIs and IPAs

Lead Office/Person: For projects at CO: UPMO Cluster Director/PPPS Director
 For projects at RO/DEO: RD/ DE

Support:

- FS/DED Consultant
- GFI/IPA
- UPMO Cluster/PPPS Staff
- RO Staff
- DEO Staff
- PS-ESSD

Procedure:

As provided in RA 10752, for negotiated sale, the appraisal shall aim to determine the current market value of crops and trees affected by the proposed ROW.

The IO may engage the services of a GFI/IPA to undertake the appraisal of affected crops and trees. The IO may also directly do the appraisal of the crops and trees if it has the in-house capability to do so, using latest applicable established market values of the following entities:

- Department of Agriculture (DA) for crops
- Philippine Coconut Authority (PCA) for coconut trees
- Department of Environment and Natural Resources (DENR) for perennials and timber trees
- Department of Finance (DOF)
- Local Government Units (LGUs), Assessor’s Offices, for individual trees

For crops, the valuation is normally done on a cost per hectare basis using the ***Income Capitalization Approach***. Under this approach, crops are already factored in computing the compensation for land. Below is an example of this approach

Computing Unit Market Values by Income Capitalization Approach

Rate of Capitalization = 12.90%

Potential Yield = 13,333kg

Capitalized Value = $\text{Php}139,732.50/0.129$
 = $\text{Php}1,083,197.67$

The Sales Value of Banana Land corresponding to each kilo of banana:
 $\text{Php}1,083,197.67/13,333\text{kg}$ or $\text{Php}81.24/\text{kg}$

Table 38. Computation of Unit Market Value per Hectare for Banana Land

Class	Yield (kg) x Sales Value (Php)	Hectare Value (Php)	Rounded Off
Value for Banana land based on production (Per Hectare)			
1 st Class	12,000 x 81.24	974,880	975,000
2 nd Class	7,500 x 81.24	609,300	609,000
3 rd Class	2,500 x 81.24	203,100	203,000

The Income Capitalization Approach is usually supported by a Discounted Cash Flow Analysis to transform to present values the relevant costs and expenses. An example of this analysis is given below.

SIMPLE CASH FLOW MANGO PRODUCTION

	YEAR									
	1	2	3	4	5	6	7	8	9	10
SALES										
Production	-	-	-	-	15	50	100	150	200	300
Value (<u>farm gate price</u>)	12	12	12	12	12	12	16	16	16	16
Annual Gross Sales	-	-	-	-	180	600	1,600	2,400	3,200	4,800
COST OF SALES										
Land Preparation										
Seedling	30									
Fertilizer	200	200	200	200	200	200	200	200	200	200
Spray	200	200	200	200	200	200	200	200	200	200
Pickers	-	-	-	-	-	-	-	-	-	750
Land Rent	150	150	150	150	150	150	150	150	150	150
Labor	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Total Cost	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	4,300
NET INCOME / YEAR	(3,550)	(3,550)	(3,550)	(3,550)	(3,370)	(2,950)	(1,950)	(1,150)	(350)	500
CUMMULATIVE INCOME	(3,550)	(7,100)	(10,650)	(14,200)	(17,570)	(20,520)	(22,470)	(23,620)	(23,970)	(23,470)

For fruit trees under plantations, use the *Income Capitalization Approach*. For individual trees, the updated Schedule of Market Values (SMV) from the Assessor's Office may be utilized.

2.12 Modes of ROW Acquisition

As provided in Section 4 of RA 10752, the following are the regular modes of ROW acquisition:

- a. Donation
- b. Negotiated Sale
- c. Expropriation

The other modes of ROW acquisition are the following:

- a. Acquisition of Properties under Commonwealth Act (CA) No. 141
- b. Exchange or Barter
- c. Easement of Right-of-Way
- d. Acquisition of Subsurface Right-of-Way
- e. Other modes authorized by law

Each of these modes of ROW acquisitions is discussed in succeeding Sections of this DRAM.

2.13 ROW Acquisition through Donation

Objective: To acquire ROW by requesting the property owners to donate the land needed for public use

Lead Office/Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/ DE

Support:

- FS/DED Consultant
- GFI/IPA
- UPMO Cluster/PPPS Staff
- RO Staff
- DEO Staff
- PS-ESSD

Overview:

In accordance with Section 5 of RA 10752-IRR, the IO may explore the mode of donation of the needed portion or whole of the affected property, i.e., lots with or without improvements, by the property owner concerned, which may be a private individual/corporation or a government agency/corporation.

If the property owner agrees to donate the property to be acquired by the IO as ROW, a Deed of Donation shall immediately be prepared. The Deed of Donation shall be simple and unconditional, and contain clauses to the effect that the donation is made not to defraud the donor's creditors, and that the donor has, if necessary, reserved for himself enough property for his family's subsistence, sustenance and support in case the donor is a private individual.

Since donation process will involve a lot of persuasion from the part of the DPWH, the ROW Agent to be assigned to undertake the task must be carefully selected. He must be persuasive but not annoyingly persistent, confident, but not too aggressive. Before negotiating with the owner, the ROW Agent must be well prepared in terms of familiarity with the procedures as well as the laws and guidelines that govern them. This is important to gain the respect and trust of the landowners. In addition, he must also be capable of conveying to the property owners the benefits that they will gain if they donate their property.

It is assumed that at this point, several project disclosures to the property owners have been accomplished, and the need to acquire their properties have been well explained during the conduct of EIA and parcellary survey.

The IO shall follow the work flow shown in **WF 8** in acquiring ROW through donation.

Procedure:

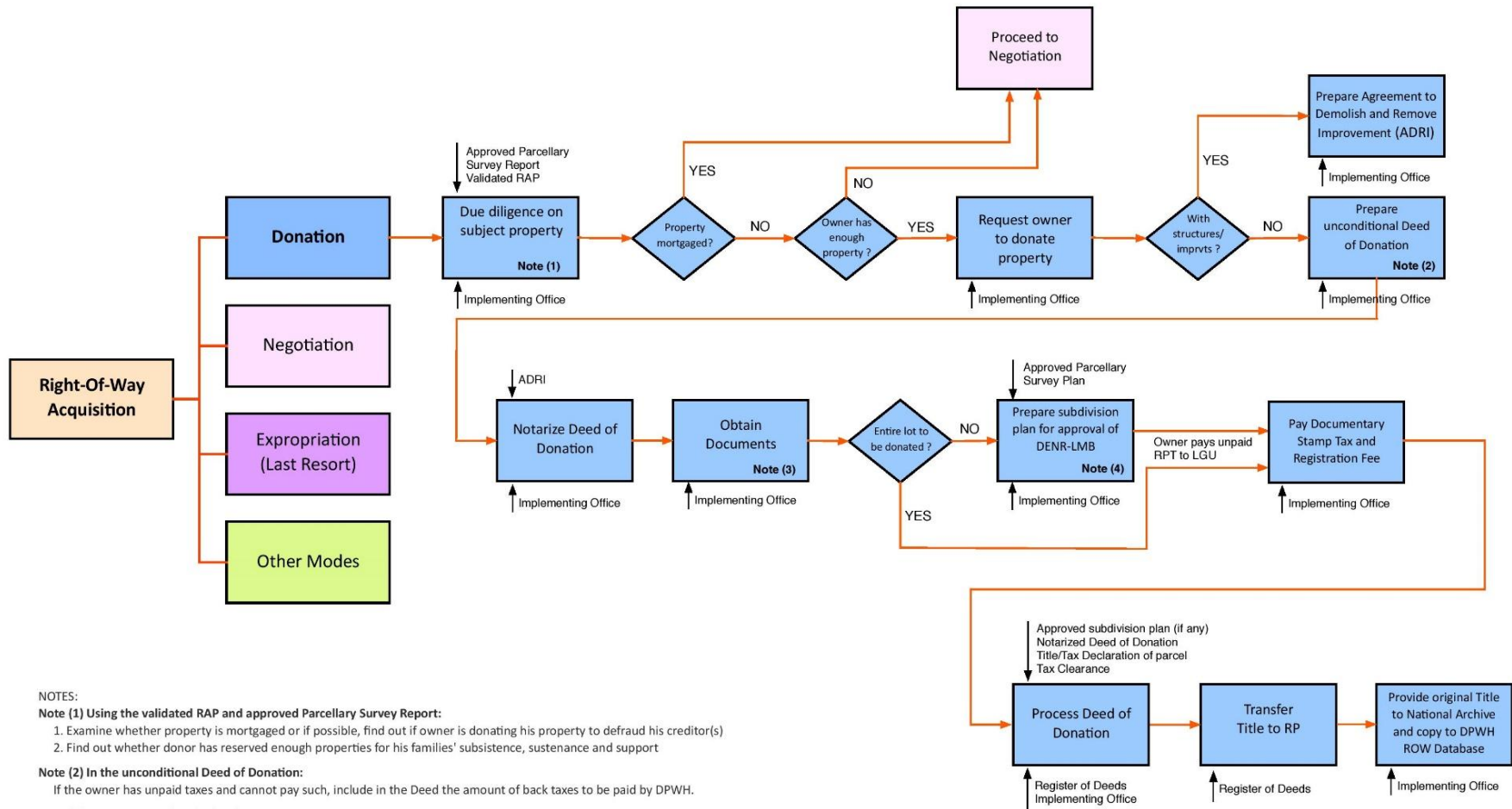
1. Using the Parcellary Survey Plan and the listings generated during the conduct of parcellary survey, schedule visits to each landowner.

2. Prepare a letter informing the property owners about the schedule of visits.
3. During house visits, maintain a pleasant atmosphere. Cite the benefits that will be derived once the project is implemented. One way is to cite cases wherein the value of properties adjacent to an acquired right-of-way significantly increased as a result of the construction/improvement of the roadway. Sound out the owner if he is willing to donate his property. Avoid mentioning about expropriation proceedings. If asked, assured the owner that it will be as a last recourse.
4. Check if the owner has unpaid real property taxes (arrears), using the Parcellary Survey Report. If not indicated in that report, obtain information about the matter from the concerned City/Municipal Treasurer's Office. If it verified that there are such unpaid taxes, request the owner to settle these taxes as a condition for the donation. If the owner cannot or is not willing to pay the unpaid back taxes, inform the owner that his property is not eligible for donation and, therefore, the acquisition of the property will be pursued through negotiated sale in accordance with **Section 2.17** of this DRAM.
5. If, however, the owner agrees to pay the unpaid taxes and donate his property, thank him and mention that he is doing his country a big favor. Tell him that you will prepare all the necessary documents, and will come back once these are completed.
6. Immediately prepare the unconditional Deed of Donation (format in **Appendix 29**) and Agreement to Demolish and Remove Improvements (ADRI) ((format in **Appendix 30**), using the data provided in the Parcellary Survey Report. Please refer to for the appropriate format of the Deed of Donation.
7. Inform the landowner about the schedule of your next visit.
8. During the next visit, bring with you the properly accomplished Deed of Donation and ADRI, and have it signed by the property owner.
9. Have the Deed signed by the Head of the IO, indicating its acceptance of the donation.
10. Borrow from the owner the TCT/OCT, or Emancipation Patent (EP), or Certificate of Land Ownership Award (CLOA) and tax clearance, for processing.
11. Have the Deed of Donation notarized.
12. Bring the notarized Deed of Donation, together with other necessary documents such as the TCT/OCT/EP/CLOA, Tax declaration, tax clearance, subdivision plan (if any), to the Register of Deeds for proper processing.
13. Pay the documentary stamp tax, transfer tax and registration fees, while the donor shall pay any unpaid real property tax.
14. Follow up processing of Deed of Donation at the Register of Deeds Office until the Title of the land is registered in the name of the Republic of the Philippines.

15. Provide copies of the Deed of Donation and updated Title or Tax Declaration to the Undersecretary concerned, the lot owner (if the property was subdivided), and the IU.
16. All titles/tax declarations shall be archived at the Office of the Undersecretary concerned.
17. If the owner opts not to donate his property, proceed to the preparation of the RAP.

WF 8. Work Flow for ROW Acquisition through Donation

ROW ACQUISITION PROCESS THROUGH DONATION



NOTES:

Note (1) Using the validated RAP and approved Parcellary Survey Report:

1. Examine whether property is mortgaged or if possible, find out if owner is donating his property to defraud his creditor(s)
2. Find out whether donor has reserved enough properties for his families' subsistence, sustenance and support

Note (2) In the unconditional Deed of Donation:

If the owner has unpaid taxes and cannot pay such, include in the Deed the amount of back taxes to be paid by DPWH.

Note (3): Documents to be obtained:

1. Title/Tax Declaration
2. Approved subdivision plan (if available)
3. Page of approved Parcellary Plan showing parcel
4. Tax clearance

Note (4): Before finalizing subdivision plan have the Owner conform to it

2.14 **ROW Acquisition through Deed of Exchange**

Objective: To acquire land by exchanging the property needed for ROW with an old abandoned road or government land near the project.

Lead Person: For projects at the CO: UPMO Cluster Director/PPPS Director
For other projects: RD/DE

Support:

- UPMO/PPPS staff
- RO staff
- DEO staff
- Office of the President

Overview:

Instead of being paid the money value of his property, the owner of a property needed for a ROW of a national government project may request the DPWH to exchange or barter an old abandoned government road or other government property near the project with his property. The IO may favorably consider this mode - especially when the lot being taken is from the owner is his only lot - subject to the provisions of relevant laws and the following conditions provided in Section 9 of the RA 10752-IRR:

- a. The exchange shall be done on a “value-for-value” basis, i.e., the properties being exchanged are equivalent in market value or price.
- b. If the government property to be exchanged with the private property was originally donated by a previous owner, the donation must be verified to ensure that there is no condition which prohibits the government from disposing of it to other private persons. If the government property was originally acquired through sale, the previous owner shall have the first priority to re-acquire the property if required by law or by the contract or deed of sale.
- c. Owners of property whose land abut the said abandoned government road or other property shall not be deprived of access, i.e., egress or ingress, to the new highway to be built, if any.
- d. The private property owner and the IO which are parties to the exchange or barter agreement shall be subject to applicable CGT and DST in accordance with BIR rules and regulations.

The IO shall follow the work flow shown in **WF 8** in undertaking ROW acquisition through the mode of exchange of property.

Procedure:

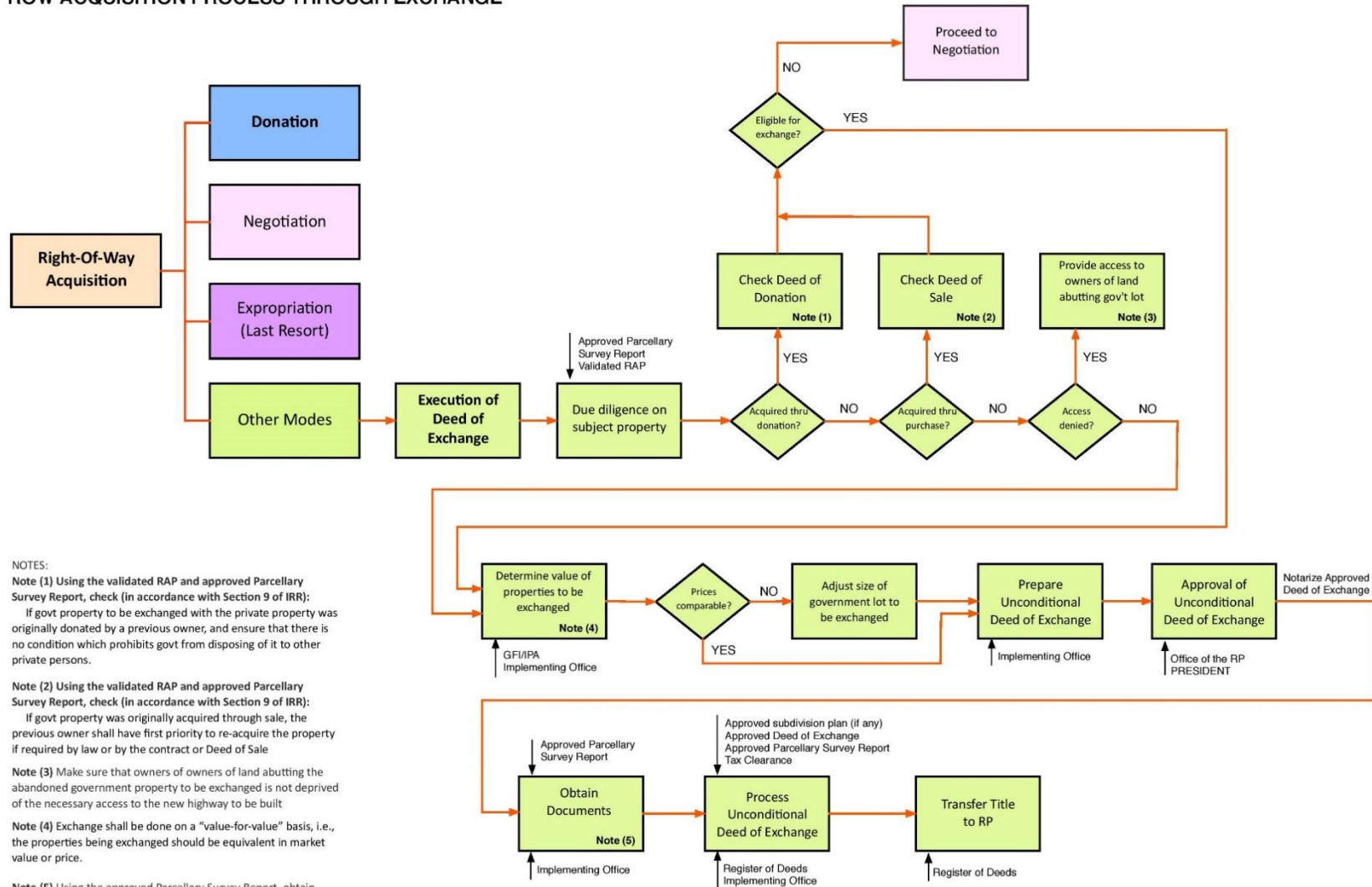
1. Upon receiving a request from a property owner for an exchange of and old abandoned road or government land for his property, obtain a copy of the Parcellary Survey Plan from the IU.
2. Using the Parcellary Survey Plan and the listings in it, determine the mode through which the old abandoned road/government lot was acquired. If it was through donation, proceed to the next step. If it was through negotiated sale, proceed to Step 4.
3. Secure the Deed of Donation that effected the acquisition of the abandoned road/government lot. Check the terms and conditions stipulated in the said Deed, to make sure that there are no conditions that would prohibit the Government from having it exchanged for another property (as stipulated in Section 9 of RA 10752-IRR). If the condition states that the property shall be reverted to its owner/heirs once the road/government lot is abandoned, then the said property will not be eligible for exchange, unless the former owners concur with the arrangement. Proceed to Step 4.
4. Obtain the Deed of Absolute Sale (DAS) which effected the acquisition of the abandoned road/government lot. Prepare a letter, to be signed by the IO Head informing the former owner that his property will be disposed, and that he, as the original owner, has the first priority to re-acquire said property (as provided in Section 9 of RA 10752-IRR). If he decides to re-acquire the said property, then it would become ineligible for exchange. If he declines, then a waiver should be prepared to indicate so.
5. Check if there are property owners whose lands about the subject abandoned road/government lot. If so, make sure that they are not deprived of the necessary access (egress or ingress) to the new highway.
6. Obtain the RAP for the project and take note of the value of land to be exchanged.
7. Go to the concerned Assessor's Office and/or the Office of the Register of Deeds and find out if the abandoned road or government lot to be exchanged is a government property; i.e., if the TCT is in the name of the Republic of the Philippines.
8. Go to the concerned BIR District Office and obtain value of abandoned road/government lot based on BIR zonal valuation.
9. Check if the values obtained in Steps 6 and 8 are comparable, or not. If so, proceed to the next step. If not, adjust the size of the abandoned road/government lot to be exchanged for the needed property, in such a way that their values would become almost equivalent.
10. Prepare the unconditional Deed of Exchange (use format in **Appendix 31**). Have it signed by the owner of the property needed for ROW, and the Head of the Implementing Office.
11. Request the Office of the President for approval of the unconditional Deed of Exchange.
12. Once the Office of the President approves the Deed of Exchange, fill up the necessary information in the Deed, such as lot number, area of property, Title number, technical description, etc., using the Parcellary Survey Report.

13. Have the Deed of Exchange notarized.

Within thirty (30) days of notarization, register the Deed with the Register of Deeds so that the old titles may be cancelled and new ones may be issued to the property owner and the Government.

WF 8. Work Flow for ROW Acquisition through Exchange

ROW ACQUISITION PROCESS THROUGH EXCHANGE



2.15 ROW Acquisition of Lands through Quit Claim (under CA 141)

Objective: To acquire ROW of lands granted through CA 141 using Quit Claim.

Lead Person: For projects at CO: UPMO Cluster/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/PPPS Staff
- RO Staff
- DEO Staff
- Legal Service

Overview:

In accordance with Section 4 of RA 10752 and Section 8 of RA 10752-IRR, in cases of lands granted through Commonwealth Act (CA) No. 141, dated 07 November 1936, known as the Public Land Act, and its amendments, the IO shall:

- a. follow the other modes of acquisition enumerated in the IRR, if the landowner is not the original patent holder and any latest previous acquisition of said land is not through a gratuitous title; or
- b. follow the provisions under CA 141 regarding acquisition of ROW on patent lands, if the landowner is the original patent holder or the acquisition of the land from the original patent holder is through a gratuitous title.

With respect to item b above, under the provisions of CA 141, particularly Section 112, a ROW strip not exceeding 20 meters in width within the land acquired under that law is reserved by the government for public use with damages to improvements only. CA 141 was amended by Presidential Decree (PD) No. 635, dated 07 January 1975, which increased the ROW strip reserved for public use to a width not exceeding 60 meters.

If the government decides to exercise its right to use the ROW strip reserved for public use within the land acquired under CA 141, the owner is required to execute a quit claim. The IO shall then take possession of the property affected by the ROW without any compensation to the owner for the land, but shall pay the owner the cost of the damages for the improvements within that land equivalent to their replacement cost as determined in accordance with Section 6.6 of the IRR. If the owner refuses or is unable to issue a quit claim, the concerned government officials responsible for the implementation of projects are authorized to immediately take possession of the portion of property subject of the lien, as the need arises and upon due notice to the owner. This is without prejudice to the IO resorting to appropriate proceedings to acquire immediate possession of the property.

PD 1381 also allows the government to utilize the reserved ROW strip for temporary buildings for Resident and/or Project Engineers needed in the prosecution of an infrastructure project. Once the infrastructure project is completed and the temporary buildings used by

Resident/Project Engineers are no longer needed, the possession of the portion of property used for the building shall revert to the title holders.

The IO shall extend financial assistance to the property owner in accordance with the provisions of Executive Order No. 1035, series of 1985.

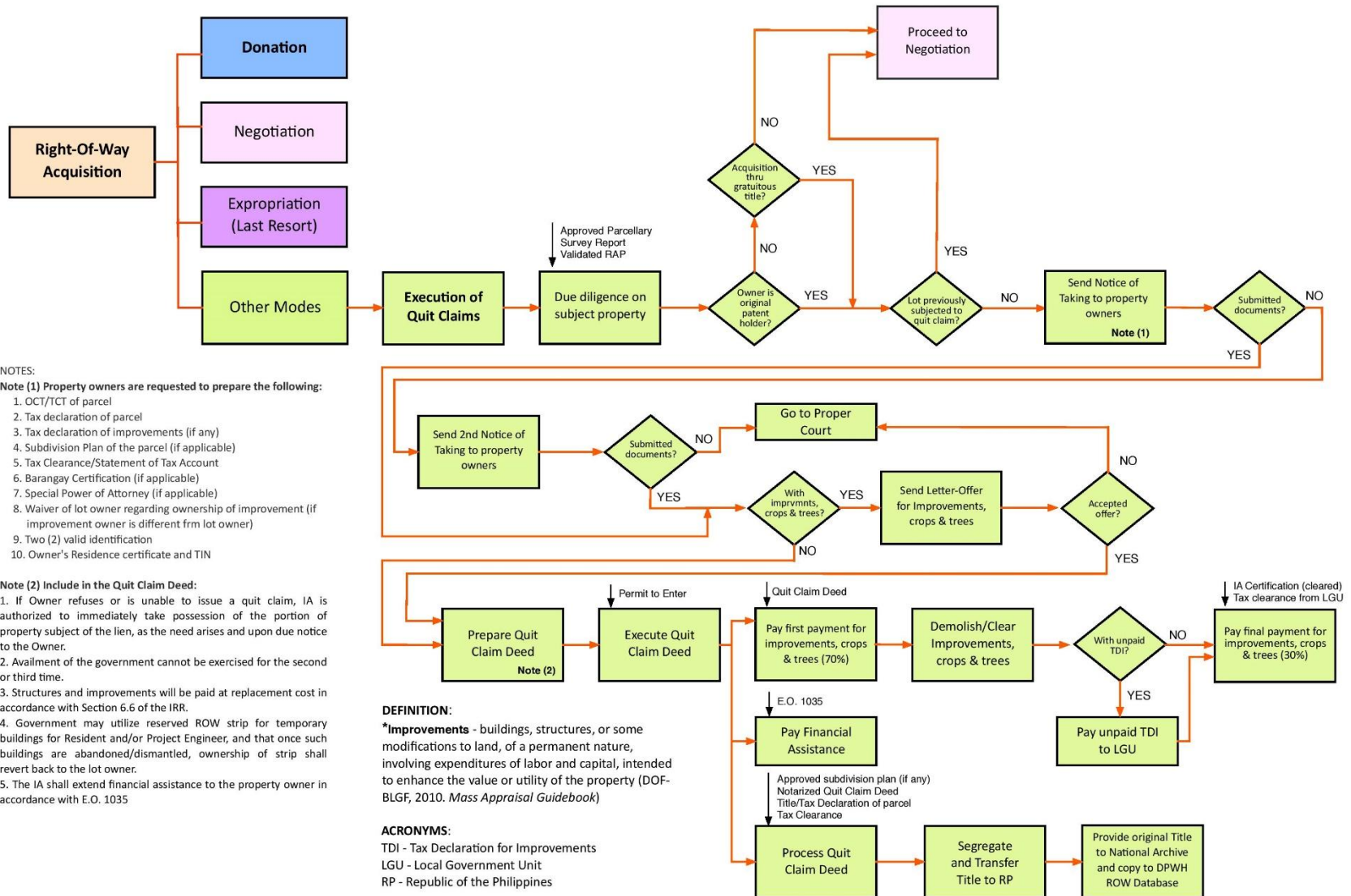
The IO shall observe the work flow shown in **WF 9** for the execution of a quit claim for ROW acquisition of properties covered by CA 141.

Procedure:

1. Check if the landowner is the original patent holder or if the acquisition of the land from the original patent holder is through a gratuitous title.
2. In case the landowner is not the original patent holder and the latest previous acquisition of said land is not through a gratuitous title, follow the applicable modes of acquisition enumerated in RA 10752-IRR as discussed in this Manual - particularly negotiated sale and expropriation.
3. In case the landowner is the original patent holder or the latest acquisition of the land from the original patent holder is through a gratuitous title, follow the provisions under CA 141, as amended, regarding acquisition of ROW on patent lands. In particular, Section 112 of CA 141, as amended by PD 635, provides that a ROW strip not exceeding 60 meters in width within the land acquired under CA 141 is reserved by the government for public use with damages to improvements only.
4. If the IO decides to exercise its right to use the ROW strip reserved for public use within the land acquired under CA 141, require the owner to execute a quit claim in accordance with the template in **Appendix 40** of this Manual.
5. Then take possession of the property affected by the ROW without any compensation to the owner for the land, but pay the owner the cost of the damages for the improvements within that land equivalent to their replacement cost as determined in accordance with Section 6.6 of RA 10742-IRR.
6. If the owner refuses or is unable to issue a quit claim, through the IU, immediately take possession of the portion of property subject of the lien, as the need arises and upon due notice to the owner. This is without prejudice to the IO resorting to appropriate proceedings to acquire immediate possession of the property.
7. In cases under PD 1381 which also allows the government to utilize the reserved ROW strip for temporary buildings for Resident and/or Project Engineers needed in the prosecution of an infrastructure project, once the infrastructure project is completed and the temporary buildings used by Resident/Project Engineers are no longer needed, ensure that the possession of the portion of property used for the buildings revert to the title holders.
8. Extend financial assistance to the property owner in accordance with the provisions of Executive Order No. 1035, series of 1985.

WF 9. Work Flow for ROW Acquisition through Execution of Quit Claim

ROW ACQUISITION PROCESS THROUGH EXECUTION OF QUIT CLAIMS



- NOTES:
- Note (1) Property owners are requested to prepare the following:**
1. OCT/TCT of parcel
 2. Tax declaration of parcel
 3. Tax declaration of improvements (if any)
 4. Subdivision Plan of the parcel (if applicable)
 5. Tax Clearance/Statement of Tax Account
 6. Barangay Certification (if applicable)
 7. Special Power of Attorney (if applicable)
 8. Waiver of lot owner regarding ownership of improvement (if improvement owner is different from lot owner)
 9. Two (2) valid identification
 10. Owner's Residence certificate and TIN

- Note (2) Include in the Quit Claim Deed:**
1. If Owner refuses or is unable to issue a quit claim, IA is authorized to immediately take possession of the portion of property subject of the lien, as the need arises and upon due notice to the Owner.
 2. Availment of the government cannot be exercised for the second or third time.
 3. Structures and improvements will be paid at replacement cost in accordance with Section 6.6 of the IRR.
 4. Government may utilize reserved ROW strip for temporary buildings for Resident and/or Project Engineer, and that once such buildings are abandoned/dismantled, ownership of strip shall revert back to the lot owner.
 5. The IA shall extend financial assistance to the property owner in accordance with E.O. 1035

DEFINITION:
***Improvements** - buildings, structures, or some modifications to land, of a permanent nature, involving expenditures of labor and capital, intended to enhance the value or utility of the property (DOF-BLGF, 2010. *Mass Appraisal Guidebook*)

ACRONYMS:
 TDI - Tax Declaration for Improvements
 LGU - Local Government Unit
 RP - Republic of the Philippines

2.16 ROW Acquisition by Easement of ROW

Objective: To acquire ROW through easement of ROW

Lead Office/Person: For projects at the CO: UPMO Cluster/PPPS Director
For other projects: RD/DE

Support:

- UPMO Cluster/PPPS Staff
- RO Staff
- DEO Staff

Overview:

This procedure is initiated after the completion of the DED of the project, but prior to the conduct of the Parcellary Survey. The ROW Plan shall be used to determine if the portion of land to be affected is eligible for acquisition through the Easement of ROW mode.

If the portion of a lot needed for a ROW is minimal, such that the expenses for surveying or segregating that portion from the main lot would be very much more than the value of the part of the lot needed, the IO may, if the property owner agrees, resort to the mode of Easement of ROW provided under the Civil Code.

Under this mode, a ROW easement agreement shall be executed by the property owner and the IO whereby the former will grant the latter the right to use the affected portion of the lot as ROW, but the owner retains ownership of that portion of the lot.

The IO shall pay the owner the value of that portion of the lot based on the existing zonal valuation declared by the BIR. In addition, the IO shall compensate the property owner the replacement cost of any improvements and structures on the land affected by the ROW in accordance with Section 6.6 of RA 10752-IRR as discussed in Section 2.10 of this Manual. Entry by the IO to the acquired property may be effected upon full payment of the value of the property. The IO may engage the services of an IPA to determine the amount of the easement to be paid.

The mode of ROW acquisition through easement agreement may also be used in government agency-to-agency transactions, including those involving government-owned and controlled corporations.

Procedure:

1. From the ROW Plan and the ROW Action Plan (RAP), check if the value of land needed for ROW would be less than the cost for conducting a Parcellary Survey and segregating it from the main lot. This can be done by computing for the area (usually, length x width) needed for ROW (from the ROW Plan) and multiplying it with the BIR zonal valuation (from the RAP). Compare this with the cost for conducting a Parcellary Survey and segregating said portion of the land from the main lot.

2. If the cost of the portion of land to be taken is greater than the cost for conducting a Parcellary Survey for the said portion of land, plus the cost for segregating said portion from the main lot, the easement of ROW mode is not applicable; proceed to **Section 2.9**. Otherwise, proceed to the next step.
3. If the cost of the portion of land to be taken is less than the cost for conducting a Parcellary Survey for the said portion of land, plus the cost for segregating said portion from the main lot, prepare the Notice of Taking informing the property owner about the need to acquire a portion of their property to give way to a government project. Indicate in the same letter that his property is eligible for acquisition through the easement of ROW mode.
4. In the same letter, inform the landowner that you will visit him at a pre-set schedule so that you can explain the mechanics for executing the Easement of ROW Agreement.
5. Upon visiting the landowner, inform him about the need to acquire a portion of his land to make way for a government infrastructure project. Show him a copy of the ROW Plan, and describe the size of the area needed for ROW.
6. Explain that, instead of executing a Deed of Absolute Sale which would transfer the ownership of the said portion of land to the government, an Easement of ROW Agreement can be executed. Cite that an Easement Agreement will be more beneficial to him since he will retain ownership of the land, and that only a right to use a portion of his property as ROW shall be requested from him.
7. Emphasize that although only a right to use a portion of his property as ROW shall be requested from him, the government through the IO shall compensate him for the portion of land based on BIR zonal valuation, plus the Replacement Cost for the structures and improvements (if any) found on the said portion of land.
8. If the owner accepts the offer, execute the Easement of ROW Agreement (**Appendix 32**). A Permit to Enter (**Appendix 33**) to the property should be issued by the property owner so that the project may commence. If the owner rejects the offer, go to the proper courts and request for the necessary injunction.
9. Obtain the approved RAP and take note of the amount of compensation for the affected portion of land plus the replacement cost for the improvements (if any). The compensation is equivalent to the value of that portion of the lot based on the existing BIR zonal valuation. In addition, the compensation shall include the replacement cost of any improvements and structures on the land affected by the ROW in accordance with Section 6.6 of RA 10752-IRR as discussed in **Section 2.9** of this Manual.
10. Prepare the voucher in the amount obtained in Step 9.
11. Obtain a copy of the OCT/TCT.
12. Register the Easement Agreement with the Register of Deeds concerned within ten (10) days from the date of its execution. Have the Register of Deeds annotate the Easement Agreement on the OCT/TCT within seven (7) days from receipt thereof.

13. Provide the IO database copies of the Easement Agreement and OCT/TCT.
14. To clear the ROW, follow **Sections 2.24 to 2.27** of this DRAM.

2.17 ROW Acquisition through Negotiated Sale

Objective: To acquire ROW through negotiated sale.

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/PPPS Staff
- RO Staff
- DEO Staff
- Legal Service
- GFI/IPA

Overview:

Negotiated sale is the preferred mode of ROW acquisition (after donation) and should be explored before resorting to expropriation.

RA 10752 aims to make negotiated sale more attractive (than expropriation) to property Owners, by reducing negotiation time and providing realistic prices. It replaces the previous lengthy and cumbersome two-step procedure (under RA 8974) which involved:

- a. First offer - BIR zonal valuation - which was often too low and usually rejected by the Owner.
- b. Second offer - market value – which was often difficult to agree on

Under the old law, many IOs were reluctant to negotiate the market value for the following reasons:

- a. The law was vague on the terms and implementation of negotiation with the Owners.
- b. Most IOs did not have the in-house competence to determine the fair market value of the lot, and did not have a clear legal cover to hire independent property appraisers.
- c. IOs found it risky to offer real market values of land/crops/trees and replacement costs of improvements, acceptable to the Owners, and not susceptible to disallowance upon audit.
- d. The option of using the appraisal by the Appraisal Committee composed of the LGU Assessor/Treasurer, GFI, and BIR was often open to bias usually in favor of land Owners.

Under RA 10752, the IO shall immediately offer (first and final) to the Owner, as compensation price, the sum of (a) the current fair market value of the land, (b) the replacement cost of structures and improvements, and (c) the current fair market value of crops and trees.

To determine the price offer, the IO may procure the technical services of a GFI or an IPA. The IO may use the GFI/IPA appraisal reports, as duly validated, as one of bases of IO's price offer for negotiated sale. The IO is encouraged to develop its in-house personnel capable of validating appraisal reports.

The IO shall follow the work flow for negotiated sale shown in **WF 11**.

Procedure:

1. Using the approved Parcellary Survey Report, Final RAP, and available GFI/IPA reports, determine the number and names of the property Owners.
2. Prepare the Notice of Taking to each property Owner, informing it of the following:
 - a. The need to acquire its property to give way to a government infrastructure project.
 - b. The intent of the IO to acquire the property through negotiated sale.
 - c. The provision in RA 10752 that no National Government Agency or LGU shall, within two years from the date of the Notice of Taking, allow any development or construction, or issue any building, construction, development or business permit, within the ROW, which is contrary to the approved plans and purposes of the project.
 - d. The requirement for it to submit to the IO, within thirty (30) days, the following documents as proof of ownership of the property:
 - (1) Owner's copy of CT/OCT/EP/CLOA of the lot.
 - (2) Two (2) valid identification cards.
 - e. The statement that, if the Owner refuses or fails to submit the two documents enumerated in item d above as proof of its ownership within thirty (30) days, the IO shall initiate expropriation proceedings in accordance with the provisions of **Section 2.19** of this Manual, provided that, should the Owner be able to eventually submit the two required documents after the set deadline, the IO may request the OSG to withdraw the expropriation complaint and revert to negotiated sale.
3. Once the Owner submits the required documents in item 2-d, validate the final RAP in accordance with **Section 2.6** of the DRAM, and set the appropriate price offer for negotiated sale, based on RA 10752 which provides that the IO shall offer, as compensation price, the sum of the following:
 - a. Current market value of the land.
 - b. Replacement cost of structures and improvements therein.
 - c. Current market value of crops and trees therein.
4. Send the corresponding Letter-Offer to the Owner, indicating the price offer for negotiated sale, and requesting it to accept or reject the offer in writing within thirty (30) days.
5. If the Owner accepts the price offer within thirty (30) days, execute a Deed of Absolute Sale (DAS) between the Owner and the DPWH (See **Section 2.18**).
 - a. In case of land with improvements and/or crops and trees, the DAS shall provide a stipulation allowing the IO to demolish and remove them. The DAS shall also include a stipulation on the right of the IO to immediately enter the property (i.e., Permit to Enter) and implement the Project.
 - b. In case the sale pertains to structures/improvements only, the Owner and the IO shall execute an Agreement to Demolish and Remove Improvement (ADRI), provided that the Owner has submitted to the IO documents to establish proof of Ownership of said structures/improvements (e.g., Certification from Barangay). The IO shall remit to the

concerned LGU any unpaid tax on such structures/ improvements, to be deducted from the negotiated price.

6. If the Owner rejects the price offer or fails and/or refuses to submit the documents necessary for payments within thirty (30) days, immediately initiate expropriation proceedings as provided in **Section 2.19** of the Manual.
7. Make payments to the concerned Owner in accordance with the provisions of **Section 2.18** (DAS) of the Manual.
8. Compute the Capital Gains Tax (CGT) based on the actual consideration stated in the Deed of Sale, as expressed below:

$$AC = NAC + CGT$$

where:

AC = Actual Consideration indicated in Deed of Absolute Sale to be appropriated and paid out by IO for the negotiated sale,

NAC (or Net Actual Consideration) = Compensation Price offered by IO to Owner in accordance with IRR Sec. 6.1, net of CGT, and

CGT = Capital Gains Tax to be paid by IO to BIR, for the account of the Owner.

Since $CGT = x\%$ of AC,

then $NAC = AC - CGT = 100\%AC - x\%AC = (100\% - x\%)AC$,

and, therefore, $AC = NAC / (100\% - x\%)$, or grossed-up value.

Thus, if $CGT = 6\%$ AC;

$$\text{then } AC = NAC / (100\% - 6\%) = NAC / 94\% = 1.0638NAC$$

Illustrative Example of Computation for CGT

- Given:
 - Net Actual Consideration (NAC) offered by IO to and accepted by property Owner, based on Fair Market Value of property as determined by GFI/IPA and accepted by IO = PhP1,000,000.
 - Applicable Capital Gains Tax (CGT) = 6%
- Computations:
 - Net Amount to be paid to property Owner = NAC = PhP1,000,000.
 - Gross Amount to be appropriated/allocated by IOA = Actual Consideration (AC):
 $AC = NAC / (100\% - 6\%) = NAC / 94\% = 1.0638NAC = \text{PhP}1,063,830$.
 - CGT to be paid by IO to BIR for account of Owner = 6% of AC = $0.06 \times \text{PhP}1,063,380 = \text{PhP}63,830$.

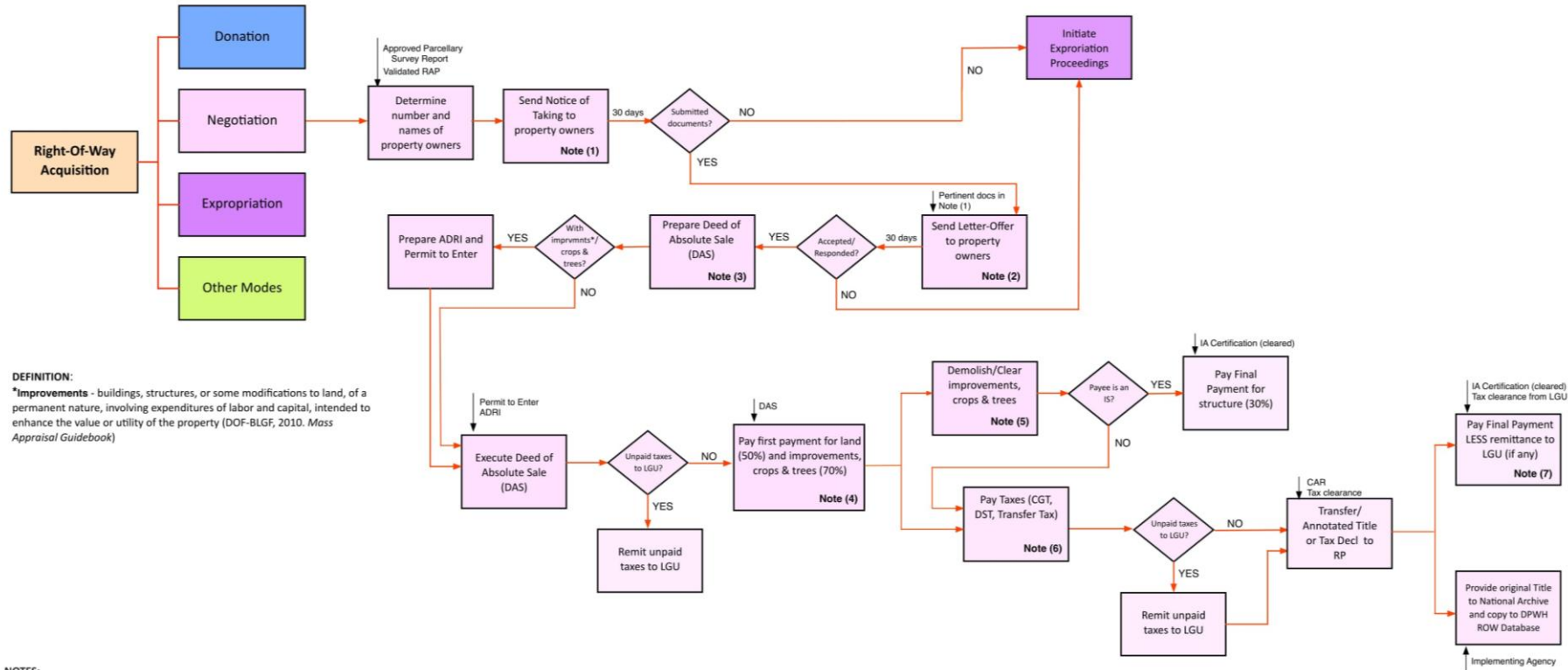
The above provision pertaining to the CGT applies only to the negotiated sale of property classified as capital assets. Negotiated sale of property classified as ordinary assets are subject to the existing BIR rules and regulations.

9. Pay, for the account of the Owner (i.e., out of the AC), the CGT to the BIR, within thirty (30) days after (a) the release of the initial payments specified above or (b) the notarization of the DAS, whichever is earlier.
10. Pay also to the BIR the Documentary Stamp Tax (DST), computed as 1.5% of the AC, within five (5) days after the closing of the month when the Deed of Sale is notarized.
11. Pay to the Register of Deeds the transfer tax and registration fees.
12. Provide the National Archive the original Title of the property acquired.
13. Provide the DPWH ROW Database a copy of the Title of the acquired property.

Special Cases

1. In case of untitled lands, compensate the Owner using the same procedures above, provided that Owner shall present the following:
 - a. Tax Declaration showing his and his predecessors' open and continuous possession of the property for at least thirty (30) years.
 - b. Certification from the DENR that the land is alienable and disposable.
 - c. Other documents that may show proof of Ownership.
2. In case of failure to establish Ownership over the land, but where structures/improvements are introduced thereon, the apparent Owner may be entitled to compensation for the structures/improvements, subject to the procedure in this DRAM for Owners who own the structures/improvements on the land but have no legal rights to the land.

WF 9. Work Flow for ROW Acquisition through Negotiated Sale



DEFINITION:
***Improvements** - buildings, structures, or some modifications to land, of a permanent nature, involving expenditures of labor and capital, intended to enhance the value or utility of the property (DOF-BLGF, 2010. *Mass Appraisal Guidebook*)

- NOTES:**
- Note (1) Notice of taking shall include the following:**
1. Need to acquire property for a government infrastructure project
 2. Intent of IO to acquire thru negotiated sale
 3. Provision of R.A. 10752 not to allow any development or construction within the ROW within 2 years
 4. Requirement for owner to submit to IO within 30 days the following:
 - a. Owners copy of title
 - b. Two valid IDs
- Note (2):** State in the Letter-Of that if owner rejects offer or fails to respond within 30 days, DPWH shall initiate expropriation proceedings.
- Note (3):** In preparing the DAS, the following, as applicable must be included:
 In case of land with structures and other improvements, DAS shall provide a stipulation allowing IA to demolish and remove them (ADRI). DAS shall also include a stipulation on the right of IA to immediately enter the property and implement the Project (PTE).
- Note (4):** Payments to owners of structures who do not have legally recognized rights to the land must meet the following criteria (Sec. 6.8 of IRR):
 1. Must be a Filipino citizen
 2. Must not own any real property or any other housing facility
 3. Must not be a professional squatter or member of squatting syndicate as defined in RA 7279
 4. Must not occupy existing government R-O-W

- Note (5): Demolition may be:**
1. Done by the owner, in which case payment shall be the replacement cost plus the demolition cost; OR
 2. Undertaken by the DPWH, either by administration or by contract
- Note (6): IA shall pay:**
1. CGT to BIR (for the account of the Owner) within 30 days after release of first payment or notarization of DAS, whichever is earlier
 2. DST to BIR within five (5) days after the close of the month when the DAS is notarized.
- Note (7): Final Payment shall be equivalent to:**
1. 50% of negotiated price for land exclusive of unpaid taxes remitted to LGU
 2. 30% of negotiated price for structures, improvements, crops and trees exclusive of unpaid taxes remitted to LGU

ACRONYMS:
 RAP - ROW/Resettlement Action Plan
 DAS - Deed of Absolute Sale
 ADRI - Agreement to Demolish & Remove Improvements
 PTE - Permit to Enter
 CGT - Capital Gains Tax
 DST - Documentary Stamps Tax
 RP - Republic of the Philippines
 LGU - Local Government Unit

2.18 Preparation of Deed of Absolute Sale

Objective: To prepare a Deed of Absolute Sale (DAS), with payment schemes, prior to perfection of negotiated sale

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/PPPS Staff
- RD Staff
- DEO Staff
- Legal Service

Procedure:

1. If the property owner accepts the price offer of the IO to acquire his property through negotiated sale (See **Section 2.18** of this Manual), secure from the Owner and validate the following documents needed for the DAS:
 - a. Owner's duplicate of the Original/Transfer Certificate of Title (IO must validate this with the Register of Deeds copy of the OCT/TCT in the IO's possession)
 - b. Tax Declaration of parcel
 - c. Tax Declaration of improvements (except for informal settler (IS)-owners)
 - d. Subdivision Plan of the parcel
 - e. Tax Clearance or, if the landowner requests the IO to advance the payment of Real Property Taxes to be deducted from the payment, a Statement of Tax Account from the Treasurer of the LGU concerned
 - f. Copies of two (2) valid identification cards
 - g. Owner's Taxpayer Identification Number (TIN)
 - h. If applicable, where the improvement owner is different from lot owner and is authorized to build on the land, a certification from the lot owner that the improvement built therein is owned by the improvement owner
 - i. If applicable, where the improvement owner is an informal settler, any document showing that he is a Filipino citizen; a certification from the Land Registration Authority that there is no property registered under his name, whether in an urban or rural area; a certification from the Local Inter-Agency Committee (LIAC) that he is not a professional squatter or a member of a squatting syndicate, as defined in Republic Act No. 7279, otherwise known as the "Urban Development and Housing Act of 1992" and does not occupy an existing government ROW.
 - j. If applicable, Special Power of Attorney
 - k. Other documents that may be found necessary by the IO to ensure transfer of the property to the Republic
2. Execute a DAS between the DPWH and the owner, using the template forms in **Appendices 34-38**.

- DAS-1 – Deed of Absolute Sale – Land, Structures/Improvements, and Crops/Trees (Capital Assets) (**Appendix 34**).
- DAS-2 – Deed of Absolute Sale – Land, Structures/Improvements, and Crops/Trees (Ordinary Assets) (**Appendix 35**).
- DAS-3 – Extrajudicial Settlement of Estate with Deed of Absolute Sale (**Appendix 36**).
- DAS-4 – Deed of Absolute Sale – Land Only (Capital Assets) (**Appendix 37**).
- DAS-5 – Deed of Absolute Sale – Land Only (Ordinary Assets) (**Appendix 38**)

3. Ensure the inclusion of the following provisions of the DAS pertaining to the schedule of payments of the negotiated consideration or Total Price to the property owner:

DAS-1 - Deed of Absolute Sale – Land, Structures/Improvements, and Crops/Trees (Capital Assets)

- a. First payment --- to be made upon the execution of this Deed --- covering the sum of the following amounts, less any unpaid Real Property Taxes on the Affected Property that are due as of the end of the quarter covering this Deed of Absolute Sale, as hereinafter provided:
- (1) Fifty percent (50%) of the abovementioned Price of the Affected Land, or Philippine Pesos _____ (PhP _____).
 - (2) Seventy percent (70%) of the abovementioned Price of the Affected Structures and Improvements, or Philippine Pesos _____ (PhP _____).
 - (3) Seventy percent (70%) of the abovementioned Price of the Affected Crops and Trees, or Philippine Pesos _____ (PhP _____).
- b. Second and final payment --- to be made (a) at the time of the transfer of the Title in the name of the Republic of the Philippines, in case the land is wholly affected or (b) at the time of the annotation of this Deed on the Title, in case the land is partially affected, provided that the land is already completely cleared of structures, improvements, crops and trees, as certified by the Head of the Implementing Office (IO) for the Project --- in the following amounts, less any unpaid Real Property Taxes, as hereinafter provided:
- (1) Remaining fifty percent (50%) of the abovementioned Price of the Affected Land, or Philippine Pesos _____ (PhP _____).
 - (2) Remaining thirty percent (30%) of the abovementioned Price of the Affected Structures and Improvements, or Philippine Pesos _____ (PhP _____).
 - (3) Remaining thirty percent (30%) of the abovementioned Price of the Affected Crops and Trees, or Philippine Pesos _____ (PhP _____).

DAS-2 - Deed of Absolute Sale – Land, Structures/Improvements, and Crops/Trees (Ordinary Assets)

- a. First payment --- to be made upon the execution of this Deed --- covering the sum of the following amounts, less any unpaid Real Property Taxes on the Affected Property that are due as of the end of the quarter covering this Deed of Absolute Sale, as hereinafter provided:
- (1) Fifty percent (50%) of the abovementioned Price of the Affected Land, or Philippine Pesos _____ (PhP _____).
 - (2) Seventy percent (70%) of the abovementioned Price of the Affected Structures and Improvements, or Philippine Pesos _____ (PhP _____).
 - (3) Seventy percent (70%) of the abovementioned Price of the Affected Crops and Trees, or Philippine Pesos _____ (PhP _____).
- b. Second and final payment --- to be made (a) at the time of the transfer of the Title in the name of the Republic of the Philippines, in case the land is wholly affected or (b) at the time of the annotation of this Deed on the Title, in case the land is partially affected, provided that the land is already completely cleared of structures, improvements, crops and trees, as certified by the Head of the IO for the Project --- in the following amounts, less any unpaid Real Property Taxes, as hereinafter provided:
- (1) Remaining fifty percent (50%) of the abovementioned Price of the Affected Land, or Philippine Pesos _____ (PhP _____).
 - (2) Remaining thirty percent (30%) of the abovementioned Price of the Affected Structures and Improvements, or Philippine Pesos _____ (PhP _____).
 - (3) Remaining thirty percent (30%) of the abovementioned Price of the Affected Crops and Trees, or Philippine Pesos _____ (PhP _____).

DAS-3 - Extrajudicial Settlement of Estate with Deed of Absolute Sale

- a. First payment --- to be made upon the execution of this Deed --- equivalent to fifty percent (50%) of the said Total Price of the Affected Land, or Philippine Pesos _____ (PhP _____), less any unpaid Real Property Taxes on the Affected Land that are due as of the end of the quarter covering this Deed of Absolute Sale, as well as Estate Tax due from the HEIRS/FIRST PARTY.
- b. Second and final payment --- to be made (a) at the time of the transfer of the title in the name of the Republic of the Philippines, in case the land is wholly affected, or (b) at the time of the annotation of this Deed on the title, in case the land is partially affected, provided that the land is already completely cleared of structures, improvements, crops and trees, as certified by the Head of the IO for the Project --- equivalent to the remaining fifty percent (50%) of the said Total Price of the Affected Land, or Philippine Pesos _____ (PhP _____), less any unpaid Real Property Taxes.

DAS-4 - Deed of Absolute Sale – Land Only (Capital Assets)

- a. First payment --- to be made upon the execution of this Deed --- equivalent to fifty percent (50%) of the said Total Price of the Affected Land, or Philippine Pesos _____ (PhP _____), less any unpaid Real Property Taxes on the Affected Land that are due as of the end of the quarter covering this Deed of Absolute Sale.
- b. Second and final payment --- to be made (a) at the time of the transfer of the title in the name of the Republic of the Philippines, in case the land is wholly affected, or (b) at the time of the annotation of this Deed on the title, in case the land is partially affected, provided that the land is already completely cleared of structures, improvements, crops and trees, as certified by the Head of the IO for the Project --- equivalent to the remaining fifty percent (50%) of the said Total Price of the Affected Land, or Philippine Pesos _____ (PhP _____).

DAS-5 - Deed of Absolute Sale – Land Only (Ordinary Assets)

- a. First payment --- to be made upon the execution of this Deed --- equivalent to fifty percent (50%) of the said Total Price of the Affected Land, or Philippine Pesos _____ (PhP _____), less any unpaid Real Property Taxes on the Affected Land that are due as of the end of the quarter covering this Deed of Absolute Sale.
 - b. Second and final payment --- to be made (a) at the time of the transfer of the title in the name of the Republic of the Philippines, in case the land is wholly affected, or (b) at the time of the annotation of this Deed on the title, in case the land is partially affected, provided that the land is already completely cleared of structures, improvements, crops and trees, as certified by the Head of the IO for the Project --- equivalent to the remaining fifty percent (50%) of the said Total Price of the Affected Land, or Philippine Pesos _____ (PhP _____), less the Expanded Withholding Tax, which is for the account of the SECOND PARTY, and less any unpaid Real Property Taxes.
4. Ensure the inclusion of the following provisions in the DAS:
- a. The IO shall remit to the BIR, for the account of the owner, the corresponding Capital Gains Tax (CGT) / Value Added Tax (VAT) and Expanded Withholding Tax on the sale of the said affected portion of the Property, to be deducted from the consideration or Total Price in the DAS.
 - b. The IO shall remit to the LGU concerned any unpaid Real Property Taxes (RPT) of the Owner, to be deducted from the consideration or Total Price in the DAS.
 - c. The IO shall pay the corresponding Documentary Stamp Tax (DST) to the BIR, Transfer Tax to the Provincial/City Treasurer's Office, and Registration Fees to the Register of Deeds, to be funded from appropriate funds of the IO outside the said compensation or Total Price in the DAS.

5. Submit, for review, the draft DAS to the Legal Staff of the RO. The review must be completed within five (5) working days.
6. After the review of the Legal Staff, submit the draft DAS to the RD for approval.

2.19 ROW Acquisition through Expropriation

Objective: To acquire ROW by means of expropriation proceedings.

Lead Persons: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- Legal Service Officer/RO Legal Officer duly deputized by the Office of the Solicitor General (OSG)
- OSG
- Regional Trial Court (RTC)
- Provincial/City Prosecutor
- UPMO Cluster/PPPS Staff
- RO Staff
- DEO Staff

Overview:

Eminent domain is the power of the nation or a sovereign state to take, or to **authorize the taking of, private property for a public use without the Owner's consent**, conditioned upon payment of just compensation.” (Brgy. Sindalan, San Fernando, Pampanga vs. Court of Appeals, et al. G.R. No. 150640 citing 26 AMJur 2d 638)

Article III, Section 9, of the Philippine Constitution provides that *Private property shall not be taken for public use without just compensation.*

Article III, Section 1 of the Constitution provides that *No person shall be deprived of life, liberty, or property without due process of law, nor shall any person be denied the equal protection of the laws.*

Rule 67, Section 1 (Complaint), of the Rules of Court provides that *The right of eminent domain shall be exercised by the filing of a verified complaint which shall state with certainty the right and purpose of expropriation, describe the real or personal property sought to be expropriated, and join as defendants all persons owning or claiming to own, or occupying, any part thereof or interest therein, showing, so far as practicable, the separate interest of each defendant. If the title to any property sought to be expropriated appears to be in the Republic of the Philippines, although occupied by private individuals, or if the title is otherwise obscure or doubtful so that the plaintiff cannot with accuracy or certainty specify who are the real Owners, averment to that effect shall be made in the complaint.*

The Right of Eminent Domain shall be exercised by filing an expropriation complaint. The Complaint shall contain:

- Right and Purpose of Expropriation
- Description of the Property
- Name of persons owning, claiming or occupying the said property

- If the title to any property **appears** to be with the Republic or otherwise obscure or doubtful... averment to that effect shall be made in the complaint.

The power of eminent domain can only be exercised for public use and with just compensation. Taking an individual's private property is a deprivation which can only be justified by a higher good—which is public use - and can only be counterbalanced by just compensation. Without these safeguards, the taking of property would not only be unlawful, immoral, and null and void, but would also constitute a gross and condemnable transgression of an individual's basic right to property as well.

Other principles in expropriation include the following:

- *whatever is beneficially employed for the community.*
- *the full and fair equivalent of the property taken from its Owner by the expropriator, and (that) the gauge for computation is not the taker's gain but the Owner's loss."*

Expropriation should be the last resort in acquiring infrastructure ROW. In accordance with RA 10752-IRR Section 7, the IO may resort to the mode of expropriation to acquire real property for the ROW for a national government infrastructure in any of the following cases:

- a. If negotiated sale fails, i.e., if, within thirty (30) days after receiving the price offer from the IO, the property Owner:
 - (1) refuses or fails to accept the price offer for negotiated sale; or,
 - (2) fails and/or refuses to submit the documents necessary for payment under the negotiated sale; or,
- b. When negotiation is not feasible, including cases where, after due diligence:
 - (1) the Owner of the property cannot be found *or*
 - (2) the Owner is unknown *or*
 - (3) the Owner is deceased and the estate has not been settled *or*
 - (4) there are conflicting claims over the Ownership of the property and improvements and/or structures thereon.

The IO, through the OSG, shall initiate the expropriation proceedings by filing a verified complaint before the proper Court.

The IO shall immediately deposit to the Court in favor of the Owner, the sum of: the value of the land based on the current relevant BIR zonal valuation, the replacement cost at current market value of the structures and improvements, and the current market value of crops and trees.

Upon compliance with the deposit, the Court is expected to immediately issue an order to take possession of the property - through a Writ of Possession (WOP) - to the IO which shall start implementation of the project.

The Court is expected to release the said deposit to the Owner upon presentation of sufficient proofs of Ownership.

The Court is expected to determine the just compensation to be paid the Owner within sixty (60) days from filing of expropriation case. When the decision of the Court becomes final and executory, the IO shall pay the Owner the difference between the amount already paid (deposit) and the just compensation as determined by the Court.

The IO shall follow the work flow shown in **WF 10** in acquiring ROW through expropriation proceedings.

Procedure:

1. If negotiation has failed or the IO has determined that negotiation is not feasible, request the OSG, in writing, to initiate the expropriation proceedings before the proper Court. Each endorsement shall contain copies of the following documents for each parcel of land and improvements to be expropriated:
 - a. Notice of Taking issued to the Owner, with the IO certification that the Owner has refused or failed to submit the two required documents as proof of ownership within thirty (30) days; or - after submitting the two documents required in the Notice of Taking - Letter-Offer for the proposed negotiated price, with the IO certification that the Owner has refused or failed to accept the price offer within thirty (30) days.
 - b. Certified true copy of the Title (OCT or TCT) of the parcel of land to be expropriated (from the Register of Deeds).
 - c. Certified true copy of the Tax Declaration of the parcel of land to be expropriated (from assessor).
 - d. Certificate from the BIR of the Zonal Valuation of the parcel of land to be expropriated.
 - e. Page of the parcellary plan where the parcel of land to be expropriated is indicated (from the IO).
 - f. Subdivision plan of the parcel of land to be expropriated indicating therein the portion to be expropriated (from the IO).
 - g. Technical description of the portion of the parcel of land to be expropriated (from the IO).
 - h. Replacement Cost Estimate of the structures/improvements to be expropriated (from the IO).
 - i. Certified true copy of the Tax Declaration of the structures/improvements to be expropriated (from the IO).
 - j. Copy of the valuation of crops and trees, if any.
 - k. Project ECC, or equivalent document issued by the DENR
 - l. Project RAP (from the IO).
 - m. Appraisal reports relevant to the project/property (from the IO).

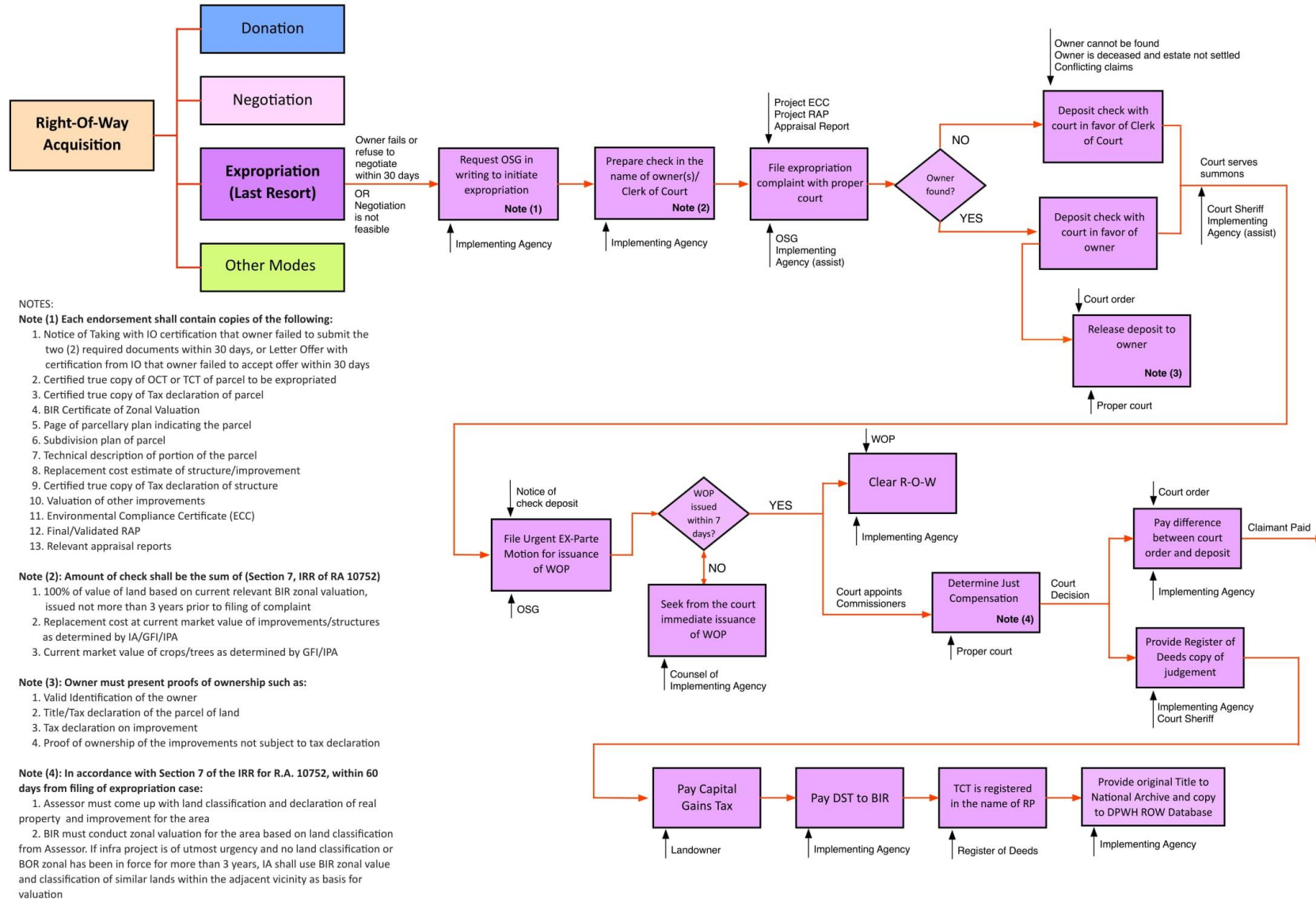
All of the above documents shall be collated inside a folder, and such folder clearly indicating: (i) the name of the project, (ii) the index number as indicated in the parcellary plan of the property; and (iii) the name of the Owner.

2. In the preparation of the BIR Certificate of Zonal Valuation (1d above), remind the BIR of the following:
 - a. In provinces, cities, municipalities and other areas where there is no land classification, the city/municipal assessor is mandated under RA 10752, within sixty (60) days from filing of expropriation case, to come up with the land classification and declaration of real property and improvement for the area. (IRR Sec. 7)
 - b. In provinces, cities, municipalities and other areas where there is no zonal valuation, or where the current zonal valuation has been in force for more than three (3) years, the BIR is mandated under RA 10752, within sixty (60) days from filing of expropriation case, to conduct a zonal valuation for the area, based on the land classification done by the assessor. (IRR Sec. 7)
 - c. In case completion of an infrastructure project is of utmost urgency and importance, and there is no land classification or no existing zonal valuation of the area or zonal valuation has been in force for more than three (3) years, the IOA shall use the BIR zonal value and land classification of similar lands within the adjacent vicinity as the basis for the valuation (IRR Sec. 7).
3. Initiate the preparation of a check equivalent to the amount of deposit required pursuant to **Section 2.23** of the DRAM. The check to be prepared shall be in the name of the Owners of the parcel of land or improvement to be expropriated or the Clerk of Court of the appropriate Court where the expropriation case will be filed. The amount in the checks shall be the sum of the following (IRR Sec. 7):
 - a. 100% of value of land based on the current relevant zonal valuation of the BIR, issued not more than three (3) years prior to filing of the expropriation complaint.
 - b. Replacement cost at current market value of improvements/structures as determined by the IO/GFI/IPA.
 - c. Current market value of crops/trees as determined by the GFI/IPA.
4. The OSG will file the expropriation complaint with the proper Court with the assistance of the IO.
5. Deposit the check with the Court where the expropriation case is lodged in favor of the Owner of the parcel of land or improvement to be expropriated. In case the Owner cannot be found, is unknown, or is deceased in cases where the estate has not been settled, after exerting due diligence, or there are conflicting claims over the Ownership of the property and improvements/structures, deposit the check with the Court where the expropriation case is lodged in favor of its Clerk of Court.
6. Immediately after the deposit, inform the OSG of the said deposit of the check, providing the OSG a copy of the check indicating the receipt of the Court.
7. The appropriate Court, through a Court order, will release the deposit to the Owner, provided that the Owner presents proofs of Ownership of the parcel of land or improvement being expropriated such as:
 - a. Valid identification card of the Owner

- b. Title/tax declaration of the parcel of land
 - c. Tax declaration on improvement
 - d. Proof of Ownership of the improvements not subject to tax declaration
8. After the filing of the expropriation complaint, the Court is expected to serve the Summons to the Owners concerned. The IOA may assist the Sheriff/Court process server in serving the Summons to each of the Owners.
 9. Immediately upon the notice that the check has been deposited, the OSG shall file the necessary Urgent Ex-Parte Motion for the Issuance of a Writ of Possession (WOP), stating therein the compliance with the requirements for the issuance of the same. The WOP will authorize the IO to take possession of property and start implementation of the project. (IRR Sec. 7)
 10. If the check is available, however, before the filing of the complaint, the OSG may include the necessary prayer for the issuance of the WOP in the expropriation complaint.
 11. As soon as the requirements for the issuance of a WOP under the law has been complied with, the Court is expected to release the deposit to Owner upon presentation of sufficient proofs of Ownership (IRR Sec. 7), such as but not limited to copies of the following:
 - a. Valid identification of the Owner as stated in the complaint
 - b. Title to the parcel of land subject of the expropriation complaint
 - c. Tax declaration of the improvement subject of the expropriation complaint;
 - d. Proof of Ownership of the improvements not subject to a tax declaration.
 12. If within seven (7) working days after the deposit, and the Court has not issued a WOP to the IO, the counsel of the IO shall immediately seek from the Court the immediate issuance of a WOP. The Court is expected to immediately issue the WOP Ex Parte. (IRR Sec. 7)
 13. Clear the ROW.
 14. If the Owner contests the IO's proffered value, the Court shall determine the just compensation to be paid to the Owner within sixty (60) days from filing of expropriation case. The Court is expected to appoint not more than three (3) competent and disinterested persons as commissioners to ascertain and report to the Court the just compensation for the property.
 15. Attend hearings of possession set by the RTC.
 16. The Commissioners are expected to submit to the Court, within sixty (60) days from their appointment, a full and accurate report containing their recommendations.
 17. When the Court's decision becomes final and executory, pay Owner the difference between the amount (deposit) already paid and the just compensation as determined by the Court. (IRR Sec. 7)

18. With the Court Sheriff, go to the Register of Deeds of the place in which the property is located and bring a certified copy of the judgment for proper recording and processing.
19. The Owner shall pay the CGT to the BIR within thirty (30) days after month when judgment had become final and executory, any unpaid real property tax to the LGU, and other applicable taxes under the law (IRR Sec. 7).
20. Pay the DST to the BIR within five (5) days after month when judgment had become final and executory, and pay the transfer taxes under RA No. 7160 and registration fees to the Register of Deeds (IRR Sec. 7).
21. Follow up with the Register of Deeds until the TCT of property has been registered in the name of the Republic of the Philippines.
22. Provide the National Archive the original Title of the property acquired.
23. Provide the DPWH ROW Database a copy of the Title of the acquired property.

WF 12. Work Flow for ROW Acquisition through Expropriation



2.20 Transfer of Title/Tax Declaration

Objective: To effect the transfer of the Title/Tax Declaration of the acquired ROW in the name of the Republic of the Philippines (DPWH)

Lead Office/Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/PPPS Staff
- URTF and its TWG
- RO Staff
- DEO Staff
- BIR Officer
- Register of Deeds
- City/Municipal Treasurer
- City/Municipal Assessor

Overview:

This activity is initiated once the Deed of Absolute Sale (DAS) is approved by the concerned IO official.

Procedure:

1. Get a copy of the following from the Parcellary Survey Report:
 - a. Approved parcellary listing and plan
 - b. If partial land take, approved subdivision plan
2. Obtain the original or certified true copies of the following documents from the property owner and/or the concerned City/Municipal Office:
 - a. Real Property Tax (RPT) Clearance with corresponding Official Receipts (OR) from the Office of the Treasurer
 - b. Tax Declaration (TD) for Land (with OR) from the Office of the Assessor
 - c. TD for Improvements, if any (with OR) from the Office of the Assessor
 - d. TCT/OCT/EP/CLOA
 - e. If mortgaged, Agreement with the bank
 - f. Court clearance (if needed)
3. Check the back of the Title, look for annotations to determine if it is mortgaged, or subject to any litigation or encumbrances
4. If the property is mortgaged, follow the procedures in **Section 3.1** of this Manual.

5. Go to the City/Municipal Assessor’s Office, validate if there are any TD arrears that the property owner needs to settle. If there are TD arrears, note down the amount to be paid. If there are no TD arrears, proceed to the next step.
6. Go to the City/Municipal Treasurer’s Office, validate if there are any RPT arrears that the property owner needs to settle. If there are RPT arrears, note down the amount to be paid. If there are no RPT arrears, proceed to the next step.
7. Go to the nearest BIR District Office, look for the BIR Officer of the Day and request assistance in computing the CGT for the property to be acquired. Bring with you the following documents:
 - a. Approved parcellary plan and/or subdivision plan
 - b. DAS
 - c. Original or certified true copy of TCT/OCT/EP/CLOA
 - d. TD for land (with OR)
 - e. TD for improvements, if any (with OR)
8. Request the BIR Officer of the Day to compute the amount of CGT and DST to be paid. Note down the total amount of tax dues payable to the BIR.

Note: For negotiated sale, the amount of CGT due is 6% of the Compensation or Actual Consideration (AC) stated in the DAS, to be computed in accordance with **Section 2.18** of this Manual and paid by the IO for the account of the owner. The amount of DST to be paid is 1.5% of the AC.

9. If the property owner is a private individual, properly fill up BIR Form 1706 for CGT and BIR Form 2000 for DST. If the property owner is a private corporation, properly fill up BIR Form 1606 for CGT and BIR Form 2000 for DST. In both cases, the CGT is to be paid by the IO for the account of the Owner and is to be deducted from the AC indicated in the DAS. The DST is to be paid by the IO outside of the said AC.
10. Compute the Transfer Tax, which is equivalent to ½ of 1% of the higher value between the actual selling price and the BIR zonal valuation for the subject property. The Transfer Tax is to be paid by the IO outside of the AC.
11. Add the payables obtained in Steps **5** (TD arrears, if any), **6** (RPT arrears, if any), **9** (CGT and DST), and **10** (Transfer Tax) to obtain the **Total Tax Payable (TTP)**.

Example:

<i>a. To be paid by IO to LGU for the account of the</i>	
<i>Owner:</i>	
<i>TD arrears</i>	<i>P160,000.00</i>
<i>RPT arrears</i>	<i>100,000.00</i>
<i>b. To be paid by IO to BIR for the account of the</i>	
<i>Owner:</i>	
<i>CGT</i>	<i>120,000.00</i>
<i>c. To be paid by IO to BIR (outside of AC):</i>	
<i>DST</i>	<i>1,800.00</i>

<i>Transfer Tax</i>	<i>10,000.00</i>

<i>Total Tax Payable (TTP)</i>	<i>P391,800.00</i>

12. If the property is not mortgaged, prepare the disbursement voucher in the amount equivalent to the **TTP** obtained in the previous step (Step 11) and proceed to Step 15.
13. If the property is mortgaged and the entire property will be acquired, add the **TTP** obtained in Step 11 to the amount (mortgage to be paid) obtained in Step 4 of **Section 3.1** of this Manual. Prepare the disbursement voucher equivalent to the sum obtained.

Example:

If the TTP is equivalent to P390,000.00 (as obtained in Step 11) and the mortgage to be paid for the entire property (as determined in Step 4 of Section 3.1 of this Manual) is P400,000.00, the amount to be indicated in the disbursement voucher shall be computed as follows:

<i>TTP:</i>	<i>P391,800.00</i>
<i>Mortgage payable:</i>	<i>+ 400,000.00</i>

<i>Amount to be disbursed:</i>	<i>P791,800.00</i>

14. If the property is mortgaged and only a portion of the property will be acquired, add the **TTP** obtained in Step 11 to the amount (mortgage to be paid for portion of property to be released) obtained in Step 9 of **Section 3.1** of this Manual. Prepare the disbursement voucher equivalent to the sum obtained.

Example:

If the TTP is equivalent to P390,000.00 (as obtained in Step 11) and the mortgage to be paid for a portion of the property to be acquired (as determined in Step 9 of Section 3.1 of this Manual) is P150,000.00, the amount to be indicated in the disbursement voucher shall be computed as follows:

<i>TTP:</i>	<i>P391,800.00</i>
<i>Mortgage payable:</i>	<i>+ 150,000.00</i>

<i>Amount to be disbursed:</i>	<i>P541,800.00</i>

15. If there are RPT arrears to be settled, go to the concerned City/Municipal Treasurer's Office and pay the RPT arrears for the property to be acquired. Make sure to get an Official Receipt (OR) and corresponding tax clearance.

16. If there are TD arrears to be paid, go to the concerned City/Municipal Assessor's Office and pay the TD arrears for the property to be acquired. Make sure to get an OR and corresponding tax clearance.
17. Have the DAS notarized. Take note of the date of notarization. Provide copies to the property owner, the IO, and, if applicable, the URTF thru its TWG. This task must be accomplished by the ROW Agent within 30 days upon notarization of the DAS, and with the Documentary Stamps, five (5) days after the month it was notarized, to avoid penalties.
18. If the property is located in a City, go to the City Treasurer's Office and pay the Transfer Tax. Otherwise go to the Provincial Treasurer's Office and pay the corresponding Transfer Tax.
19. Go to the concerned BIR District Office and present the following:
 - a. Approved Parcellary Survey Plan or Subdivision Plan (if needed)
 - b. Notarized DAS
 - c. Original or certified true copy of TCT/OCT/EP/CLOA
 - d. TD for Land (with OR)
 - e. TD for Improvements, if any (with OR)
20. Using the accomplished BIR Forms in Step 9 above, go to the nearest BIR-accredited bank and pay the CGT and DST due. Make sure to obtain an OR.
21. Go back to the BIR District Office and present the OR. The BIR is expected to process the documents and issue the Certificate Authorizing Registration (CAR) within three (3) working days.
22. Go back to the BIR District Office after three (3) days and obtain the CAR.
23. Go to the Register of Deeds, present the following documents, and request for the transfer of title in the name of the Republic of the Philippines (DPWH):
 - a. Approved Parcellary Survey Plan or Subdivision Plan (if needed)
 - b. CAR from the BIR
 - c. Transfer Tax OR
24. Pay the corresponding Registration Fee to the Office of the Register of Deeds.
25. The Title is then transferred in the name of the Republic of the Philippines (DPWH). This task must be accomplished by the ROW Agent within 30 days; otherwise, sanctions as indicated in DO 5, series of 2003, shall be applied.
26. If the property was not mortgaged, add the following payments made:
 - a. Payments made to settle RPT arrears, if any (obtained in Step 15) and TD arrears, if any (obtained in Step 16)
 - b. CGT paid

Subtract the sum of these from the full amount payable (as stipulated in the DAS) to the property owner.

<i>Example:</i>	
1. Add all tax arrears and CGT paid by IO for the account of Owner:	
TD arrears:	P160,000.00
RPT arrears:	100,000.00
CGT:	120,000.00

Total taxes paid	P390,000.00
2. Subtract the amount obtained from the full amount payable to the property owner (AC), as indicated in the DAS:	
AC indicated in the DAS:	P2,000,000.00
Less total taxes paid:	390,000.00

Amount payable to property owner:	P1,610,000.00

27. If the property was released from mortgage, add the following:
- Payments made to settle RPT arrears, if any (obtained in Step 15) and TD arrears, if any (obtained in Step 16)
 - Mortgage value paid in Step 4 or Step 9 of **Section 3.1** of this Manual, whichever is applicable
 - CGT paid

Subtract the sum of these from the full amount payable (as stipulated in the DAS) to the property owner.

<i>Example: Assuming that the entire property is mortgaged (as obtained in Step 13)</i>	
1. Add all tax arrears and capital gains tax paid:	
TD arrears:	P160,000.00
RPT arrears:	100,000.00
CGT	120,000.00
Mortgage paid	400,000.00

Total taxes and mortgage paid	P790,000.00
2. Subtract the amount obtained from the full amount payable to the property owner, as indicated in the DAS:	
Amount indicated in the DAS:	P2,000,000.00
Less total taxes and mortgage paid:	790,000.00

Amount payable to property owner:	P1,210,000.00

28. Request the owner to present other pertinent documents specified in the Guidelines for Validating Claims (**Section 2.20** of this Manual). Check completeness and validate authenticity of these documents before any payment is made.

29. If the property was not released from mortgage, prepare the voucher for paying the property owner, in the amount equivalent to the balance obtained in Step 26. If the property was released from mortgage, prepare the voucher for paying the property owner, in the amount equivalent to the balance obtained in Step 27.

30. If there are improvements in the property to be acquired, make sure that the Agreement to Demolish and Remove Improvement (ADRI) has been perfected before any payment is made.

2.21 Validation of ROW Claims

Objective: To review, verify, and validate ROW claims

Lead Office/Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/PPPS Staff
- RO Staff
- DEO Staff

Overview:

The validation of ROW claims according to the guidelines in this Section of the Manual is necessary before considering the payment of the claims.

Procedure:

The Implementing Office (IO) shall validate all ROW claims as follows:

1. All documents have been found to be complete and authentic to ensure that the claims are legitimate and validated:
 - a. Deed of Absolute Sale and Agreement to Demolish and Remove Improvement or other deeds of conveyance duly signed by the owner and the duly authorized personnel of the DPWH.
 - b. Original Certificate of Title (OCT) or Transfer Certificate of Title (TCT) certified as true copy by the Register of Deeds or Emancipation Patent (EP) or Certificate of Land Ownership Award (CLOA) certified as true copy by the appropriate issuing agencies.
 - c. Tax Declaration (land and improvement) certified as true copy by the Assessor's Office and Certification from the DENR that the land is alienable and disposable, and from the Assessor that the claimant is the sole entity paying the taxes for that property for the past 5 years.
 - d. Official receipts of real property tax payments for the past five (5) years and/or tax clearance issued by the local treasurer.
 - e. Certification by the Regional Director or Project Director that the affected lot and structures are within the boundaries of the right-of-way as shown in the parcellary survey plan and structure mapping plan, respectively.
 - f. Certification by the Planning Service that the claim is not within the ROW of a converted local road.
 - g. Photographs of the improvements certified by the Head of the IO.
 - h. Original parcellary survey plan, or if none, verification survey plan with sketches certified correct by the Regional Director or Project Director.
 - i. Certification from the Head of the IO that there is no previous pending claim nor that payment has already been received for the acquisition of said property by the government.

- j. In the case when the structure occupant or owner is different from the land owner, certification by Assessor's Office, Barangay Chairperson, and land owner that the claimant for housing structure resided in the property before the cut-off date.
2. The amounts of the claims are found to be reasonable by the IO which shall ensure that the claims are properly valued based on the following, whichever if applicable:
 - a. Certification of zonal valuation for land, and replacement costs for improvements from the Bureau of Internal Revenue and the IO, respectively.
 - b. Certification of fair market value from the GFI/IPA.
 - c. Court Order for expropriation proceedings.
3. The Head of the IO concerned is responsible and accountable for ensuring that all ROW claims have been properly validated, authenticated, and valued according to these guidelines.

2.22 Preparation of Budget and Provision of Appropriations for ROW

Objective: To prepare the proposed budget and appropriations covering the ROW requirements of infrastructure projects.

Lead Office/Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- Planning Service (PS)
- Planning and Design Division/Section of RO/DEO
- UPMO Cluster/PPPS Staff

Overview:

As provided in Section 10 of RA 10752 and implemented through Section 15 of the IRR, the Government shall provide adequate appropriations that will allow Implementing Offices (IOs) to acquire ROW in advance of project implementation.

For every infrastructure project that requires ROW acquisition, the IO shall prepare a budget to be covered by an existing or proposed appropriation of funds for ROW. This budget shall be based on the Preliminary or Final ROW Action Plan (RAP) for the project as discussed in **Sections 2.4-2.6** of the DRAM, and include funds for activities directly related to ROW acquisition for the project, as follows:

- a. Cost of parcellary survey, RAP - including census, tagging, socio-economic surveys, stakeholder consultation meetings, and structural mapping, among other items - and property appraisal.
- b. Compensation for project-affected (1) land based on market value, (2) structures and improvements based on replacement cost, including relocation and installation cost of machinery and equipment, as applicable, (3) crops and trees based on market value, and (4) compensable utilities; and entitlements for project-affected persons (PAPs).
- c. Cost of development and implementation of resettlement projects, including planning and social preparation, in accordance with design standards and costings of the Housing and Urban Development Coordinating Council (HUDCC). Where necessary, this may include land development and housing construction, provision of basic services and community facilities, livelihood restoration and improvement, and other activities under the resettlement action plan in coordination with concerned government agencies. Where the housing agencies and/or LGUs concerned are not able to fund these resettlement projects or portions thereof, the IO may provide the funding of the same.
- d. Related IO expenses, including Capital Gains Tax (CGT) under negotiated sale, Documentary Stamp Tax (DST), transfer tax and registration fees, and other relevant administrative expenses for ROW management, including cost of Environmental Compliance Certificate (ECC) application, demolition cost, notarial fees for property transfer, per diems and traveling expenses directly associated with the ROW acquisition.

Procedure:

1. The IO shall submit to the Planning Service/Division/Section its proposed budget for the ROW of a project for inclusion in the Medium-Term Infrastructure Program (MTIP) and Annual Infrastructure Program (AIP) based on the following information:
 - a. For projects with Pre-Feasibility Study/Feasibility Study (PFS/FS), the ROW budget shall be based on the preliminary appraisal and valuation of the affected properties undertaken as part of the Preliminary Right-of-Way Action Plan (RAP) in accordance with the procedure under **Section 2.4** of the DRAM.
 - b. For projects with Detailed Engineering Design (DED), the ROW budget shall be based on the detailed appraisal and valuation of the affected properties undertaken as part of the Final RAP in accordance with the procedure in **Section 2.5** of the DRAM, as validated using the process in **Section 2.6** of the DRAM.
 - c. For simple and small projects with no PFS/FS, such as road widening, the ROW budget may be based on the following: (1) for land: relevant BIR zonal values times a factor not exceeding two, (2) for structures/improvements: relevant benchmark costs for replacement derived from industry standards and accepted by the DPWH, e.g., cost per square meter of house, and (3) for crops/trees: relevant market prices from concerned agencies, like the Department of Agriculture (DA)/Philippine Coconut Authority (PCA)/Department of Environment and Natural Resources (DENR)/Department of Finance (DOF)/Local Government Unit (LGU).
2. The Planning Unit shall, after proper review, include the ROW budget in the budget proposal of the IO for the incoming fiscal year, through either of the following modes:
 - a. The preferred mode, especially for major multi-year projects, is to provide the ROW appropriations - in the National Expenditures Program (NEP)/General Appropriations Act (GAA) - separately from, and at least one year ahead of, the appropriations for and the scheduled procurement and implementation of the actual construction works.
 - b. For small single-year projects, however, the ROW budget may be included as part of the total appropriation for the project for the budget year. This will be part of the specific line item appropriation for the project in the NEP/GAA.
3. The Planning Service shall, by around May-June of the current year, integrate the proposed ROW budgets under items 2-1 and 2-b into the infrastructure program under the overall budget proposal of the DPWH for the coming fiscal year.
4. The DPWH Secretary will submit the overall DPWH budget proposal to the DBM by around May of the current year.
5. The DBM will review the DPWH budget proposal and include it in the NEP for the coming year by around June of the current year.

6. The President will submit, by around late July/early August of the current year, the NEP to Congress.
7. Congress will deliberate on the NEP and is expected to enact it into the GAA in December of the current year.
8. The President is expected to sign this into law by January of the budget year.
9. During the DBM and Congress review and deliberations, the IO shall assist the concerned DPWH officials in clarifying and justifying the ROW budget.

2.23 Processing of Payments of ROW Claims and Related Expenses

Objective: To process and pay ROW claims and related expenses

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director

For projects at RO/DEO: RD/DE

Support:

- Finance Service/Division/Section
- Legal Service/Staff
- Human Resources and Administrative Service
- UPMO staff/PPPS staff
- RO staff
- DEO staff

Overview:

A. **PURPOSES OF ROW PAYMENTS**

The Implementing Office (IO) shall make payments of claims and related expenses for ROW for the following purposes:

- a. For Negotiated Sale: for payment of compensation to the Owner in two tranches; corresponding Capital Gains Tax (CGT) to the BIR for the account of the Owner; Documentary Stamp Tax (DST) to the BIR; Transfer Tax to the Provincial/City Treasurer's Office, and Registration Fees to the Register of Deeds.
- b. For Expropriation: after making the request to the OSG to file the expropriation proceedings, for payment of the required deposit to the Court; after receipt of the Court decision, for payment to the Owner of the difference between the compensation decided by the Court and the deposit; corresponding DST to the BIR; Transfer Tax to the Provincial/City Treasurer's Office, and Registration Fees to the Register of Deeds.
- c. For Donation: after signing of the Deed of Donation, for payment of the corresponding DST to the BIR; Transfer Tax to the Provincial/City Treasurer's Office, and Registration Fees to the Register of Deeds.
- d. For Quit Claims: after execution of the Quit Claim, for payment to the Owner for the structures/improvements and crops/trees; corresponding DST to the BIR; Transfer Tax to the Provincial/City Treasurer's Office, and Registration Fees to the Register of Deeds.
- e. For Easement: after execution of the Easement Agreement, payment to the Owner of compensation for the affected portion of the land, structures/improvements and crops/trees.

B. **FUNDING OF ROW CLAIMS**

As provided in Section 2.22 of the DRAM, ROW funds are appropriated and, thus, released, through either of the following modes:

- a. The preferred mode, especially for major multi-year projects, is to provide the ROW appropriations - in the National Expenditures Program (NEP)/General Appropriations Act (GAA) - separately from, and at least one year ahead of, the appropriations for and the scheduled procurement and implementation of the actual construction works.
- a. For small single-year projects, however, the ROW budget may be included as part of the total appropriation for the project for the budget year. This will be part of the specific line item appropriation for the project in the NEP/GAA.

As provided in Section 2.22 of the DRAM, the released ROW appropriations may be used for the following purposes:

- a. Cost of parcellary surveys, ROW Action Plan (RAP) - including census, tagging, socio-economic surveys, stakeholder consultation meetings, and structural mapping, among other items - and property appraisal.
- b. Compensation for project-affected (1) land based on market value, (2) structures and improvements based on replacement cost including relocation and installation cost of machinery and equipment as applicable, (3) crops and trees based on market value, and (4) compensable utilities; and entitlements for project-affected persons (PAPs).
- c. Cost of development and implementation of resettlement projects, including planning and social preparation, in accordance with Housing and Urban Development Coordinating Council (HUDCC) design standards and costings. Where necessary, this may include land development and housing construction, provision of basic services and community facilities, livelihood restoration and improvement, and other activities under the RAP in coordination with concerned government agencies. Where the housing agencies and/or LGUs concerned are not able to fund these resettlement projects or portions thereof, the IO may provide the funding of the same.
- d. Related IO expenses, including CGT under negotiated sale, DST, transfer tax and registration fees, and other relevant administrative expenses for ROW management, including cost of Environmental compliance Certificate (ECC)/Certificate of Non-Coverage (CNC) application, demolition cost, notarial fees for property transfer, per diems and traveling expenses directly associated with the ROW acquisition.

C. RESPONSIBILITIES

In general, the processing of ROW claims and payments shall be done by the IO which implements the project and administers the fund.

Based on DO 19 and DO 65, series of 2017, the DPWH Central Office (CO), through the Finance Service, shall download the funds for the payment of ROW claims to the ROs for transactions handled by the ROs. The CO, through the Finance Service, however, shall retain and process the ROW funds for claims and transactions handled by the UPMO and the PPPS. In all cases, disbursements of such funds shall be done according to existing accounting and auditing guidelines and procedures.

The Regional Director may request the CO to release the funds directly to the DEO concerned if the DEO is the IO for the project.

D. SUPPORTING DOCUMENTS FOR PROCESSING OF PAYMENTS

D.1 OBLIGATION REQUEST AND STATUS

D.1.1 For Negotiated Sale

D.1.1.1 Lot

1. Memorandum from the Head of the IO to the Head of the Budget Unit requesting the issuance of Obligation Request and Status (ORS).
2. Copy of Special Allotment Release Order (SARO) and the following pages from the Master List of claimants submitted to the DBM or included in the appropriation for funding where the subject claimant is indicated: (a) first page, (b) last page where the approval of the List is indicated, and (c) page containing the name of the claimant.
3. In the case of a titled lot, a certified true copy of the electronic copy (blue) of the Lot Title in the name of the registered Owner/authenticated by the Register of Deeds/Land Registration Authority (LRA).
4. Current Market Value of lot based on GFI/IPA/IO Appraisal Reports.
5. Tax Identification Number (TIN)/Temporary TIN subject to data change approved by authorized official.
6. Letter offer signed by the IO but unserved to the claimant.

D.1.1.2 Improvement

1. Memorandum from the Head of the IO to the Head of the Budget Unit requesting the issuance of ORS.
2. Copy of SARO and the following pages from the Master List of claimants submitted to the DBM or included in the appropriation for funding where the subject claimant is indicated: (a) first page, (b) last page where the approval of the List is indicated, and (c) page containing the name of the claimant.
3. Replacement Cost of structures/improvements, including all accessory structures.
4. Tax Declaration of the structures/improvements.
5. TIN/Temporary TIN subject to data change approved by authorized official.
6. Letter offer signed by the IO but unserved to the claimant.

D.1.1.3 Crops and Trees

1. Memorandum from the Head of the IO to the Head of the Budget Unit requesting the issuance of ORS.
2. Copy of SARO and the following pages from the Master List of claimants submitted to the DBM or included in the appropriation for funding where the subject claimant is indicated: (a) first page, (b) last page where the approval of the List is indicated, and (c) page containing the name of the claimant.
3. Market Value of crops/trees based on GFI/IPA/IO Appraisal Reports.
4. Certification of Barangay Chairperson on the ownership of crops/trees.

5. TIN/Temporary TIN subject to data change approved by authorized official.
6. Letter offer signed by the IO but unserved to the claimant.

D.1.1.4 Informal Settler Families (ISF)

1. Memorandum from the Head of the IO to the Head of the Budget Unit requesting the issuance of ORS.
2. Copy of SARO and the following pages from the Master List of claimants submitted to the DBM or included in the appropriation for funding where the subject claimant is indicated: (a) first page, (b) last page where the approval of the List is indicated, and (c) page containing the name of the claimant.
3. Tax Declaration or, if not applicable, Certification of the Barangay Chairperson, concurred in by the Urban Poor Affairs Office (UPAO)/Authorized LGU representative, stating that the structures/improvements are owned by the ISF.
4. Replacement Cost of structures/improvements, including all accessory structures.

D.1.2 For Expropriation

D.1.2.1 Lot

1. Memorandum from the Head of the IO to the Head of the Budget Unit requesting the issuance of ORS.
2. Copy of SARO and the following pages from the Master List of claimants submitted to the DBM or included in the appropriation for funding where the subject claimant is indicated: (a) first page, (b) last page where the approval of the List is indicated, and (c) page containing the name of the claimant.
3. Basis of Obligation Request Amount:
 - a. For first payment based on BIR Zonal Valuation: Applicable Zonal Valuation certified by BIR.
 - b. For final payment based on Just Compensation: Court Decision on the just compensation, duly certified by the Clerk of Court.
4. In the case of a titled lot, a certified true copy of the electronic copy (blue) of the Lot Title in the name of the registered Owner/authenticated by the Register of Deeds/LRA.
5. In the case of an untitled lot:
 - a. Owner's original Tax Declaration/Tax Declaration certified by the Assessor's Office
 - b. Certification by the Register of Deeds/LRA of the non-existence of the TCT.
6. Duly received Letter Request of the IO to the OSG to file the complaint/copy of the complaint.
7. Letter Offer signed by the IO but unserved to the claimant (for BIR Zonal Valuation) or Letter Offer rejected by the Owner (for Just Compensation).

D.1.2.2 Improvement

1. Memorandum from the Head of the IO to the Head of the Budget Unit requesting the issuance of ORS.

2. Copy of SARO and the following pages from the Master List of claimants submitted to the DBM or included in the appropriation for funding where the subject claimant is indicated: (a) first page, (b) last page where the approval of the List is indicated, and (c) page containing the name of the claimant.
3. Replacement Cost of structures/improvements, including all accessory structures.
4. Letter Offer signed by the IO but unserved to the claimant (for BIR Zonal Valuation) or Letter Offer rejected by the Owner (for Just Compensation).
5. Basis of Obligation Request Amount:
 - a. For first payment: Duly received Letter Request of the IO to the OSG to file the complaint/copy of the Complaint.
 - b. For final payment based on Just Compensation: Court Decision on the just compensation, duly certified by the Clerk of Court.

D.2 CERTIFICATE OF AVAILABILITY OF FUNDS (CAF)

Note: The IO shall prepare the documentary requirements for CAF, separately for lot and improvements, and submit them to them to the Accounting Unit.

D.2.1 For Negotiated Sale

D.2.1.1 Additional requirements for the Lot

1. Memorandum Request for CAF from the Head of the IO to the Head of the Accounting Unit.
2. ORS approved by the Head of the Budget Unit including all attachments.
3. Deed of Absolute Sale (DAS).
4. Tax Declaration of the Lot.
5. One page certification duly approved by the Head of the IO of the following:
 - a. That the lot (or improvement) is totally/partially affected by (name of project).
 - b. That the lot is within the boundaries of the ROW limits per approved parcellary plan.
 - c. That there is no other pending claim or payment made yet on the subject claim.
 - d. That all supporting documents are complete, authenticated, validated, and found to be in order.
6. Certified true copy of two (2) valid Government-issued identification cards of the following (whichever is applicable):
 - a. Owner/Claimant.
 - b. Attorney-in-Fact, if represented by one.
 - c. Heirs - in the case of extra-judicial settlement.
 - d. Authorized Officer of the Corporation.
7. Signed Letter-Offer, accepted by the Owner.

D.2.1.2 Additional requirements for the Improvement

1. Memorandum Request for CAF from the Head of the IO to the Head of the Accounting Unit.
2. ORS approved by the Head of the Budget Unit including all attachments.
3. Agreement to Demolish and Remove Improvements (ADRI).
4. One page certification duly approved by the Head of the IO of the following:

- a. That the lot (or improvement) is totally/partially affected by (name of project).
 - b. That the lot is within the boundaries of the ROW limits per approved parcellary plan.
 - c. That there is no other pending claim or payment made yet on the subject claim.
 - d. That all supporting documents are complete, authenticated, validated, and found to be in order.
5. TCT of the Lot or Tax Declaration of the Lot.
 6. Certified true copy of two (2) valid Government-issued identification cards of the following (whichever is applicable):
 - a. Owner/Claimant.
 - b. Attorney-in-Fact, if represented by one.
 - c. Heirs - in the case of extra judicial settlement.
 - d. Authorized Officer of the Corporation.
 9. Signed Letter-Offer, accepted by the Owner.

D.2.1.3 Additional requirements for the Crops and Trees

1. Memorandum Request for CAF from the Head of the IO to the Head of the Accounting Unit.
2. ORS approved by the Head of the Budget Unit including all attachments.
3. Agreement to Remove Improvement (ARI).
4. TCT of the Lot.
5. One page certification duly approved by the Head of the IO of the following:
 - a. That the lot (or improvement) is totally/partially affected by (name of project).
 - b. That the lot is within the boundaries of the ROW limits per approved parcellary plan.
 - c. That there is no other pending claim or payment made yet on the subject claim.
 - d. That all supporting documents are complete, authenticated, validated, and found to be in order.
6. Tax Declaration of the Lot.
7. Permit to Cut from DENR.
8. Mapping Plan indicating the location of the crops/trees.
9. Certified true copy of two (2) valid Government-issued identification cards of the following (whichever is applicable):
 - a. Owner/Claimant.
 - b. Attorney-in-Fact, if represented by one.
 - c. Heirs - in the case of extra judicial settlement.
 - d. Authorized Officer of the Corporation.
10. Signed Letter-Offer, accepted by the Owner.

D.2.1.3 Additional requirements for ISF

1. Memorandum Request for CAF from the Head of the IO to the Head of the Accounting Unit.
2. ORS approved by the Head of the Budget Unit including all attachments.
3. ADRI.
4. One page certification duly approved by the Head of the IO of the following:
 - a. That the lot (or improvement) is totally/partially affected by (name of project).

- b. That the lot is within the boundaries of the ROW limits per approved parcellary plan.
 - c. That there is no other pending claim or payment made yet on the subject claim.
 - d. That all supporting documents are complete, authenticated, validated, and found to be in order.
5. Sworn Affidavit of Ownership.
 6. Certified true copy of a valid Government-issued ID of the claimant.

D.2.2 For Expropriation

D.2.2.1 Additional requirements for Lot

D.2.2.1.1 BIR Zonal Valuation

1. Memorandum Request for CAF from the Head of the IO to the Head of the Accounting Unit.
2. ORS approved by the Head of the Budget Unit including all attachments.
3. One page certification duly approved by Head of the IO of the following:
 - a. That the lot (or improvement) is totally/partially affected by (name of project).
 - b. That the lot is within the boundaries of the ROW limits per approved parcellary plan.
 - c. That there is no other pending claim or payment made yet on the subject claim.
 - d. That all supporting documents are complete, authenticated, validated, and found to be in order.
4. Letter-Offer rejected by the Owner.

D.2.2.1.2 Just Compensation

1. Memorandum Request for CAF from the Head of the IO to the Head of the Accounting Unit.
2. ORS approved by the Head of the Budget Unit including all attachments.
3. Deed of Conveyance.
4. Tax Declaration of the Lot.
5. One page certification duly approved by Head of the IO of the following:
 - a. That the lot (or improvement) is totally/partially affected by (name of project).
 - b. That the lot is within the boundaries of the ROW limits per approved parcellary plan.
 - c. That there is no other pending claim or payment made yet on the subject claim.
 - d. That all supporting documents are complete, authenticated, validated, and found to be in order.
6. Copy of the complaint with case number filed by the OSG, received by the Judicial Court under jurisdiction, and duly certified by the Clerk of Court.
7. Certificate of Finality of the Court Decision/Entry of Final Judgement duly certified by the Clerk of Court.
8. One-page approved summary computation of Just Compensation, including interest, if any.
9. Certified true copy of the Writ of Possession (WOP).
10. Certified true copy of two (2) valid Government-issued identification cards of the following (whichever is applicable):

- a. Owner/Claimant.
- b. Attorney-in-Fact, if represented by one.
- c. Heirs - in the case of extra judicial settlement.
- d. Authorized Officer of the Corporation.

D.2.2.2 Additional requirements for Improvement

D.2.2.2.1 Replacement Cost

1. Memorandum Request for CAF from the Head of the IO to the Head of the Accounting Unit.
2. ORS approved by the Head of the Budget Unit including all attachments.
3. Tax Declaration of the structures/improvements.
4. TCT of the Lot or Tax Declaration of the Lot.
5. One page certification duly approved by Head of the IO of the following:
 - a. That the lot (or improvement) is totally/partially affected by (name of project).
 - b. That the lot is within the boundaries of the ROW limits per approved parcellary plan.
 - c. That there is no other pending claim or payment made yet on the subject claim.
 - d. That all supporting documents are complete, authenticated, validated, and found to be in order.
6. Letter Offer rejected by the claimant.

D.2.2.2.2. Just Compensation

1. Memorandum Request for CAF from the Head of the IO to the Head of the Accounting Unit.
2. ORS signed by the Budget Officer.
3. ADRI.
4. One page certification duly approved by the Head of the IO of the following:
 - a. That the lot (or improvement) is totally/partially affected by (name of project)
 - b. That the lot is within the boundaries of the ROW limits per attached parcellary plan.
 - c. That there is no other pending claim nor payment made yet on the subject claim. (Describe the status of payments made and the remaining balance).
 - d. That all supporting documents are complete, authenticated, validated, and are found to be in order.
5. Copy of the complaint with case number filed by the OSG, received by the Judicial Court under jurisdiction, and duly certified by the Clerk of Court.
6. Certificate of Finality of the Court Decision/Entry of Final Judgement duly certified by the Clerk of Court.
7. One-page approved summary computation of Just Compensation, including interest, if any.
8. Certified true copy of two (2) valid Government-issued identification cards of the following (whichever is applicable):
 - a. Owner / Claimant.
 - b. Attorney-in-Fact, if represented by one.
 - c. Heirs - in the case of extra judicial settlement.
 - d. Authorized Officer of the Corporation.

D.3 DISBURSEMENT VOUCHER (DV)

Note: The IO shall prepare the documentary requirements for DV, separately for lot and improvements, and shall submit them to the Accounting Unit.

D.3.1 For Negotiated Sale

D.3.1.1 Additional requirements for Lot

First Payment – 50% of the negotiated price of the lot.

1. Approved Deed of Absolute Sale (DAS).
2. Approved CAF.
3. Approved Parcellary Plan.
4. Approved Subdivision Plan.
5. ECC/CNC from DENR.
6. If applicable, additional supporting documents for the reimbursement of the advance payments made by the Contractor/Concessionaire:
 - a. Letter-Request by the DPWH to the Contractor/Concessionaire to make the advance payment.
 - b. Reimbursement Agreement between the DPWH and the Contractor/Concessionaire.
 - c. Certified true copy of the check issued by the Contractor/Concessionaire to the claimant.
 - d. Acknowledgement Receipt of the check by the claimant
 - e. Secretary's Certificate/certified true copy of valid ID of the Contractor/Concessionaire's Attorney-in-Fact.
7. One set of certified true copy of all the documents submitted for Accounting Unit's copy.

Final Payment – 50% of the negotiated price of the lot.

1. Notarized Deed of Absolute Sale (DAS).
2. Original of the Owner's duplicate TCT, if applicable.
3. Titled Lot:
 - a. Totally Affected: Lot Title in the name of the DPWH/Republic of the Philippines (RP).
 - b. Partially Affected: Annotation of Sale to the DPWH/RP; or Memorandum of Encumbrances at the back of the Title for portion of lot acquired by the DPWH/TCT of the affected portion of the lot prior to registration in the name of RP.
4. Tax Clearance/Statement of Account with letter request by the claimant for deduction from claim/Tax Exemption.
5. Certified true copy of the paid DV for the first 50% lot payment.
6. Official Receipts/Proof of Tax Payments made.
7. If applicable, additional supporting documents for the reimbursement of the advance payments made by the Contractor/Concessionaire:
 - a. Letter-Request by DPWH to the Contractor/Concessionaire to make the advance payment.

- b. Reimbursement Agreement between the DPWH and the Contractor/Concessionaire.
 - c. Certified true copy of the check issued by the Contractor/Concessionaire to the claimant.
 - d. Acknowledgement Receipt of the check by the claimant.
 - e. Secretary's Certificate/certified true copy of valid ID of the Contractor/Concessionaire's Attorney-in-Fact.
8. One set of certified true copy of all the documents submitted for Accounting Unit's copy.

D.3.1.2 Additional requirements for Improvement

First Payment – 70% of the negotiated price of the improvement.

1. Approved ADRI, signed by at least the DPWH signatories.
2. Approved CAF.
3. Approved Parcellary Plan.
4. Structural Mapping with Sketch Plan in Computer-aided Design (CAD) format
5. Waiver of the lot owner on the proceeds of improvement if the lot owner and improvement owner are two (2) different owners with attached photocopy of two (2) valid ID cards of the lot owner.
6. Original copy of Affidavit of Ownership of Improvements if the owner thereof is different from the owner of lot.
7. Pictures before demolition/removal duly certified by the Project Engineer.
8. If applicable, additional supporting documents for the reimbursement of the advance payments made by the Contractor/Concessionaire:
 - a. Letter-Request by DPWH to the Contractor/Concessionaire to make the advance payment.
 - b. Reimbursement Agreement between DPWH and the Contractor/Concessionaire.
 - c. Certified true copy of the check issued by the Contractor/Concessionaire to the claimant.
 - d. Acknowledgement Receipt of the check by the claimant.
 - e. Secretary's Certificate/certified true copy of valid ID of the Contractor/Concessionaire's Attorney-in-Fact.
9. One set of certified true copy of all the documents submitted for Accounting Unit's copy.

Final Payment – 30% of the negotiated price of the improvement.

1. Notarized ADRI.
2. Tax Clearance/Statement of Account with letter request by the claimant for deduction from claim/Tax Exemption.
3. Certified true copy of the paid DV for the first 70% lot payment.
4. Official Receipts / Proof of Tax Payments made.
5. Pictures after demolition / removal duly certified by the Project Engineer.
6. Certification from IO of total demolition/removal stating that the actual type and kind of Improvement demolished and removed was the same as the improvement shown in the attached photos and as stated in the ADRI.

7. If applicable, additional supporting documents for the reimbursement of the advance payments made by the Contractor/Concessionaire:
 - a. Letter-Request by DPWH to the Contractor/Concessionaire to make the advance payment.
 - b. Reimbursement Agreement between the DPWH and the Contractor/Concessionaire.
 - c. Certified true copy of the check issued by the Contractor/Concessionaire to the claimant.
 - d. Acknowledgement Receipt of the check by the claimant
 - e. Secretary's Certificate/certified true copy of valid ID of the Contractor/Concessionaire's Attorney-in-Fact.
8. One set of certified true copy of all the documents submitted for Accounting Unit's copy.

D.3.1.3 Additional requirements for Crops and Trees

First Payment – 70% of the negotiated price of the crops/trees.

1. Approved ARI, signed by at least the DPWH signatories.
2. Approved CAF.
3. Waiver of the lot owner on the proceeds of improvement if the lot owner and crops/trees owner are two different owners with attached certified true copy of two (2) valid ID cards of the lot owner.
4. Original copy of Affidavit of Ownership of Improvements if the owner thereof is different from the owner of lot.
5. Pictures before removal duly certified by the Project Engineer.
6. If applicable, additional supporting documents for the reimbursement of the advance payments made by the Contractor/Concessionaire:
 - a. Letter-Request by the DPWH to the Contractor/Concessionaire to make the advance payment.
 - b. Reimbursement Agreement between the DPWH and the Contractor/Concessionaire.
 - c. Certified true copy of the check issued by the Contractor/Concessionaire to the claimant.
 - d. Acknowledgement Receipt of the check by the claimant.
 - e. Secretary's Certificate/certified true copy of valid ID of the Contractor/Concessionaire's Attorney-in-Fact.
7. One set of certified true copy of all the documents submitted for Accounting Unit's copy.

Final Payment – 30% of the negotiated price of the crops/trees.

1. Notarized ARI.
2. Pictures after removal duly certified by the Project Engineer.
3. Certification from IO of Removal of crops/trees.
4. Certified true copy of the paid DV of the first 70% lot payment.
5. One set of certified true copy of all the documents submitted for Accounting's copy
6. If applicable, additional supporting documents for the reimbursement of the advance payments made by the Contractor/Concessionaire:

- a. Letter-Request by the DPWH to the Contractor/Concessionaire to make the advance payment.
- b. Reimbursement Agreement between DPWH and the Contractor/Concessionaire.
- c. Certified true copy of the check issued by the Contractor/Concessionaire to the claimant.
- d. Acknowledgement Receipt of the check by the claimant.
- e. Secretary's Certificate/certified true copy of valid ID of the Contractor/Concessionaire's Attorney-in-Fact.

D.3.1.4 Additional requirements for ISF

First Payment – 70% of the Replacement Cost.

1. Approved ADRI, signed by at least the DPWH signatories.
2. Approved CAF.
3. Approved Parcellary Plan.
4. Structural Mapping with Sketch Plan in CAD format.
5. Pictures before demolition / removal duly certified by the Project Engineer.
6. If applicable, additional supporting documents for the reimbursement of the advance payments made by the Contractor/Concessionaire:
 - a. Letter-Request by the DPWH to the Contractor/Concessionaire to make the advance payment.
 - b. Reimbursement Agreement between the DPWH and the Contractor/Concessionaire.
 - c. Certified true copy of the check issued by the Contractor/Concessionaire to the claimant.
 - d. Acknowledgement Receipt of the check by the claimant
 - e. Secretary's Certificate/certified true copy of valid ID of the Contractor/Concessionaire's Attorney-in-Fact.
7. One set of certified true copy of all the documents submitted for Accounting Unit's copy.

Final Payment – 30% of the Replacement Cost.

1. Notarized ADRI.
2. Certified true copy of the paid DV of the first 70% lot payment.
3. Pictures after demolition/removal duly certified by the Project Engineer.
4. Certification from IO of total demolition/removal, stating that the actual type and kind of improvement demolished and removed was the same as the improvement shown in the attached photos and as stated in the ADRI.
5. If applicable, additional supporting documents for the reimbursement of the advance payments made by the Contractor/Concessionaire:
 - a. Letter-Request by the DPWH to the Contractor/Concessionaire to make the advance payment.
 - b. Reimbursement Agreement between the DPWH and the Contractor/Concessionaire.
 - c. Certified true copy of the check issued by the Contractor/Concessionaire to the claimant.
 - d. Acknowledgement Receipt of the check by the claimant.

- e. Secretary's Certificate/certified true copy of valid ID of the Contractor/Concessionaire's Attorney-in-Fact.
6. One set of certified true copy of all the documents submitted for Accounting Unit's copy.

D.3.2 For Expropriation

D.3.2.1 Additional requirements for Lot

First Payment – BIR zonal valuation of the land to be deposited with the Court.

1. Approved CAF.
2. Approved Parcellary Plan.
3. Approved Subdivision Plan.
4. ECC/CNC.
5. If applicable, additional supporting documents for the reimbursement of the advance payments made by the Contractor/Concessionaire:
 - a. Letter-Request by DPWH to the Contractor/Concessionaire to make the advance payment.
 - b. Reimbursement Agreement between the DPWH and the Contractor/Concessionaire.
 - c. Certified true copy of the check issued by the Contractor/Concessionaire to the claimant.
 - d. Acknowledgement Receipt of the check by the claimant.
 - e. Secretary's Certificate/certified true copy of valid ID of the Contractor/Concessionaire's Attorney-in-Fact.
6. One set of certified true copy of all the documents submitted for Accounting Unit's copy.

Final Payment – Just compensation determined by the Court, less the First Payment.

1. Notarized Deed of Conveyance.
2. Official Receipts/Proof of Payment of Taxes.
3. Tax Clearance/Statement of Account with letter request by the claimant for deduction from claim/Tax Exemption.
4. Certified true copy of the DV for the first payment/Court Order citing payment of the Zonal Value.
5. TIN.
6. One set of certified true copy of all the documents submitted for Accounting Unit's copy.
7. Original of the Owner's duplicate TCT, if applicable.
8. If applicable, additional supporting documents for the reimbursement of the advance payments made by the Contractor/Concessionaire:
 - a. Letter-Request by DPWH to the Contractor/Concessionaire to make the advance payment.
 - b. Reimbursement Agreement between the DPWH and the Contractor/Concessionaire.
 - c. Certified true copy of the check issued by the Contractor/Concessionaire to the claimant.

- d. Acknowledgement Receipt of the check by the claimant.
- e. Secretary's Certificate/certified true copy of valid ID of the Contractor/Concessionaire's Attorney-in-Fact.
9. a. Titled Lot – annotation of the Certificate of Finality/Entry of Final Judgement/Decision.
- b. Untitled Lot - TCT of the affected portion in the name of the Republic of the Philippines.

D.3.2.2 Additional requirements for Improvement

First Payment – Replacement Cost.

1. Approved CAF.
2. Pictures before removal duly certified by the Project Engineer.
3. Approved Parcellary Plan.
4. Structural Mapping with Sketch Plan in CAD format.
5. One set of certified true copy of all the documents submitted for Accounting Unit's copy.
6. If applicable, additional supporting documents for the reimbursement of the advance payments made by the Contractor/Concessionaire:
 - a. Letter-Request by the DPWH to the Contractor/Concessionaire to make the advance payment.
 - b. Reimbursement Agreement between the DPWH and the Contractor/Concessionaire.
 - c. Certified true copy of the check issued by the Contractor/Concessionaire to the claimant.
 - d. Acknowledgement Receipt of the check by the claimant.
 - e. Secretary's Certificate/certified true copy of valid ID of the Contractor/Concessionaire's Attorney-in-Fact.

Final Payment – Just Compensation.

1. Notarized ADRI.
2. Tax Clearance/Statement of Account (with letter request for deduction)/Tax Exemption.
3. Certified true copy of the DV for the first payment/Court Order citing payment of the Zonal Value.
4. Pictures during and after demolition/removal duly certified by the Project Engineer.
5. Official Receipts/Proof of Tax Payments made.
6. If applicable, additional supporting documents for the reimbursement of the advance payments made by the Contractor/Concessionaire:
 - a. Letter-Request by DPWH to the Contractor/Concessionaire to make the advance payment.
 - b. Reimbursement Agreement between the DPWH and the Contractor/Concessionaire.
 - c. Certified true copy of the check issued by the Contractor/Concessionaire to the claimant.
 - d. Acknowledgement Receipt of the check by the claimant.
 - e. Secretary's Certificate/certified true copy of valid ID of the Contractor/Concessionaire's Attorney-in-Fact.

7. TIN.
8. One set of certified true copy of all the documents submitted for Accounting Unit's copy.
9. Certified true copy of two (2) valid Government-issued identification cards of the following (whichever is applicable):
 - a. Owner/Claimant.
 - b. Attorney-in-Fact, if represented by one.
 - c. Heirs - in the case of extra judicial settlement.
 - d. Authorized Officer of the Corporation.

D.4 CHECKS OR LIST OF DUE AND DEMANDABLE ACCOUNTS PAYABLE – ADVICE TO DEBIT ACCOUNT (LDDAP-ADA)

D.4.1 For Negotiated Sale

Approved DV.

D.4.2 For Expropriation

Approved DV.

Procedure:

Based on the General Guidelines in items A to D above, the following is the Detailed Procedure for the processing of payments for the different modes of ROW acquisition – where the RO is handling the ROW transactions and payments.

In the case of ROW payments handled by the CO – particularly for projects of the UPMO and the PPPS – all references to the RO officials/offices in the Detailed Procedure below shall be changed to the corresponding officials/offices concerned in the Central Office. If the ROW payments are delegated to the DEO, then all references to the RO officials/offices in the Detailed Procedure below shall be changed to the corresponding DEO officials/offices concerned.

P.1. FOR NEGOTIATED SALE

ORS and CAF

1. The Head of the IO concerned shall send to the Budget Section of the RO a request for a Certificate of Availability of Allotment (CAA), covering the total amounts to be paid under the DAS – viz., compensation to the Owner, CGT to the BIR for the account of the Owner, DST to the BIR, Transfer Tax to the Provincial/City Treasurer's Office, and Registration Fees to the Register of Deeds.
2. The Budget Section of the RO shall prepare the corresponding CAA, and the Budget Officer and the Head of Finance of the RO shall sign it.
3. The IO shall make the request for obligation supported by the following documents:

- a. DV for the first payment to the Owner, CGT to the BIR for the account of the Owner, DST to the BIR, Transfer Tax to the Provincial/City Treasurer, and Registration Fees to the Register of Deeds.
 - b. Relevant documents prescribed under item D.1.1 above.
4. The Budget Officer I of the RO shall prepare the ORS.
 - a. The Head of the IO, or other authorized official, shall certify that charges to the appropriation/allotment in the ORS are necessary, lawful and under his direct supervision, and that the supporting documents are valid, proper and legal.
 - b. The Budget Officer III of the RO shall certify that the allotment available and obligated for the purpose in the ORS are necessary as indicated above.
 5. The Accounting Section of the RO shall prepare the CAF based on the ORS prepared by the Budget Section, The Accountant shall sign the CAF, the Head of the Finance Unit shall concur in it, and the Regional Director shall note it.

Payment

1. The IO shall prepare the DV and have Box A certified by the Head of the IO or other authorized official. It shall forward the DV, with complete supporting documents, to the Internal Audit Unit of the Accounting Section.
2. The Internal Audit Unit shall review the DV as to completeness and accuracy.
3. If the DV is incomplete or inaccurate, the Internal Audit Unit shall return the DV to the IO; otherwise, it shall forward it to the Accounting Section for the following:
 - a. Assignment of DV Number and Date
 - b. Filling up of Box B in the DV (Accounting Entry)
4. The Accountant IV of the RO shall sign Box C of the DV certifying the following:
 - a. Cash availability
 - b. Subject to Authority to Debit Account (ADA), when applicable.
 - c. Supporting documents are complete and amount claimed is proper
5. The RD shall approve the DV.
6. ROW claims can be paid through Check or ADA upon receipt of the approved DV:
 - a. If through ADA:
 - (1) The signed voucher will be forwarded to the Accounting Section for the List of Due and Demandable Accounts Payable with ADA (LDDAP-ADA) and Summary of LDDAP-ADA issued and Invalidated Entries (SLIIE) preparation.
 - (2) The Accounting Section shall forward the signed DV to the Cashier Section.
 - (3) The LDDAP and SLIIE should be certified correct by the Head of Finance.
 - (4) The ADA should be signed by the Cashier and Head of the RO or authorized representative.

- (5) The Cashier shall bring the approved LDDAP-ADA and SLIIE to the bank for processing and validation. He shall attach one received copy of the LDDAP-ADA to the approved DV.
 - (6) The Cashier Section shall notify the IO or claimant upon receipt of the validated LDDAP and have Box E of the DV signed by the Payee.
 - (7) The Cashier Section shall prepare the Report of ADA Issued (RADAI), with attached validated LDDAP-ADA and shall forward this to the Accounting Section, together with the approved DV, for Journal Entry Voucher (JEV) preparation.
- b. If through Check:
- (1) The signed voucher will be forwarded to the Cash Section-Administrative Division for Check and Advice of Check issued and cancelled (ACIC) preparation.
 - (2) The Cashier and the RD or his authorized representative shall sign the Check and ACIC.
 - (3) The Cashier Section shall do the following upon receipt of the signed Check:
 - (a) Notify the IO or claimant
 - (b) Photocopy the signed Check and attach it to the approved DV.
 - (4) The Payee shall sign Box E of the DV upon receipt of the Check.
 - (5) The Cashier Section shall prepare the Report of Checks Issued (RCI) and forward it to the Accounting Section, together with the approved DV, for JEV preparation.
12. The process above is repeated for the second payment, except for steps 1 and 2, with the additional documentary requirement of submission of the TCT under the name of the Republic of the Philippines.

Encoding of Payments

1. The Accounting personnel shall prepare, print and attach the JEV to the approved DV. The JEV number shall be written on the lower right portion of the DV.
2. The Accountant IV shall review and approve the JEV.
3. The RD shall submit the approved DV, with approved JEV and received copy of the LDDAP-ADA or copy of the Check, together with the RADAI and RCI, to the Commission on Audit (COA) office.

P.2 FOR EXPROPRIATION

P.2.1 For the Required Deposit to the Court

ORS and CAF

1. The Head of the IO concerned shall send to the Budget Section of the RO a request for CAA, covering the total amount of the deposit to be made with the Court – viz., the sum of the BIR Zonal Value of the land, replacement cost of the structures/improvements, and current market value of trees/crops.

2. The Budget Section of the RO shall prepare the corresponding CAA, and the Budget Officer and the Head of Finance of the RO shall sign it.
3. The IO shall make the request for obligation supported by the following documents:
 - a. DV for the deposit to the Court.
 - b. Relevant documents prescribed under item D.1.2 above.
4. The Budget Officer I of the RO shall prepare the ORS.
 - a. The Head of the IO shall certify that charges to the appropriation/allotment in the ORS are necessary, lawful and under his direct supervision, and that the supporting documents are valid, proper and legal.
 - b. The Budget Officer III of the RO shall certify that the allotment available and obligated for the purpose in the ORS are necessary as indicated above.
5. The Accounting Section of the RO shall prepare the CAF based on the ORS prepared by the Budget Section. The Accountant shall sign the CAF, the Head of the Finance Unit shall concur in it, and the Regional Director shall note it.

Payment

1. The IO shall prepare the DV and have Box A certified by the Head of the IO or other authorized official. It shall forward the DV, with complete supporting documents in accordance with D.3 above, to the Internal Audit Unit of the Accounting Section.
2. The Internal Audit Unit shall review the DV as to completeness and accuracy.
3. If the DV is incomplete or inaccurate, the Internal audit Unit shall return the DV to the IO; otherwise, it shall forward it to the Accounting Section for the following:
 - a. Assignment of DV Number and Date.
 - b. Filling up of Box B in the DV (Accounting Entry).
4. The Accountant IV of the RO shall sign Box C of the DV certifying the following:
 - a. Cash availability
 - b. Subject to ADA, when applicable.
 - c. Supporting documents are complete and amount claimed is proper.
5. The RD shall approve the DV.
6. ROW claims can be paid through Check or ADA upon receipt of the approved DV:
 - a. If through ADA:
 - (1) The signed voucher will be forwarded to the Accounting Section for the LDDAP-ADA and SLIIE preparation.
 - (2) The Accounting Section shall forward the signed DV to the Cashier Section.
 - (3) The LDDAP and SLIIE should be certified correct by the Head of the Finance Unit.

- (4) The ADA should be signed by the Cashier and Head of the RO or authorized representative.
 - (5) The Cashier shall bring the approved LDDAP-ADA and SLIIE to the bank for processing and validation. He shall attach one received copy of the LDDAP-ADA to the approved DV.
 - (6) The Cashier Section shall notify the IO or claimant upon receipt of the validated LDDAP and have Box E of the DV signed by the Payee.
 - (7) The Cashier Section shall prepare the RADAI, with attached validated LDDAP-ADA and shall forward this to the Accounting Section, together with the approved DV, for JEV preparation.
- b. If through Check:
- (1) The signed voucher will be forwarded to the Cash Section-Administrative Division for Check and ACIC preparation.
 - (2) The Cashier and the RD or his authorized representative shall sign the Check and ACIC.
 - (3) The Cashier Section shall do the following upon receipt of the signed Check:
 - (a) Notify the IO or claimant
 - (b) Photocopy the signed Check and attach it to the approved DV.
 - (4) The Payee shall sign Box E of the DV upon receipt of the Check.
 - (5) The Cashier Section shall prepare the Report of Checks issued (RCI) and forward it to the Accounting Section, together with the approved DV, for JEV preparation.

Encoding of Payments

1. The Accounting personnel shall prepare, print and attach the JEV to the approved DV. The JEV number shall be written on the lower right portion of the DV.
2. The Accountant IV shall review and approve the JEV.
3. The RD shall submit the approved DV, with approved JEV and received copy of the LDDAP-ADA or copy of the Check, together with the RADAI and RCI, to the COA office.

P.2.2 For Compensation According to the Court's Decision

ORS and CAF

1. The Head of the IO concerned shall send to the Budget Section of the RO a request for CAA, covering the total amount to be paid to the Owner in accordance with the Court's decision – i.e., the difference between the compensation decided by the Court and the amount of the deposit already made – plus the DST to be paid to the BIR, Transfer Tax to be paid to the Provincial/City Treasurer's Office, and Registration Fees to be paid to the Register of Deeds.

2. The Budget Section of the RO shall prepare the corresponding CAA, and the Budget Officer and the Head of the Finance Unit of the RO shall sign it.
3. The IO shall make the request for obligation supported by the following documents:
 - a. DV for the deposit to the Court.
 - b. Relevant documents prescribed under item D.1.2 above.
4. The Budget Officer I of the RO shall prepare the ORS.
 - a. The Head of the IO shall certify that charges to the appropriation/allotment in the ORS are necessary, lawful and under his direct supervision, and that the supporting documents are valid, proper and legal.
 - b. The Budget Officer III of the RO shall certify that the allotment available and obligated for the purpose in the ORS are necessary as indicated above.
5. The Accounting Section of the RO shall prepare the CAF based on the ORS prepared by the Budget Section. The Accountant shall sign the CAF, the Head of the Finance Unit shall concur in it, and the Regional Director shall note it.

Payment

1. The IO shall prepare the DV and have Box A certified by the Head of the IO or other authorized official. It shall forward the DV, with complete supporting documents in accordance with D.3 above, to the Internal Audit Unit of the Accounting Section.
2. The Internal Audit Unit shall review the DV as to completeness and accuracy.
3. If the DV is incomplete or inaccurate, the Internal audit Unit shall return the DV to the IO; otherwise, it shall forward it to the Accounting Section for the following:
 - a. Assignment of DV Number and Date
 - b. Filling up of Box B in the DV (Accounting Entry)
4. The Accountant IV of the RO shall sign Box C of the DV certifying the following:
 - a. Cash availability.
 - b. Subject to ADA, when applicable.
 - c. Supporting documents are complete and amount claimed is proper.
5. The RD shall approve the DV.
6. ROW claims can be paid through Check or ADA upon receipt of the approved DV:
 - a. If through ADA:
 - (1) The signed voucher will be forwarded to the Accounting Section for the LDDAP-ADA and SLIIE preparation.
 - (2) The Accounting Section shall forward the signed DV to the Cashier Section.
 - (3) The LDDAP and SLIIE should be certified correct by the Head of the Finance Unit.
 - (4) The ADA should be signed by the Cashier and Head of the RO or authorized representative.

- (5) The Cashier shall bring the approved LDDAP-ADA and SLIIE to the bank for processing and validation. He shall attach one received copy of the LDDAP-ADA to the approved DV.
 - (6) The Cashier Section shall notify the IO or claimant upon receipt of the validated LDDAP and have Box E of the DV signed by the Payee.
 - (7) The Cashier Section shall prepare the Report of ADA issued (RADA), with attached validated LDDAP-ADA and shall forward this to the Accounting Section, together with the approved DV, for JEV preparation.
- b. If through Check:
- (1) The signed voucher will be forwarded to the Cash Section-Administrative Division for Check and ACIC preparation.
 - (2) The Cashier and the RD or his authorized representative shall sign the Check and ACIC.
 - (3) The Cashier Section shall do the following upon receipt of the signed Check:
 - (a) Notify the IO or claimant.
 - (b) Photocopy the signed Check and attach it to the approved DV.
 - (4) The Payee shall sign Box E of the DV upon receipt of the Check.
 - (5) The Cashier Section shall prepare the (RCI and forward it to the Accounting Section, together with the approved DV, for JEV preparation.

Encoding of Payments

1. The Accounting personnel shall prepare, print and attach the JEV to the approved DV. The JEV number shall be written on the lower right portion of the DV.
2. The Accountant IV shall review and approve the JEV.
3. The RD shall submit the approved DV, with approved JEV and received copy of the LDDAP-ADA or copy of the Check, together with the RADA and RCI, to the COA office.

P.3 FOR DONATION

ORS and CAF

1. The Head of the IO concerned shall send to the Budget Section of the RO a request for CAA, covering the total amounts to be paid under the Deed of Donation – viz., DST to the BIR, Transfer Tax to the Provincial/City Treasurer's Office, and Registration Fees to the Register of Deeds.
2. The Budget Section of the RO shall prepare the corresponding CAA, and the Budget Officer and the Head of Finance of the RO shall sign it.
3. The IO shall make the request for obligation supported by the following documents:
 - a. DV for the payment of the DST to the BIR, Transfer Tax to the Provincial/City Treasurer, and Registration Fees to the Register of Deeds.

- b. Relevant documents prescribed by COA Circular 2012-001 and DO 70, series of 2017.
4. The Budget Officer I of the RO shall prepare the ORS.
 - a. The Head of the IO shall certify that charges to the appropriation/allotment in the ORS are necessary, lawful and under his direct supervision, and that the supporting documents are valid, proper and legal.
 - b. The Budget Officer III of the RO shall certify that the allotment available and obligated for the purpose in the ORS are necessary as indicated above.
5. The Accounting Section of the RO shall prepare the CAF based on the ORS prepared by the Budget Section. The Accountant shall sign the CAF, the Head of the Finance Unit shall concur in it, and the Regional Director shall note it.

Payment

1. The IO shall prepare the DV and have Box A certified by the Head of the IO or other authorized official. It shall forward the DV, with complete supporting documents in accordance with D.3 above, to the Internal Audit Unit of the Accounting Section.
2. The Internal Audit Unit shall review the DV as to completeness and accuracy.
3. If the DV is incomplete or inaccurate, the Internal audit Unit shall return the DV to the IO; otherwise, it shall forward it to the Accounting Section for the following:
 - a. Assignment of DV Number and Date.
 - b. Filling up of Box B in the DV (Accounting Entry).
4. The Accountant IV of the RO shall sign Box C of the DV certifying the following:
 - a. Cash availability.
 - b. Subject to authority to Debit Account (ADA), when applicable.
 - c. Supporting documents are complete and amount claimed is proper.
5. The RD shall approve the DV.
6. ROW claims can be paid through Check or ADA upon receipt of the approved DV:
 - a. If through ADA:
 - (1) The signed voucher will be forwarded to the Accounting Section for the List of Due and Demandable Accounts Payable with ADA (LDDAP-ADA) and SLIIE preparation.
 - (2) The Accounting Section shall forward the signed DV to the Cashier Section.
 - (3) The LDDAP and SLIIE should be certified as correct by the Head of the Finance Unit.
 - (4) The ADA should be signed by the Cashier and Head of the RO or authorized representative.
 - (5) The Cashier shall bring the approved LDDAP-ADA and SLIIE to the bank for processing and validation. He shall attach one received copy of the LDDAP-ADA to the approved DV.

- (6) The Cashier Section shall notify the IO or claimant upon receipt of the validated LDDAP and have Box E of the DV signed by the Payee.
 - (7) The Cashier Section shall prepare the RADAI, with attached validated LDDAP-ADA and shall forward this to the Accounting Section, together with the approved DV, for JEV preparation.
- b. If through Check:
- (1) The signed voucher will be forwarded to the Cash Section-Administrative Division for Check and ACIC preparation.
 - (2) The Cashier and the RD or his authorized representative shall sign the Check and ACIC.
 - (3) The Cashier Section shall do the following upon receipt of the signed Check:
 - (a) Notify the IO or claimant.
 - (b) Photocopy the signed Check and attach it to the approved DV.
 - (4) The Payee shall sign Box E of the DV upon receipt of the Check.
 - (5) The Cashier Section shall prepare the RCI and forward it to the Accounting Section, together with the approved DV, for JEV preparation.

Encoding of Payments

1. The Accounting personnel shall prepare, print and attach the JEV to the approved DV. The JEV number shall be written on the lower right portion of the DV.
2. The Accountant IV shall review and approve the JEV.
3. The RD shall submit the approved DV, with approved JEV and received copy of the LDDAP-ADA or copy of the Check, together with the RADAI and RCI, to the COA office.

P.4 FOR QUIT CLAIMS

ORS and CAF

1. The Head of the IO concerned shall send to the Budget Section of the RO a request for a CAA covering the total amounts to be paid under the Quit Claim Deed – viz., payment to the Owner for the structures/improvements and crops/trees, DST to the BIR, Transfer Tax to the Provincial/City Treasurer's Office, and Registration Fees to the Register of Deeds.
2. The Budget Section of the RO shall prepare the corresponding CAA, and the Budget Officer and the Head of the Finance Unit of the RO shall sign it.
3. The IO shall make the request for obligation supported by the following documents:
 - a. DV for the first payment to the Owner, CGT to the BIR for the account of the Owner for the structures/improvements and crops/trees, DST to the BIR, Transfer Tax and Registration Fees to the Register of Deeds.
 - b. Relevant documents prescribed by COA Circular 2012-001 and DO 70, series of 2017.

4. The Budget Officer I of the RO shall prepare the ORS.
 - a. The Head of the IO shall certify that charges to the appropriation/allotment in the ORS are necessary, lawful and under his direct supervision, and that the supporting documents are valid, proper and legal.
 - b. The Budget Officer III of the RO shall certify that the allotment available and obligated for the purpose in the ORS are necessary as indicated above.

5. The Accounting Section of the RO shall prepare the Certificate as to Availability of Funds (CAF) based on the ORS prepared by the Budget Section. The Accountant shall sign the CAF, the Head of Finance shall concur in it, and the Regional Director shall note it.

Payment

1. The IO shall prepare the DV and have Box A certified by the Head of the IO or other authorized official. It shall forward the DV, with complete supporting documents, to the Internal Audit Unit of the Accounting Section.

2. The Internal Audit Unit shall review the DV as to completeness and accuracy.

3. If the DV is incomplete or inaccurate, the Internal audit Unit shall return the DV to the IO; otherwise, it shall forward it to the Accounting Section for the following:
 - a. Assignment of DV Number and Date.
 - b. Filling up of Box B in the DV (Accounting Entry).

4. The Accountant IV of the RO shall sign Box C of the DV certifying the following:
 - a. Cash availability.
 - b. Subject to authority to Debit Account (ADA), when applicable.
 - c. Supporting documents are complete and amount claimed is proper.

5. The RD shall approve the DV.

6. ROW claims can be paid through Check or ADA upon receipt of the approved DV:
 - a. If through ADA:
 - (1) The signed voucher will be forwarded to the Accounting Section for the LDDAP-ADA and SLIIE preparation.
 - (2) The Accounting Section shall forward the signed DV to the Cashier Section.
 - (3) The LDDAP and SLIIE should be certified correct by the Head of Finance.
 - (4) The ADA should be signed by the Cashier and Head of the RO or authorized representative.
 - (5) The Cashier shall bring the approved LDDAP_AA and SLIIE to the bank for processing and validation. He shall attach one received copy of the LDDAP-ADA to the approved DV.
 - (6) The Cashier Section shall notify the IO or claimant upon receipt of the validated LDDAP and have Box E of the DV signed by the Payee.

- (7) The Cashier Section shall prepare the RADAI, with attached validated LDDAP-ADA and shall forward this to the Accounting Section, together with the approved DV, for JEV preparation.
 - b. If through Check:
 - (1) The signed voucher will be forwarded to the Cash Section-Administrative Division for Check and ACIC preparation.
 - (2) The Cashier and the RD or his authorized representative shall sign the Check and ACIC.
 - (3) The Cashier Section shall do the following upon receipt of the signed Check:
 - (a) Notify the IO or claimant.
 - (b) Photocopy the signed Check and attach it to the approved DV.
 - (4) The Payee shall sign Box E of the DV upon receipt of the Check.
 - (5) The Cashier Section shall prepare the RCI and forward it to the Accounting Section, together with the approved DV, for JEV preparation.
7. The process above is repeated for the second payment, except for steps 1 and 2.

Encoding of Payments

1. The Accounting personnel shall prepare, print and attach the JEV to the approved DV. The JEV number shall be written on the lower right portion of the DV.
2. The Accountant IV shall review and approve the JEV.
3. The RD shall submit the approved DV, with approved JEV and received copy of the LDDAP-ADA or copy of the Check, together with the RADAI and RCI, to the COA office.

P.5 FOR EASEMENT

1. The IO concerned shall make the request for a CAA covering the total amounts to be paid under the Easement Agreement – viz., payment to the Owner for the affected portion of the land, structures/improvements and crops/trees.
2. The Budget Section of the RO shall prepare the corresponding CAA, and the Budget Officer and the Head of Finance of the RO shall sign it.
3. The IO shall make the request for obligation supported by the following documents:
 - a. DV for the payment to the Owner, CGT to the BIR for the account of the Owner for the structures/improvements and crops/trees, and DST to the BIR,
 - b. Relevant documents prescribed by COA Circular 2012-001.
4. The Budget Officer I of the RO shall prepare the ORS.
5. The Head of the IO shall certify that expenses in the ORS are legal and under his direct supervision.

6. The Budget Officer III of the RO shall approve the ORS.
7. The Accounting Section of the RO shall review the DV and other documentation as to completeness and accuracy.
8. The Accountant IV of the RO shall sign the DV as to completeness and accuracy.
9. The RD shall approve the DV.
10. The Accountant I of the RO shall prepare the LDDAP or check payments to the respective payees/claimants, as the case may be.
11.
 - a. In the case of LDDAP, the Chief Administrative Officer – Finance Division (CAO-FD) shall sign the LLDAP and the RD shall approve it.
 - b. In the case of check payments, the Cashier of the RO shall sign the checks and the RD shall countersign them.

P.6 RESPONSIBILITIES FOR TAXES AND FEES

The entities responsible for the payment of Capital Gains Tax (CGT), Documentary Stamp Tax (DST), Transfer Tax, Registration Fee, Real Property Tax, and Notarial Fee are shown in the following matrix for the modes of Donation, Negotiated Sale, and Expropriation.

Table 2.23-1. Responsibilities for Payment of Taxes and Fees

Tax/Fee	Donation	Negotiated Sale	Expropriation
Capital Gains Tax (CGT) – to BIR	NA	Owner, but IA pays for account of Owner	Owner
Documentary Stamp Tax (DST) – to BIR	IO	IO	IO
Transfer Tax – to Provincial/City Treasurer	IO	IO	IO
Registration Fee – to Register of Deeds	IO	IO	IO
Real Property Tax (RPT) – to LGU	Owner	Owner	Owner
Notarial Fee – to Notary Public	IO	IO	IO

2.24 *Clearing of Private Structures and Crops/Trees within the ROW*

Objective: To clear private structures and crops/trees within the ROW after the properties are fully acquired.

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/PPPS Staff
- RO Staff
- DEO Staff

Overview:

This procedure is initiated when the Title of the acquired lands has been transferred in the name of the Republic of the Philippines, regardless of the mode of its acquisition, except for those that are expropriated. For properties acquired through donation, clearing of ROW can be immediately carried out once the Deed of Donation is perfected, since the Deed is inclusive of all improvements in the acquired property.

For properties acquired through negotiated sale, through a Deed of Exchange, or through the execution of a “quit claim”, or “easement agreement,” clearing of ROW shall be undertaken after the Agreement to Demolish and Remove Improvements (ADRI) has been executed and agreed between the IO and the property owner. For properties acquired through negotiated sale, it is important to make sure that the ADRI is approved prior to the release of the initial 70% payment for the improvements, and that the ADRI is notarized prior to the release of the remaining 30% payment, as specified in **Section 2.23** of the DRAM. For exchanged properties, the ADRI must be approved and notarized prior to the release of full payment for improvements.

For expropriated lands, site clearing can be immediately carried out once the Writ of Possession (WOP) is issued by the concerned Court. For procedures in securing the WOP, please refer to **Section 2.19** of this Manual.

The following procedures apply only to private structures, i.e., buildings, houses, fences, shops, and privately-owned fruit-bearing trees, plantations for timber production, and the like. Procedures to clear public infrastructure and other improvements are provided in **Section 2.25** of Manual. Procedures for the relocation of public utilities are presented in **Section 2.26**. Procedures for clearing perennial trees are discussed in **Section 2.27** of Manual.

Procedure:

For structures and crops/trees on lands acquired through exchange/quit claim/easement agreement and negotiated sale

1. Meet with the property owner and let him decide whether he prefers to demolish and clear his structures or have them demolished and removed by the IO.

2. Make sure that the property owner understands that, if he decides to demolish and remove his own structures and improvements, he has to complete it within a specified time frame, as stipulated in the ADRI; and that if he fails to do so, the IO shall undertake the task.
3. Prepare the ADRI. Attach to the ADRI photographs of the structures and improvements to be demolished. Certify the authenticity of the photographs, together with one representative each from the concerned Office of the Assessor and Commission on Audit (COA).
4. If the land was acquired through a deed of exchange or through a quit claim or through an easement agreement, have the owner sign the ADRI before payment for improvements is made. If not, proceed to the next step.
5. If the land was acquired through purchase, have the owner sign the ADRI before full payment for lot and improvements is made.
6. Have the ADRI approved by the Project Director of the concerned PMO or PPPS for projects at the CO, or by the concerned Regional Director for other projects.
7. If the property owner opted to let the IO undertake the demolition and removal of structures and improvements, inform him in writing about the schedule of demolition and removal of said structures and improvement. If the property owner opted to demolish and remove his own structures and improvements, wait for the time period specified in the ADRI to lapse before inspecting the site.
8. If the property owner completed the demolition and removal of the structures and improvements within the specified time in the ADRI, prepare a Certification that the structures and improvements on the acquired land for ROW have been completely cleared. Give a copy of the Certification to the owner and inform him that the certification will be included in the documents to be submitted for payment of claims in **Section 2.23** of this Manual.
9. If the property owner failed to demolish and remove the structures and improvements within the specified time period in the ADRI, inform him in writing that the IO shall undertake the demolition and complete clearing of the land on a set schedule.
10. Demolish and remove all the structures and improvements within the acquired land for ROW on the date specified in the letter prepared in Step 7 or Step 9.

For structures on lands acquired through donation

11. Once the Transfer of Title is perfected, prepare the ADRI. Attach to the ADRI photographs of the structures and improvements to be demolished. Certify the authenticity of said photographs, together with one representative each from the concerned Office of the Assessor and Office of the Auditor.
12. Have the ADRI approved by the Project Director of the concerned PMO or the PPPS for projects at the CO, or by the concerned Regional Director for other projects.

13. Inform the property owner in writing, about the schedule of demolition and removal of structures and improvements.
14. Demolish and remove all the structures and improvements within the acquired land for ROW on the date specified in the letter prepared in Step 13.

For structures on lands acquired through expropriation

15. Once the Writ of Possession (WOP) is issued by the concerned Court, the ROW Team can immediately enter the property needed for ROW.
16. Inform the property owner in writing that the IO has received the WOP and about the schedule of demolition and removal of structures and improvements.
17. Demolish and remove all the structures and improvements within the acquired land for ROW on the date specified in the letter prepared in Step 16.

2.25 Clearing of Public Improvements within the ROW

Objective: To clear public infrastructure and other improvements within the ROW after the properties are fully acquired

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO/PPPS Staff
- RO Staff
- DEO Staff
- LGUs concerned
- National Government Agencies (NGAs) concerned

Overview:

Aside from privately-owned structures (see **Section 2.24**), public infrastructure and other improvements must be cleared from the acquired ROW. These include structures such as waiting sheds, barangay halls, military detachment centers, day care centers, water supply reservoirs and pipes, public school buildings, fences, and the like. Demolition and removal of all affected infrastructure shall be carried out by the IO. Reconstruction can be carried out by contract or by administration, depending on the agreement made with the concerned government entity. In this case, an Agreement to Demolish, Remove, and Reconstruct Improvements (ADRRI) shall be executed.

Before the demolition, the IO must coordinate with the concerned government entities, such as Barangay Officials, City/Municipal Officials, Provincial Officials, and Officials of National Government Agencies (NGAs), such as the Department of Education (DepEd), Department of the Interior and Local Government (DILG), and the AFP/PNP. If an ADRRI is executed, the affected infrastructure can be reconstructed by the IO.

Procedure:

For infrastructure within acquired ROW

1. Coordinate with the concerned government entity (LGU, NGA, Office of the Legislative District Representative, AFP/PNP) and make necessary arrangements to vacate the affected infrastructure in the case of public schools, day care centers, barangay halls, PA/PNP detachment units.

The IO may provide transportation assistance, such as the transport of school furniture, upon the request of the above mentioned government entities.

2. Prepare an ADRI (**Appendix 30**) or an ADRRI (**Appendix 41**), depending on the preference of the government entity-owner of the affected infrastructure. Have the ADRI or ADRRI signed by the authorized representative of the concerned government entity.

3. If an ADRI is preferred, obtain a copy of the bill of materials prepared for the RAP and take note of the amount of the allotted labor cost for demolition. Input this amount in the ADRI. Otherwise proceed to Step 4.
4. If an ADRRI is preferred, obtain a copy of the bill of materials prepared for the RAP. Get the total cost for improvement (infrastructure), and add this to the labor cost for demolition. Input this amount in the said ADRRI.
5. Have the ADRI or ADRRI notarized.
6. Schedule the demolition and removal and inform in writing the concerned government entity-owner of the affected infrastructure.
7. If an ADRI has been perfected, demolish and remove the affected infrastructure. Otherwise, proceed to Step 10.
8. Deduct the labor cost for demolition from the cost of improvements to be paid to the government entity-owner of the demolished and removed infrastructure.
9. Pay the concerned government entity the balance obtained in Step 8.
10. If an ADRRI has been perfected, prepare the voucher, using the cost of improvements stated in the RAP, to disburse fund for reconstructing the affected infrastructure.
11. Reconstruct the infrastructure at the designated site, either by contract or by administration.

2.26 Relocation of Public Utilities

Objective: To facilitate relocation of public utilities in areas needed for right-of-way

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director

For projects at RO/DEO: RD/DE

Support:

- Planning, Design, and Construction Division Staff, RO
- Planning Design, and Construction Section Staff, DEO
- IU Staff

Overview:

Once the ROW limits are established during the conduct of detailed design, an inventory of public utilities that need to be relocated must be immediately undertaken. Proper coordination with all the utility companies involved is very important at this point, in order to ensure prompt execution of relocation procedures.

Users of this Manual are reminded of the following Department's policies:

- Public utility surveys and preparation of Utility Relocation Plans shall be included in the scope of work of the DED to avoid undue delay in RAP implementation.
- The cost of relocation shall be shouldered by the DPWH for utilities outside the existing ROW.
- The cost of relocation shall be shouldered by the utility companies for utilities within the existing ROW.
- Utilities that are not cleared by utility companies within agreed period of time shall be cleared by the DPWH after due notice and public announcement.
- All ROs are encouraged to prepare the corresponding MOA with public utility companies.

Procedure:

A. ROW Acquisition Affecting Facilities and Assets Owned by Electric Cooperatives

In the case of ROW acquisition affecting facilities and assets owned by electric cooperatives, the provisions of Joint Circular No. 1, series of 2017, of the Department of Energy (DOE) and the DPWH, entitled "*DOE-DPWH Joint Guidelines for Payment of Compensation/Recovery Cost of Electric Cooperatives*," shall apply.

1. Scope and Application - The Joint Circular shall apply to all existing and/or future facilities and assets owned by ECs directly related to distribution or sub-transmission lines located along, upon, under and across publicly owned lands and public thoroughfares, including, without limitation, all roads, highways, streets, alleys, bridges and causeways, that require relocation as a result of the implementation of a national or government project after the effectivity of RA 10531.

2. Coordination on Projects – From programming and/or planning of a Government Project until an Affected Facility is relocated, the IO shall coordinate with the NEA and ECs to address all ROW concerns related to the Affected Facility such as, but not limited to, claims for compensation and determination of relocation site.
 - a. Prior to the preparation of budget for a proposed Government Project, the IO shall inform the EC in writing that its Facility will be affected by a Government Project, copy furnished the DOE and NEA;
 - b. Thereafter, the IO and the EC shall designate an authorized representative to conduct, among others, the actual joint survey and assessment of the Facility which may be possibly affected by the Government Project;
 - c. Within a period not exceeding thirty (30) calendar days after the joint survey and assessment, the EC shall submit to the IO the proposed program of work for the Affected Facility with a cost estimate duly certified by NEA, and bill of materials thereof;
 - d. After the EC submits its program of work, the IO shall determine within ten (10) calendar days the proper compensation based on the formula provided under Section 5 hereof;
 - e. After the amount of compensation is determined, the IO and the EC shall execute within fifteen (15) calendar days a Relocation Agreement for the removal of Affected Facility with the following terms and conditions, among others:
 - (1) Terms of payment of compensation for the Affected Facility;
 - (2) Details of the Affected Facility and approved relocation site;
 - (3) Project implementation and schedules of activities for the removal of Affected Facility;
 - (4) “Target Date” when the Affected Facility must be removed;
 - (5) Remedy in case of default, refusal to relocate, disagreement or dispute;
 - f. After the execution of a Relocation Agreement, the IO shall prepare the final program of work for the Government Project which shall include the amount of compensation due to the EC, for budgetary purposes;
 - g. At least fifty percent (50%) of the cost of compensation as stated in the agreement must be paid by the IO to the EC prior to the removal of an Affected Facility, and
 - h. In case of disagreement or failure of the EC and IO to execute a Relocation Agreement within fifteen (15) calendar days as required under Section b(5, at least fifty percent (50%) of the cost of compensation computed in accordance with Section 5 may be deposited by the IO to the NEA. After the deposit has been received by the NEA, the IO shall notify the EC in writing of such deposit ("Deposit Notice"). The EC is required to remove the Affected Facility within seven (7) calendar days ("Removal Period") counted from the receipt of the Deposit Notice from the IO. In case the EC fails or refuses to remove the Affected Facility within the Removal Period, the NEA, with the assistance of the IO shall immediately relocate

the Affected Facility at the expense of the EC, including the imposition of legal sanction, if any. In case the EC causes, but delays in, the removal of the Affected Facility, Section 6 shall apply.

3. Guidelines for the Determination of Proper Compensation – The IO shall determine and pay the proper compensation to the EC for the cost of the removal of Affected Facility, based on the following formula:

Relocation Cost = Present Value of Relocated Facility, less Depreciation Cost of Affected Facility, plus Dismantling/Removal and Disposal Cost of Affected Facility.

Thus:

$$a = (b-c) + d$$

Where:

a – Relocation Cost

b – Present Value of Relocated Facility

c – Depreciation Cost of Affected Facility

d – Dismantling/Removal and Disposal Cost of Affected Facility

Where:

Present Value – is the cost of the Relocated Facility based on the NEA Equipment and Materials Price Index, which include cost of labor and equipment required for the construction/installation of the Relocated Facility.

Depreciation Cost – the equivalent cost of the service life of the Affected Facility, to be determined based on Section 1.7, Chapter III of the Accounting and Cost Allocation Manual (ACAM) for Electric Cooperatives prescribed under ERC Resolution No. 7, Series of 2012.

Cost of Removal/Dismantling and Disposal – cost of labor and equipment required to remove/dismantle the Affected Facility, including, where necessary, cost to transport the Affected Facility to the disposal or storage site.

4. Period to Remove Affected Facility – The EC is obliged to promptly remove its Affected Facility from the right-of-way required for a Government Project by removing the same within the period stated in the Relocation Agreement. Unless the failure to relocate the Affected Facility is not caused by the willful or negligent act(s) of the EC, the IO shall deduct an amount equivalent to the rate of ten percent (10%) of the Relocation Cost for the first day of delay. Thereafter, the rate shall be ten percent (10%) of the remaining balance of the Relocation Cost per day of delay until the Affected Facility is relocated.
5. Refusal to Remove Facilities – In case the EC fails, without justifiable cause, to remove the Affected Facility after ten (10) days counted from the Target Date indicated in the Relocation Agreement, the NEA, with the assistance of the IO shall immediately relocate

the Affected Facility at the expense of the EC, including the imposition of legal sanction, if any.

6. Interruption Cost – The IO shall not be liable for any cost caused by the interruption, disruption, and/or disturbance of electric distribution by an EC to its consumer(s) by reason of the removal and/or relocation of the Affected Facility.
7. Acquisition of Private Property – If the property where the Affected Facility is situated in the government’s right-of-way, the EC shall bear the expenses for the acquisition of a private property necessary for the relocation of the Relocated Facility. If the Affected Facility is situated in a private property necessary for the government project, the IO shall pay for the land in accordance with the provisions of RA 10752.
8. Improvements in New EC’s Facilities – Any variance from the technical components of the Relocated Facility from the Affected Facility shall be borne by the EC concerned, except if the improvement is a necessary consequence/effect of the relocation.
9. Exemption from Government Fees – In relocating an Affected Facility, whether within a government or private property, the IO, DOE and NEA shall exempt the EC from payment of prescribed fees, if any, subject to submission of bonds when applicable.
10. Allowable use of Government’s Right-of-Way – After the effectivity of this Joint Circular, the EC may use government property for the construction, erection and implementation of distribution and/or sub-transmission lines within the limits allowed by law, subject to proper coordination with the appropriate government agency.
11. Clearing of Facilities from Existing Government Projects – Within one (1) year from the effectivity of this Joint Circular, the NEA and EC shall cause the removal and relocation of any improperly located facility in the government’s right-of-way (Obstructing Facility), subject to payment of compensation provided in this Joint Circular.

After the lapse of the prescribed one-year period, the NEA shall demand from the concerned EC to relocate an Obstructing Facility at its own expense. Otherwise, the NEA, with the assistance of the DPWH, shall relocate the Obstructing Facility at the expense of the EC, including the imposition of legal sanction, if any.

The NEA shall cause the appropriations of funds needed to cover the expenses for the accomplishment of activities provided for by the preceding paragraph.

12. Easement in favor of the Government - ECs shall strictly observe and maintain the easements in favor of the government provided in Section 40 of the Public Land Act, Section 16 of the Forestry Code of the Philippines and Article 51 of the Water Code of the Philippines. Should the EC, its successors or assignee fail, refuse or neglect to maintain the easement stated therein, the NEA shall cause the removal/relocation of facilities which encumber government easements in the same manner set forth in Section 7 of this Joint Circular.
13. Applicability of RA 10752 and its IRR – The provisions of RA 10752 and its IRR shall be applicable in cases not covered by this Joint Circular.

B. ROW Acquisition Affecting Facilities and Assets Owned by Other Utility Entities Cooperatives

1. Using the ROW plans prepared during detailed design, conduct a field inventory of utilities above ground.
2. For underground facilities, interview a Utility Company/Cooperative representative and request a copy of utility plans or other relevant documents
3. Take note if the subject utility is inside or outside the existing ROW using data obtained from Steps 1 and 2.

For Utilities Outside the Existing ROW:

4. Prepare the Utility Relocation Plan.
5. Arrange a meeting with the Utility Company/Cooperative and request it to relocate the utility.
6. If the Utility Company/Cooperative agrees, execute an Agreement to Relocate the Utility with the concerned owners. Make sure that said agreement contains a clause that binds the Company/Cooperative to undertake relocation of the affected utility within a specified time period, upon receipt of payment.
7. Prepare the voucher and pay the Utility Company/Cooperative, in accordance with the Agreement executed.
8. The Utility Company/Cooperative must relocate its utility within the set period of time in the Agreement.
9. The IU must monitor if the Utility Company/Cooperative has relocated its utility within the time period set in Step 6.
10. If the Utility Company/Cooperative does not relocate its utilities within the set time period, send a second notice stating that if it does not relocate the utilities within a time frame set, then the DPWH shall undertake the relocation and charge the Utility Company/Cooperative the amount incurred, plus the payment that was given to them in Step 7.

For Utilities Within the Existing ROW:

11. Coordinate with the Maintenance Division of the RO where the project is located, obtain a copy of the General MOA between the DPWH and utility companies and clarify the conditions and regulations regarding the installation of public utility facility within the DPWH's ROW.
12. Also clarify conditions/rules stated in the installation permit issued by the Maintenance Division of the RO to utility companies.

13. Notify the Utility Company/Cooperative to relocate the utility within a specified period of time.
14. The IU must make regular follow ups and remind the Utility Company/Cooperative of the deadline for compliance.
15. If the utility company has not relocated the utility, then issue a press release or advisory informing the public that the Utility Company has been notified to relocate the utilities to make way for the implementation of the project
16. If the Utility Company/Cooperative does not relocate its utility after the press release or advisory, issue a final notice to the Company/Cooperative, specifying another time period, signed by the Head of the IO.
17. If the Utility Company/Cooperative still does not comply, request the Construction Division of the RO or the DEO and the necessary support from the PNP to clear the utility from the existing right-of way
18. Prepare the necessary billing, including all the costs incurred in the clearing of the subject utility
19. Bill the Utility Company/Cooperative.

2.27 Clearing of Perennial Trees within the ROW

Objective: To clear trees from acquired lands for ROW.

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/ PPPS Staff
- RO Staff
- DEO Staff
- DENR-CO, PENRO, CENRO

Overview:

This procedure is initiated when the Title of the acquired lands has been transferred in the name of the Republic of the Philippines, regardless of the mode of its acquisition. Clearing of perennial trees along acquired land for ROW shall be in accordance with the current rules and regulations regarding the issuance of a “Permit to Cut” from the DENR. Perennial trees refer to forest trees that are either naturally occurring, afforested, or reforested by the LGUs, DENR, or NGOs such as grantees of Community Based Forest Management Agreement (CBFMA). These exclude privately-owned fruit-bearing trees, plantations for timber production, and the like, which are included in **Section 2.24**.

Procedure:

1. Request a registered Forester from the concerned Community Environment and Natural Resources Office (CENRO) to undertake inventory of the trees to be cut, particularly in terms of volume and type of species. Obtain a copy of the inventory of trees.
2. Submit the inventory to the DENR-CENRO and apply for a Permit to Cut. The concerned CENRO shall then conduct its own validation and come up with a field report containing the findings of the team, particularly the volume of trees to be cut.
3. Make follow-ups with the concerned DENR Officer for prompt release of the said permit.
4. Obtain Permit to Cut from the DENR, signed by the Secretary. This permit must be obtained prior to the Notice of Award of the construction contract.
5. The contractor shall be responsible for the cutting and hauling of the trees to the stockyard designated by the DENR.
6. In cutting the trees, make sure that the conditions set in the Permit to Cut issued are strictly complied with, such as boundaries set where trees can be cut, balling instead of cutting (depending on the age and recovery ability of the tree), etc. Cut trees shall be transferred to the proper DENR Office.

2.28 Preparation of ROW Completion Report

Objective: To prepare the ROW Completion Report to be submitted to the concerned RO for endorsement to the Undersecretary concerned.

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/ PPPS Staff
- RO Staff
- DEO Staff

Overview:

Once the acquired lands have been cleared of all structures, other improvements, and utilities, the IO shall prepare the ROW Completion Report. The IO must finish this Report within thirty (30) days after completion of clearing activities and prior to the Notice of Award of the construction contract. For projects implemented outside the CO, the IO shall submit the Report to the concerned RO for review within ten (10) working days. If there are major revisions to be made, or if there are important attachments that are lacking, the RO may send back the document to the DEO for necessary corrections. Depending on the extent of revision, the DEO shall resubmit the Report to the RO once it is completed or after fifteen (15) days, whichever comes first. The RO shall then endorse the Report to the Undersecretary concerned for archiving and updating of the ROW Database.

Procedure:

1. Compile the following documents:
 - a. RAP
 - b. Parcellary Survey Report
 - c. TCTs in the name of the Government
 - d. Other Attachments, such as court proceedings (for expropriated properties), copies of ADRI, and other pertinent documents
2. Prepare the ROW Completion Report within thirty (30) days after completion of clearing of the ROW, following the outline in **Appendix 42**.
3. Submit the ROW Completion Report to the Undersecretary concerned for review and comments (if any). For DEOs, course the submittal through the concerned RO.
4. If the RO deems it necessary to revise the Report, it shall do it expeditiously and resubmit the document. Otherwise, proceed to Step 5.
5. The RO shall then endorse the Report to the Undersecretary concerned.

6. The Undersecretary concerned shall review the Report, archive said, and update the necessary information in the ROW Database Report through the Records Management Division of the Human Resources and Administrative Service (HRAS)

2.29 Processing of Title Documents

Objective: To incorporate title information of acquired properties into the ROW System.

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/ PPPS Staff
- RO Staff
- DEO Staff
- Records Management Division Staff

Overview:

This procedure is initiated by the transfer of ownership of acquired lands in the name of the Republic of the Philippines. Important title information must be properly incorporated into the ROW Database for archiving and future referencing.

Procedure:

1. Obtain a copy of the Title in the name of the Republic of the Philippines from the Register of Deeds.
2. Input pertinent information, on the title, such as the technical description, area of property, location, and other pertinent data.
3. Endorse the Title to the Undersecretary concerned for review.
4. After the review, scan the Title into the ROW System, and archive a hard copy at the Office of the Undersecretary concerned.
5. Correctness of scanned documents shall be certified by the Chief of the Records Management Division of the HRAS before sending the original TCT to the National Archive.

2.30 Management of ROW

Objective: To properly manage the ROW to prevent illegal encroachment of newly acquired land and remove illegal structures from existing ROWs.

Lead Person: DE

Support:

- RD
- DEO Maintenance Section
- City/Municipal Mayor
- City/Municipal Engineer
- City/Municipal Planning Officer/Coordinator
- City/Municipal Council

Overview:

DO 5, series of 2003 (**Appendix 43**), states that DEOs shall be responsible and accountable for the proper management of all ROWs and ensure that encroachments, structures, and informal settlers are not allowed within ROW limits. This task should be accomplished through the joint coordination and efforts among the DEO, the concerned LGUs, and the PNP.

Under DO 73, series of 2014 (**Appendix 44**), all Regional/District Engineering Offices are directed to “immediately remove or cause the removal of all obstructions and prohibited uses within the right-of-way (ROW) of all national roads” within their respective jurisdictions.

The procedures below provide a guide to the District Engineers, together with the Maintenance Section of the DEOs, on how to properly manage acquired lands. These procedures are applicable to both existing and newly acquired ROWs.

The DEOs shall submit monthly reports on the management of the ROW, to the Regional Directors for review and endorsement to the Undersecretary concerned.

Procedure:

Proper Coordination with the Concerned LGUs

1. Arrange meetings with concerned LGU Officials, particularly the Mayor, the Vice Mayor, and the City/Municipal Engineer, and Planning Officer/Coordinator.
2. Prepare the following documents as these may be needed as reference materials during the meeting:
 - a. ROW Completion Report
 - b. As-Built ROW Plans (for existing infrastructure)

3. During the meeting, briefly present the improved ROW Process. Since the Officials have very busy schedules, provide highlights only. If possible, use ordinary transparencies or powerpoint presentations.
4. Emphasize the importance of the LGU's role in the management of ROW. Invite the LGU Officials to be your partners in this difficult and challenging task.
5. Request the Vice Mayor, as the Presiding Officer of the City/Municipal Council, to pass an ordinance to support and strengthen existing laws against illegal encroachment of ROWs. If possible, ask them to impose stiff penalties against violators.
6. Request the City/Municipal Engineer to ensure that any type of structures, including billboards, as stipulated in DO 217, Series of 2000 (**Appendix 9**) within ROWs shall not be given the necessary permits.
7. For existing ROWs with informal settlers, request the City/Municipal Planning Officer/Coordinator to include, as one of the priority group-beneficiaries of their Shelter Plan, these informal settlers, so that they can be relocated as soon as possible.

Proper Coordination with Concerned Utility Companies

8. Arrange meetings with concerned Utility Companies. Make sure to invite key persons who can either make decisions or ensure that key issues are taken up with the decision makers.
9. Prepare the following documents as these may be needed as reference materials during the meeting:
 - a. ROW Completion Report
 - b. As-Built ROW Plans
10. During the meeting, briefly present the improved ROW Process. Since these Officials have very busy schedules, emphasize their roles and responsibilities. If possible, make use of ordinary transparencies, or computer-generated presentations using a multi-media projector.
11. Emphasize the importance of their cooperation in the management of ROW. Cite that they will also benefit from this effort since they are also users of these infrastructures.

Management of Newly Acquired ROW

12. If the acquired ROW will be constructed in phases and/or stages, protection of "unused" portions from encroachment, by means of the following measures, whichever is more practical and economical:
 - a. Planting of fast growing trees such as *gemelina*, which can be harvested every five (5) years. This can even become a part of the social development program to be developed for PAPs, who can be contracted to cultivate and maintain said trees;
 - b. Fencing of boundary of ROW

- c. Utilizing edges of the ROW, leaving the bigger “unused” portion as the center median
- 13. During construction of the infrastructure, strictly prohibit “shanty-type” of dwelling units and instead specifying orderly rows of bunkhouses for Contractors’ workers.
- 14. Do not allow structures, even for temporary use, such as barangay halls, barangay tnod outposts, and police detachment units, to be built on ROWs.
- 15. If there are any minor structures or obstructions, such as ambulant carts and small makeshift stalls, or *sari-sari* stores from the ROW, immediately remove them.

Management of Existing ROW

- 16. Coordinate with the LGUs, particularly the concerned City/Municipal Mayors and Barangay Captains and inform them about the schedule of a meeting for a briefing on the improved ROW Process.
- 17. During the meeting, explain briefly but clearly, the salient points of DO 5, series of 2003 (**Appendix 43**), particularly the provisions on the proper management of all ROW, including the removal and clearing of encroachments, structures, and informal settlers within the ROW limits.
- 18. Focus on the importance of keeping the highway clear from any form of encroachment. Explain to them, in layman’s term, the importance of their cooperation and support in the success of the implementation of the improved process.
- 19. Cite benefits to the City/Municipality, such as easing of traffic congestion caused by narrowed roadway (as a result of encroachment), increase in capacity of the road to accommodate more vehicles, lesser gaseous emissions as a result of better flow of motorized vehicles, etc.
- 20. After the meeting, persuade the City/Municipal Officials to execute with the DPWH Memoranda of Agreement with the City/Municipality that will:
 - a. Reiterate and enforce the jurisdiction of the DPWH over ROWs;
 - b. Bind the City/Municipal Engineering Office to conduct more rigid ocular inspections before issuing building permits to ensure that the structures will be outside the ROW;
 - c. Bind the City/Municipal Planning and Development Officers and/or Coordinators to avoid locating commercial zones along the roadsides of national roads to discourage encroachment towards the roadway, and instead put greenbelts or buffer zones along these roadsides to protect the ROW from encroachment. Cite benefits such as improvement of aesthetics, decrease in levels of air pollutants due to the conversion of carbon dioxide into oxygen during the process of plant (trees) transpiration, etc.
 - d. Extension of support from the City/Municipal Office, particularly from the PNP, for assistance during clearing operations.
- 21. Request an audience with the City/Municipal Council, through the Vice Mayor. Present the improved ROW Process to the Council Members and request them to pass new and

- better zoning ordinances that will impose stiffer penalties for encroachers of existing ROWs.
22. Arrange meetings with concerned Utility Companies. Make sure to invite key persons who can either make decisions or ensure that key issues are taken up with the decision makers.
 23. Prepare the following documents as these may be needed as reference materials during the meeting:
 - a. DO 5, series of 2003 (**Appendix 43**)
 - b. DO 73, series of 2014 (**Appendix 44**)
 - c. As-Built ROW Plans
 24. During the meeting, briefly present the improved ROW Process. Since these Officials have very busy schedules, emphasize their roles and responsibilities. If possible, make use of ordinary transparencies, or computer-generated presentations using a multi-media projector.
 25. Emphasize the importance of their cooperation in the management of ROW. Cite that they will also benefit from this effort since they are also users of these infrastructures.

Monthly Reporting

For Newly Acquired ROW

26. Coordinate with the LGUs, particularly the concerned Barangay Captains and inform them about the schedule of the installation of monuments for ROW boundaries. Request for their assistance in terms of protecting these monuments. Explain to them in layman's term, the importance of these markers.
27. Establish in each barangay, pressure groups, such as NGOs, and other respected figures, such as teachers, religious leaders, the elderly and civic organizations that shall assist in abating informal settling. In the case of existing ROWs, if there are already informal settlers, ask for their assistance in persuading these informal settlers to vacate the ROW.
28. Conduct rigid and thorough monthly site inspection on a continuous and regular basis to check if there are any encroachments on the ROW.
29. If there are no encroachments or informal settlers, proceed to Step 34. If there are encroachments or informal settlers, request established pressure groups to persuade the encroachers to vacate the ROW.
30. If the encroachers vacate the ROW, proceed to Step 34. If the encroachers do not listen to the pressure groups, prepare a letter notifying them that they are unlawfully encroaching on the ROW, that they must vacate the area within 30 days, and that if they fail to do so, they shall be evicted and their structures demolished, in accordance with Section 28 of RA 7279.

31. After thirty (30) days, conduct a site investigation to check if the encroachers have vacated the ROW.
32. If the encroachers have vacated the ROW, proceed to Step 34. If the encroachers have not vacated the ROW, coordinate with the PNP and schedule demolition.
33. Demolish structures. In executing eviction or demolition involving “underprivileged and homeless citizens” as defined in RA 7279, make sure that the eight (8) provisions stipulated in Section 28 of the Act are strictly complied with.
34. Document all pertinent information from the preceding procedures and use these as input in preparing the monthly report described in Step 48.

For Existing ROW

35. Prepare inventory of titles of existing ROWs that have been fully acquired (i.e., fully paid, and titled in the name of the Republic of the Philippines).
36. For ROWs wherein the lands are fully acquired, establish ROW boundaries in the ground through monumenting. If ROWs have not been fully acquired, indicate in the report which properties have not been acquired, the status of acquisition process (i.e., if there are court proceedings, or if processing has been completed except for payment to the property owners). Fully disclose these information in the monthly report to be submitted.
37. Conduct weekly inspection of the ROWs. If available, bring maps or plans showing the boundaries of the existing ROW. If there are any encroachments within the ROW, take photographs and properly document each photo taken. Photo documentation shall also be included in the monthly report to be submitted.
38. If there are occupants, investigate if the occupants are *legal* (i.e., land where the ROW is located has not been paid and transferred in the name of the government, thus making the occupant-landowner still the rightful owner); or *illegal* (i.e., the ROW has been fully acquired, paid and transferred in the name of the government but the former owner/occupant still refuses to vacate the property).
39. For “legal” occupants, obtain their proof of ownership, i.e., title/tax declaration. Ask them politely why they still occupy the land which is now part of an ROW. Offer them your assistance in having their property properly donated or purchased. Cite the provisions of DO 5, series of 2003, that would be beneficial to them, such as the payment of the structures at replacement cost (with no salvage value), the payment in full for land, once the title is transferred in the name of the government, etc. Document all your transactions with the property owner, and include these in the monthly report to be submitted.
40. Go to the Register of Deeds to authenticate the title submitted. If a tax declaration was submitted, go to the Office of the Assessor to determine its authenticity. Once these documents are authenticated, go back to the owner and inform them that the purchase of their property can already be initiated. For acquisition through negotiated sale, follow the procedures in **Section 2.18** starting from Step No. 6.

41. For illegal encroachers, prepare a letter notifying them that they are unlawfully encroaching on the ROW, that they must vacate the area within thirty (30) days, and that if they fail to do so, they shall be evicted pursuant to a court order, and their structures demolished, in accordance with Section 28 of RA 7279.
42. After thirty (30) days, conduct a site investigation to check if the illegal encroachers have vacated the ROW.
43. If the encroachers have vacated the ROW, proceed to Step 45. If the encroachers have not vacated the ROW, coordinate with the PNP and schedule demolition.
44. Demolish structures. In executing eviction or demolition involving “underprivileged and homeless citizens” as defined in RA 7279, make sure that the eight (8) provisions stipulated in Section 28 of that Act as enumerated below, are strictly complied with.
 - a. Notice upon the affected persons or entities at least thirty (30) days prior to the date of eviction or demolition;
 - b. Adequate consultations on the matter of resettlement with the duly designated representatives of the families to be resettled and the affected communities in the areas where they are to be relocated;
 - c. Presence of Local Government officials or their representatives during eviction or demolitions;
 - d. Proper identification of all persons taking part in the demolition;
 - e. Execution of eviction or demolition only during regular office hours from Mondays to Fridays and during good weather, unless the affected families consent otherwise;
 - f. No use of heavy equipment for demolition except for structures that are permanent and other of concrete materials;
 - g. Proper uniforms for members of the Philippine National Police who shall occupy the first line of law enforcement and observe proper disturbance control procedures; and
 - h. Adequate relocation, whether temporary or permanent, provided, however, that in cases of eviction and demolition pursuant to a court order involving underprivileged and homeless citizens, relocation shall be undertaken by the local government unit concerned and the National Housing Authority with the assistance of other government agencies within forty five (45) days from service of notice of final judgment by the court, after which period the said order shall be executed: provided further, that should relocation not be possible within the said period, financial assistance in the amount equivalent to the prevailing minimum daily wage multiplied by sixty (60) days shall be extended to the affected families by the local government unit concerned.

Note: For further details, please refer to the Implementing Rules and Regulations to Ensure the Observance of Proper and Humane Relocation and Resettlement Procedures Mandated by the Urban Development and Housing Act of 1992, otherwise known as RA 7279, attached in this Manual as **Appendix 45**.

45. Prepare an **ROW Management and Action Plan (IMAP)** (outline in **Appendix 46**) for clearing the ROW. The IMAP must include the following:

- a. Received copies of all communications (notices, letters, etc.) sent to the encroachers
 - b. Photographs of encroaching structures with captions indicating the exact location of the structure such as lot number, street name, barangay, city/municipality
 - c. Map/Plan showing the boundaries of the ROW and indicating the encroached portions
 - d. Summary of actions taken
 - e. Proof of coordination with proper authorities such as the LGUs, NHA, etc. such as letters, MOAs, MOUs
 - f. Planned schedule for demolishing and clearing the ROW
 - g. Fore “legal” encroachments, request property owner for copies of title/tax declaration, and attach these to the IMAP
46. Submit IMAP to the RO for review and endorsement to the Undersecretary concerned.
47. The must Undersecretary concerned will review all IMAPs submitted and monitor its implementation until the subject ROWs are cleared.
48. Prepare the **Monthly Report on Management of ROW** (outline in **Appendix 47**). Ensure a full disclosure of the field situation. Include actions taken to address problems (if any) and result of these actions, and describe status of the ROW, in terms of encroachment. Include photographs of problem areas to properly document the report. You may include some portions of the IMAP in this report.
49. Submit a Monthly Report to the RO for review and endorsement to the Undersecretary concerned.
50. The RO must review all Monthly Reports submitted and formulate plan of actions to take.

3. PROCEDURES FOR SPECIAL CASES

Chapter 3 provides the procedures to be undertaken for ROW acquisition which involves special cases. Special cases refer to circumstances where the ownership of properties to be acquired is not of the ordinary mode discussed under Section 2 of this Manual.

3.1 ROW Acquisition of Mortgaged Properties

Objective: To acquire mortgaged properties for ROW

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/ PPPS Staff
- RO Staff
- DEO Staff
- Legal Service Staff
- Mortgagee (Bank or other Lending Institution)

Overview:

This procedure is initiated if the property being acquired has not been released from mortgage prior to the preparation of the DAS. The Parcellary Survey Report must have been duly completed before this procedure is carried out.

Procedure:

1. Using the Parcellary Survey Report, determine number and names of the landowners whose properties are mortgaged.
2. Obtain a copy of the mortgage documents from the owner.

If the entire mortgaged property shall be acquired:

3. Prepare two (2) Notices of Taking, one for the property owner, and the other for the Mortgagee. The letters should clearly indicate that the entire property will be acquired for ROW of an infrastructure project.
4. From the copy of the mortgage documents obtained in Step 2, note down the amount of mortgage to be paid for the property's release. Input this amount in preparing the disbursement voucher for paying the mortgage in accordance with **Section 2.20** of the DRAM.
5. Following **Section 2.20**, pay the Mortgagee for the release of the entire property from mortgage.

6. Get original copy of TCT/OCT/EP/CLOA from the Mortgage, make sure that annotation at the back of the title is cancelled

If only a portion of the mortgaged property shall be acquired:

7. Prepare two (2) Notices of Taking, one for the property owner, and the other for the Mortgagee. The letters should clearly indicate that just a portion of the property will be acquired for the ROW.
8. Coordinate with the Legal Officer of the Mortgagee to make the necessary adjustments in the mortgage documents - i.e., to segregate the portion of the property to be acquired for ROW from the rest of the property.
9. After the necessary adjustments have been done, coordinate with the Legal Officer or designated Representative of the Mortgagee to determine the amount that need to be paid for the release of the needed portion of mortgaged property. Input this amount in preparing the disbursement voucher for paying the mortgage in accordance with **Section 2.20**.
10. Following **Section 2.20**, pay the Mortgagee for the release of the portion of property (needed for ROW) from mortgage.
11. Get original copy of TCT/OCT/EP/CLOA from the Mortgagee; make sure that the annotation at the back of the Title states that the portion that was acquired for ROW has been excluded from the mortgage.

3.2 ROW Acquisition by Road Conversion

Objective: To acquire ROW by conversion of a Provincial/City/Municipal/Barangay Road into a National Road

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/ PPPS Staff
- RO Staff
- DEO Staff
- LGUs, particularly the Provincial/City/Municipal Board/Council
- Planning Service (PS)
- Bureau of Maintenance (BOM)

Overview:

This procedure is initiated when there is proposal from a concerned LGU to convert a provincial/city/municipal/barangay road into a national road. However, certain requirements, as indicated below, need to be satisfied prior to conversion.

Procedure:

1. Conduct site inspection and verify if the road being proposed for conversion complies with the criteria, functions and other requirements for a National Road, as set by the DPWH through the PS.

The following parameters must be met:

- a. The minimum ROW width is 20 meters.
 - b. The road is at least gravel surfaced.
 - c. The road is in good maintainable condition.
 - d. There are monuments delineating the ROW.
2. If the subject road does not comply with all the requirements listed above, prepare a letter, to be signed by the DE, addressed to the Governor/Mayor of the concerned LGU, informing him that the subject road is not eligible for conversion and that if he intends to pursue it, the abovementioned requirements must first be satisfied. If the subject road subsequently meets the said requirements, proceed to the next step.
 3. Prepare a field report describing your findings during the site inspection.
 4. Check the documents submitted by the LGU. The following should be included:
 - a. Justification that the subject road meets the functional requirement of a National Road.

- b. Provincial/City/Municipal Sanggunian Resolution favorably endorsing the proposed conversion.
 - c. Proof of road ROW acquisition, such as the following:
 - (1) Duly notarized Deed of Donation/Absolute Sale showing the Lot Number
 - (2) OCT/TCT/EP/CLOA in the name of the LGU, including numbers, area acquired, including technical description and sketches
 - (3) Real Property Tax Declaration Number
 - (4) Certification from the concerned Provincial Registry of Deeds and DENR that there will be no expense by the DPWH for any claims for the payment of road ROW
 - d. Road map showing the start and end of the road with proper stationing and indicating its relation to the other roads in the network.
 - e. Straight Line Road Diagram and list of bridges along the road proposed for conversion.
 - f. Photographs showing the present condition of the road at intervals of at most 400 meters or as deemed necessary. The photographs must be certified by the DE.
5. Prepare the Road Inventory Form. Have the duly accomplished form signed by the DE.
 6. Prepare a Certification to be signed by the DE that the road satisfied the requirements stated in Step 1.
 7. Compile the documents obtained from Steps 2-5 and submit to the RO for proper endorsement to the Central Office.
 8. The RD shall review the submitted documents, countersign the Road Inventory Form prepared in Step 5, and transmit the documents, together with his endorsement of the proposed road conversion, to the PS.
 9. The DE shall request the Secretary for an Authority to enter into a MOA with the requesting LGU. The DE shall prepare a MOA containing the following provisions:
 - a. There are no encroachments/informal settlers along the road ROW.
 - b. The Title shall be transferred to the name of the Republic of the Philippines within 60 days.
 - c. There are no encumbrances in the said Title.
 - d. All remedies shall be the responsibility of the concerned LGU.
 10. The Director for PS shall evaluate the proposal for conversion and submit appropriate recommendations to the DPWH Secretary.
 11. While the transfer of title is being processed, the PS shall prepare a DO effecting the conversion.
 12. The Secretary shall then sign the prepared DO.
 13. The Research and Statistics Division of the PS shall conduct a Center Line Survey to update the Location Referencing System (LRS).

14. The IO shall provide a copy of the DO and the OCT/TCT to the Undersecretary concerned and the Records Management Division, HRAS.

3.3 ROW Acquisition of Untitled Lands

Objective: To acquire untitled lands for ROW

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/ PPPS Staff
- RO Staff
- DEO Staff
- Register of Deeds
- City/Municipal Assessor
- DEs

Overview:

This procedure is initiated after the completion of the DED of the project, when the lots to be acquired are untitled, as specified in the RAP Data Checklist (See **Appendix 11**), and as verified during the conduct of the Parcellary Survey.

Procedure:

1. Go to the Office of the Register of Deeds and verify if the property is indeed untitled. Obtain a statement from the Register of Deeds.
2. Obtain original or certified true copies of the following documents from the property owner and/or the concerned City/Municipal Office:
 - a. Tax Declaration for Land, with Official Receipt (OR), from the Office of the Assessor - showing his and his predecessors' open and continuous possession of the property for at least thirty (30) years.
 - b. Tax Declaration for Improvements, if any, with OR, from the Office of the Assessor.
 - c. Certification from the Department of Environment and Natural Resources (DENR) that the land is alienable and disposable.
 - d. Other documents that may show proof of ownership.
3. Go to the City/Municipal Assessor's Office, validate if there are any Tax Declaration dues that the property owner needs to settle. If there are back taxes due, note down the amount to be paid. Otherwise, proceed to the next step.
4. Prepare the Deed of Absolute Sale (DAS) using the template provided in **Appendices 34-38**.
5. Go to the nearest BIR District Office, look for the BIR Officer of the Day and request assistance. Bring with you the following documents:
 - a. Approved parcellary plan and/or subdivision plan

- b. DAS
 - c. Tax declaration for land (with OR)
 - d. Tax declaration for improvements, if any (with OR)
6. Fill up BIR Form 1706 for CGT and BIR Form 2000 for DST. If the property owner is a private corporation, fill up BIR Form 1606 for CGT and BIR Form 2000 for DST.

Note: The amount of Capital Gains Tax (CGT) due is 6% of the value of land and improvements based on the highest value among those stated in the TD, actual selling price, and BIR zonal valuation. The amount of Documentary Stamps Tax (DST) to be paid is 1.5% of whatever was used as basis for CGT computation.

7. Request the BIR Officer of the Day to compute the amount of CGT and DST to be paid. Note down the total amount.
8. Compute for the Transfer Tax, which is equivalent to ½ of 1% of the higher value between the actual selling price and the BIR zonal valuation for the subject property.
9. Add the payables obtained in Step 3 (back dues on Tax Declaration, if any), Step 7 (CGT and DST), and Step 8 (Transfer Tax) to obtain the total tax payable. Prepare the disbursement voucher in the amount equivalent to this amount.

<i>Example:</i>	
<i>TD arrears:</i>	<i>P175,000.00</i>
<i>CGT</i>	<i>180,000.00</i>
<i>DST</i>	<i>45,000.00</i>
<i>Transfer Tax:</i>	<i>+ 15,000.00</i>

<i>Total Tax Payable (TTP)</i>	<i>P415,000.00</i>

10. Go to the concerned City/Municipal Assessor’s Office and pay the TD arrears (if any) for the property to be acquired. Make sure to get OR and corresponding tax clearance.
11. Have the Deed of Absolute Sale notarized. Take note of the date of notarization. Provide copies to the property owner, the Implementing Office, and the Legal Service.
12. Go to the concerned BIR District Office and present the following:
- a. Approved Parcellary Survey Plan or Subdivision Plan (if needed)
 - b. Notarized Deed of Absolute Sale
 - c. Tax Declaration for Land (with OR)
 - d. Tax Declaration for Improvements, if any (with OR)
13. Using accomplished BIR Forms in Step 6 above, go to the nearest BIR-accredited bank and pay the CGT and DST due. Make sure to obtain an Official Receipt (OR).

Make sure that the CGT is paid within 30 days upon notarization of the DAS, and the DST five (5) days after a month it was notarized, to avoid penalties.

14. Go back to the BIR District Office and present the OR. The BIR should process the documents and issue the Certificate Authorizing Registration (CAR) within three (3) working days.
15. Go back to the BIR District Office after three (3) days and obtain the CAR.
16. Go to the Register of Deeds, present the following documents, and request the transfer of title in the name of the Republic of the Philippines (DPWH):
 - a. Approved Parcellary Survey Plan or Subdivision Plan (if needed)
 - b. CAR from the BIR
 - c. Transfer Tax OR
17. Pay corresponding Registration Fee to the Office of the Register of Deeds.
18. The acquired lot is then titled in the name of the Republic of the Philippines (DPWH)
19. Add the following payments made:
 - a. Payments made in Step 3 (TD arrears), if any
 - b. CGT paid

Subtract the sum of these from the full amount payable (as stipulated in the DAS) to the property owner.

<i>Example:</i>	
<i>1. Add all tax arrears and CGT paid:</i>	
<i>TD arrears:</i>	<i>P175,000.00</i>
<i>CGT</i>	<i>180,000.00</i>

<i>Total taxes paid</i>	<i>P355,000.00</i>
 <i>2. Subtract the amount obtained from the full amount payable to the property owner, as indicated in the DAS:</i>	
<i>Amount indicated in the DAS:</i>	<i>P3,000,000.00</i>
<i>Less total taxes paid:</i>	<i>355,000.00</i>

<i>Amount payable to property owner:</i>	<i>P2,645,000.00</i>

20. Request the owner to present the pertinent documents specified in the Checklist for Validating Claims, except those pertaining to titled lands (**Section 2.21**).
21. Prepare the voucher for paying the property owner the balance obtained in Step 19.
22. Provide copies of the DAS and OCT/TCT to the URTF and the Records Management Division, HRAS.

23. In case of failure of the apparent owner to establish ownership over the land, but where improvements are introduced thereon, consider the apparent property owner for compensation for the improvements subject to Section 6.8 of the IRR of RA 10752.

3.4 ROW Acquisition where the Landowner is Deceased

Objective: To acquire untitled lands for ROW wherein the landowner is deceased

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/ PPPS Staff
- RO Staff
- DEO Staff

Overview:

This procedure is initiated after the completion of the DED of the project, where the landowner of the lot to be acquired is deceased. As provided in Ministry Order 65, series of 1983, the heirs must first consolidate their ownership of the property either through court proceedings or through an extra-judicial settlement, subject to the provisions of Rule 74 of the Rules of Court.

Once the heirs of the deceased landowner have consolidated their ownership, ROW acquisition may proceed through the normal flow, i.e., through donation, deed of exchange, negotiated sale, or expropriation, depending on the decision of the heirs.

Procedure:

1. Obtain a copy of the death certificate of the deceased landowner. Go to the concerned City/Municipal Registrar's Office and determine the authenticity of said certificate.
2. Obtain copy of Court Proceedings or Extra-Judicial Settlement from the heirs of the deceased landowner.
3. For ROW acquisition through a Deed of Donation, follow the procedures in **Section 2.13**.
4. For ROW acquisition through a Deed of Exchange, follow the procedures in **Section 2.14**.
5. For ROW acquisition through Negotiated Sale, follow the procedures in **Section 2.17**.
6. For ROW acquisition through Expropriation, follow the procedures in **Section 2.19**.

3.5 Acquisition of ROW where the Landowner is a Corporation

Objective: To acquire untitled lands for ROW where the landowner is a corporation

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/ PPPS Staff
- RO Staff
- DEO Staff
- Board Members/Partners of the Corporation/Partnership

Overview:

This procedure is initiated after the completion of the DED of the project, where the landowner of the lot to be acquired is a corporation or a partnership. In accordance with Ministry Order 65, series of 1983, a certified copy of the notarized Resolution of the Governing Board of such corporation or partnership, authorizing any of its officers to execute the corresponding Deed of Conveyance, shall be attached to the said Deed. In case of a partnership, the managing partner should execute the Deed.

Once the authorization is completed, ROW acquisition may proceed through the normal flow, i.e., through donation, negotiated sale, or deed of exchange. If the corporation or partnership does not accept the price offer, the authorized officer may be assigned as its representative in the expropriation proceedings.

Procedure:

1. Obtain a copy of the landowner-corporation's Securities and Exchange Commission (SEC) Registration papers. Go to the SEC Office to verify its authenticity.
2. Obtain a copy of notarized Board Resolution from the landowner-corporation.
3. For ROW acquisition through a Deed of Donation, follow the procedures in **Section 2.13**.
4. For ROW acquisition through a Deed of Exchange, follow the procedures in **Section 2.14**.
5. For ROW acquisition through Negotiated Sale, follow the procedures in **Section 2.17**.
6. For ROW acquisition through Expropriation, follow the procedures in **Section 2.19**.

3.6 Acquisition of ROW where the Property is under Guardianship or Administratorship

Objective: To acquire untitled lands for ROW where the property is under guardianship/administratorship.

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/ PPPS Staff
- RO Staff
- DEO Staff
- RTC

Overview:

This procedure is initiated after the completion of the DED of the project, when the landowner of the lot to be acquired is under guardianship or administratorship. As stated in Ministry Order 65, series of 1983, a Letter of Administratorship and/or Guardianship should be submitted as part of the Deed of Conveyance. In addition, the said Deed must first be approved by the proper court before it is perfected.

Once this requirement is met, ROW acquisition may proceed through the normal procedures, except that the guardian and/or administrator shall assume the role of the landowner.

Procedure:

1. Obtain a copy of the Letter of Administratorship or Guardianship approved by the proper court. Check if it is notarized. If not, politely inform the Administrator or Guardian that said document must first be notarized to be acceptable to the DPWH.
2. If the land is under administratorship or guardianship because the owner is a minor and an heir, obtain a copy of the will.
3. If the land is under administratorship or guardianship because of a Court Order, obtain a copy of the Court Order.
4. For ROW acquisition through a Deed of Donation, follow the procedures in **Section 2.13**.
5. For ROW acquisition through a Deed of Exchange, follow the procedures in **Section 2.14**.
6. For ROW acquisition through Negotiated Sale, follow the procedures in **Section 2.17**.
7. For ROW acquisition through Expropriation, follow the procedures in **Section 2.19**.

3.7 Acquisition of ROW where the Vendor is represented by an Attorney-in-Fact

Objective: To acquire untitled lands for ROW where the vendor is represented by an Attorney-in-Fact

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/PPPS Staff
- RO Staff
- DEO Staff
- Philippine Consulate

Overview:

This procedure is initiated after the completion of the DED of the project, where the vendor of the lot to be acquired is represented by an Attorney-in-Fact. In accordance with Ministry Order 65, series of 1983, a corresponding Special Power of Attorney (SPA) should be made an integral part of the Deed of Conveyance.

Once this requirement is met, ROW acquisition may proceed through the normal procedures, except that the Attorney-in-Fact shall assume the role of the landowner.

Procedure:

1. Obtain a copy of the SPA from the authorized representative of the landowner.
2. Check if the party being represented is abroad. If so, the SPA must be duly attested by the Philippine Consulate of the country where the property owner is residing.
3. If the party being represented is in the country, get in touch with the property owner and verify authenticity of the SPA.
4. For ROW acquisition through a Deed of Donation, follow the procedures in **Section 2.13** of the DRAM.
5. For ROW acquisition through a Deed of Exchange, follow the procedures in **Section 2.14** of the DRAM.
6. For ROW acquisition through Negotiated Sale, follow the procedures in **Section 2.17** of the DRAM.
7. For ROW acquisition through Expropriation, follow the procedures in **Section 2.19** of the DRAM.

8. After payment has been made through any of the above modes of acquisition, send a notice to the landowner that the payment has been made. Attach pertinent documents such as a photocopy of the voucher and/or the check payment.

3.8 Acquisition of Lands where there are No Claimants

Objective: To acquire untitled lands for ROW when there are no claimants

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/PPPS Staff
- RO Staff
- DEO Staff

Overview:

This procedure is initiated after the completion of the DED of the project, where the land to be acquired has no claimant.

Procedure:

1. Validate if the data included in the ROW Action Plan are still relevant. If not, go to the concerned Office and obtain necessary information. If cadastral maps are included in the ROW Action Plan, proceed to Step 7.
2. Go to the respective Assessor's Offices and request copies of cadastral maps. If cadastral maps are available at the Assessor's Offices, go to Step 7.
3. Go to the DENR-Land Management Bureau or Land Management Section of the concerned DENR Regional Office to obtain the following:
 - a. Cadastral maps, together with the technical description of the lots needed for ROW.
 - b. CADC areas, whether these are proclaimed or proposed
4. If cadastral maps are not available at the LMB/LMS, go to the Land Registration Authority, borrow its Index Map, and request the needed cadastral maps.
5. If technical descriptions are not available at the LMB/LMS, go to the Office of the Register of Deeds, specify the title numbers to obtain such.
6. If there are no title numbers, go to the respective Assessor's Offices. Borrow its Tax Mapping Index which shows the title numbers of the lot numbers reflected in the cadastral map.
7. Using the cadastral maps and ROW plans including title numbers of lots needed for ROW as references, go to the respective Assessor's Offices and request a list of the landowners.

8. In the ROW Action Plan Data Checklist (See **Appendix 11**), take note of the lots that are classified as agricultural lands (if any). Go to the City/Municipal Agrarian Reform Office and request a list of registered tenants and/or Emancipation Patent (EP) awardees.
9. Notify the public that the subject land is subject to expropriation proceedings, by publishing an announcement through a national newspaper once a week for three (3) consecutive weeks.
10. Keep clippings of the published notices for future reference.
11. If a claimant heeds to the publication, obtain the necessary proofs of ownership and proceed to either one of the following modes of acquisition - donation, exchange negotiated sale, or expropriation, depending on the decision of the rightful claimant. Please refer to **Sections 2.13, 2.14, 2.17, and 2.19**, respectively, for the procedures to be followed.
12. If no claimant appears after the publication period, expropriate the property in the name of **John Doe**. Follow the applicable Steps of **Section 2.21**.
13. The concerned court is then expected to issue a Writ of Possession (WOP).

3.9 ROW Acquisition of Structures and Improvements of Owners With No Legal Rights to the Land

Objective: To acquire structures/improvements of owners/informal settlers who have no legal rights to the land.

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/PPPS Staff
- RO Staff
- DEO Staff

Overview:

The provisions of Section 6.6 of RA 10752-IRR pertaining to the Replacement Cost of structures and improvements shall also apply to all owners of structures and improvements – i.e., informal settlers - who do not have legally recognized rights to the land, and who meet all of the criteria set in the said IRR Section.

Procedure:

1. Check to ensure that the affected owners of structures and improvements who do not have legally recognized rights to the land meet all of the following criteria:
 - a. Must be a Filipino citizen.
 - b. Must not own any real property or any other housing facility, whether in an urban or rural area.
 - c. Must not be a professional squatter or a member of a squatting syndicate, as defined in RA 7279, otherwise known as the “Urban Development and Housing Act of 1992.”
 - d. Must not occupy an existing government ROW.

As defined in RA 7279, “professional squatters” refers to:

- a. individuals or groups who occupy lands without the express consent of the landowner and who have sufficient income for legitimate housing, as identified by the proper Local Inter-Agency Committee (LIAC) with the assistance of the Urban Poor Affairs Office (UPAO); or
- b. persons who have previously been awarded homelots or housing units by the Government but who sold, leased or transferred the same to settle illegally on a different homelot or housing unit but in the same place or in another urban area, and non-bona fide occupants and intruders of lands reserved for socialized housing.

“Squatting syndicate,” as defined in RA No. 7279, refers to a group of persons engaged in the business of squatter housing for profit or gain. The term shall not apply to individuals or groups who simply rent land and housing from professional squatters or squatting syndicates.

2. Obtain from the affected owner and occupant of the structure or improvement a proof of ownership of the structure/improvement, e.g., a certification from the Barangay concerned.
3. Determine the Replacement Cost of the structures/improvements affected, through a GFI, IPA, or the IO itself, in accordance with the pertinent procedure under Section **2.10** of this DRAM.
4. With regard to informal settler families who are classified as underprivileged and homeless citizens as defined in RA No. 7279 and not qualified under the four criteria in Step 1 above, consider them as entitled to relocation pursuant to RA No. 7279 in accordance with Section 14 of RA 10752-IRR.

3.10 ROW Acquisition of Subsurface Properties

Objective: To acquire ROW of subsurface properties.

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director

For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster/PPPS Staff
- RO Staff
- DEO Staff
- Legal Service

Overview:

As provided in Section 4 of RA 10752, when it is necessary to build, construct, or install on the subsurface or subterranean portion of private and government owned lands owned, occupied or leased by other persons, such infrastructure as subways, tunnels, underpasses, waterways, floodways, or utility facilities as part of the government's infrastructure and development project, the government or any of its authorized representatives shall not be prevented from entry into and use of such private and government lands by surface owners or occupants, if such entry and use are made more than fifty (50) meters from the surface.

Where feasible, the IO should, as early as the Feasibility Study (FS)/Detailed Engineering Design (DED), consider ROW alignments or limits under existing government infrastructure, such as roads, in order to minimize ROW acquisition costs.

Procedure:

1. Obtain the engineering plans and RAP showing the layout of the infrastructure project and its ROW requirements, particularly the subsurface aspects.
2. Duly consult with and notify the affected property owners of any acquisition of subsurface ROW needed for the infrastructure project.
3. If the project involves underground works within a depth of fifty (50) meters from the surface, pursue the ROW acquisition using the following modes in the order indicated in accordance with Section 11 of RA 10752-IRR:
 - a. First, negotiate with the property owner a perpetual easement of ROW for the subterranean portions of his property required by the project.
 - b. Second, if the negotiation under Step 3-a above for a perpetual easement fails, offer to acquire from the property owner the affected portion of the land, including the affected structures, improvements, crops and trees therein in accordance with the procedures set in this Manual pursuant to the provisions of RA 10752 and its IRR.

4. If deemed necessary to assist the IO in determining (a) the appropriate price offer for the perpetual easement of the ROW under Step 3-a above or (b) the appropriate price offer for the entire affected land including structures, improvement, crops and trees under Step 3-b above, engage the services of a GFI or an IPA, in accordance with the procedures provided in Section 2.8 of this Manual.
5. Pursuant to Section 11 of RA 10752-IRR, set the easement price under Step 3a above at twenty percent (20%) of the market price of the land.
6. Follow the other rules for negotiated sale provided in **Section 2.17** of this Manual.

3.11 ROW Acquisition for PPP Projects

Objective: To acquire ROW for Projects under PPP Schemes

Lead Person: PPP Service Director, with or without ROW Task Force

Support:

- PPS Staff
- RO Staff
- Legal Service and Legal Staff of RO
- ESSD and Project Preparation Division (PPD) of Planning Service

A. For Solicited Proposals

Overview:

The acquisition of ROW for solicited PPP Projects shall follow the process described in the foregoing Sections of the DRAM, but with the changes provided in this **Section 3.11-A**.

The IO (PPPS), with the assistance of the Planning Service, shall be responsible for undertaking the Feasibility Study (FS) of the project, including the Preliminary ROW Action Plan (RAP) which indicates the Basic ROW.

The IO shall include in the Bidding Documents for the project the FS, including the Basic ROW and Preliminary RAP, for the guidance of the bidders/project proponents.

The bidder/project proponent shall indicate, in its Conceptual Engineering Design (CED) to be submitted as part of its Bid, the ROW that it requires for the project. This required ROW shall consist of (a) the Basic ROW or portions thereof and (b) any Additional ROW that the proponent intends to use for the project.

The winning proponent/Concessionaire shall, based on the CED, prepare the Detailed Engineering Design (DED) for the project, which shall include (a) the Parcellary Survey for the entire required ROW – i.e., Basic ROW or portions thereof plus Additional ROW, and (b) the Final RAP for the project.

The IO shall fund, acquire and deliver to the Concessionaire the Basic ROW or portions thereof to be used for the project, based on the Concessionaire's approved DED. The IO shall acquire and deliver the Additional ROW required, based on the approved DED, but the Concessionaire shall fund the cost of the Additional ROW.

The IO may, as part of the contract terms and conditions, require the PPP project proponent to:

- a. advance the funds covering the ROW cost which shall be reimbursed later by the IO; or
- b. finance the ROW cost which shall be recovered partly or fully by the proponent from the tolls, fees, or tariffs to be charged to the users of the completed project.

Procedure:

1. The IO shall prepare the Preliminary RAP in accordance with **Section 2.4** of the DRAM, as part of the FS for the PPP project. The Preliminary RAP shall indicate the Basic ROW for the project. The Basic ROW shall cover the area required for the project, including areas for all appurtenant facilities, e.g., Toll Operations Center in the case of toll expressways, to be turned over to the IO at the end of the concession period.
2. The Preliminary RAP of the IO shall also include the preliminary appraisal of the property affected by the Basic ROW, including cost estimates of the land, structures/improvements, crops/trees, relocation of informal settlers, and compensation and entitlements package, as basis for the proposed budget for the Basic ROW for the project.
3. The PPP project proponent shall submit, as part of its bid/proposal, its CED which shall indicate the ROW that it requires for the project. This required ROW shall consist of (a) the preliminary Basic ROW defined by the IO (as part of the Bidding Documents) or portions thereof that the proponent intends to use for the project, and (b) any Additional ROW, aside from the Basic ROW or portions thereof, that the proponent also plans to utilize for the project.
4. If the proponent is awarded the Concession Agreement, it (Concessionaire) shall undertake the DED for the project. The Concessionaire shall, as one of its immediate DED activities, define and confirm the alignment or limits of the ROW required for the project, which may cover the entire ROW or segments thereof.
5. Once the ROW alignment and limits are so defined and confirmed by the Concessionaire and accepted by the IO, the Concessionaire shall conduct, at its own expense, the Parcellary Survey of the required ROW – i.e., (a) affected portions of the Basic ROW as confirmed by the Concessionaire, and (b) Additional ROW needed – either for the entire ROW or for segments thereof. The Concessionaire shall undertake the Parcellary Survey in accordance with **Section 2.3** of the DRAM.
6. As part of the DED, the Concessionaire shall prepare, at its own expense, the Final RAP in accordance with **Section 2.5** of the DRAM, consistent with the Parcellary Survey results.
7. As part of the Final RAP, the Concessionaire shall undertake the appraisal of the property affected by the entire ROW required (Basic and Additional ROW) – i.e., land, structures/improvements, and crops/trees - in accordance with **Section 2.5** of the DRAM, using a qualified appraiser.
8. The Parcellary Survey Report, including the parcellary survey plans, prepared by the Concessionaire shall be subject to approval by the Independent Consultant (IC) for the project and to notation by the PPP Director and the Undersecretary for Planning and PPP.
9. The Final RAP prepared by the Concessionaire shall be validated by the IO in accordance with **Section 2.6** of the DRAM. The IO may engage the services of a GFI/IPA to validate the appraisal values of the land in the Final RAP. The IO shall use its qualified in-house

staff to validate the valuation of the structures/ improvements in the Final RAP. In the case of crops/trees, the IO may engage an IPA to determine the values, or the IO may directly determine such values based on data provided by Local Government Unit (LGU) Assessor/ Department of Agriculture (DA)/Philippine Coconut Authority (PCA)/ Department of Environment and Natural Resources (DENR)/Department of Finance (DOF). The IO shall fund the cost of the validation of the Final RAP, except in instances where the Concessionaire is willing to finance the cost of the validation activities.

10. Based on the Parcellary Survey and validated Final RAP, the IO shall issue a Letter-Offer to the property Owner, indicating the following:
 - a. The need to acquire its property to give way to a government infrastructure project,
 - b. The intent of the IO to acquire the property through negotiated sale,
 - c. The provision in RA 10752 that no National Government Agency or LGU shall, within two years from the date of the Notice of Taking/Letter-Offer, allow any development or construction, or issue any building, construction, development or business permit, within the ROW, which is contrary to the approved plans and purposes of the project - in accordance with RA 10752 and its IRR, and
 - d. The requirement for it to submit to the IO, within thirty (30) days, the following documents as proof of its ownership of the property:
 - (1) Owner's copy of the CT/OCT/EP/CLOA of the lot.
 - (2) Two (2) valid Government-issued identification cards
 - e. The statement that, if the Owner fails or refuses to submit the two documents enumerated in item d above as proof of ownership within thirty (30) days, the IO shall initiate expropriation proceedings in accordance with the provisions of **Section 2.19** of this Manual, provided that, should the Owner be able to eventually submit the two required documents after the set deadline, the IO may request the OSG to withdraw the expropriation complaint and revert to negotiated sale.
11. The IO shall then undertake the acquisition and delivery to the Concessionaire of the affected portions of the Basic ROW and Additional ROW, in accordance with the applicable modes and procedures in this DRAM – usually through negotiated sale (refer to **Section 2.17** of the DRAM) and, where necessary, expropriation (see **Section 2.19** of the DRAM), and following the time frame and other provisions of the Concession Agreement.
12. The IO shall be responsible for funding all costs, expenses, payments, fees and charges incurred in relation to obtaining the Basic ROW, including the costs of acquisition, removal and clearing of structures, resettlement of qualified informal settlers, and appropriate compensation to the affected persons.
13. On the other hand, the Concessionaire shall fund all costs associated with the acquisition and delivery of the Additional ROW, including the costs of negotiation/expropriation activities, removal and clearing of structures, resettlement of qualified informal settlers, and appropriate compensation to the affected persons. In case of any Additional ROW in substitution of any part of the Basic ROW that (a) shall not be used by the Concessionaire, as shown in its CED and DED, and (b) has not already been acquired by the DPWH, the DPWH shall provide funding for the Additional ROW in an amount equal to the amount the DPWH would have paid to obtain the portion of the Basic ROW

that is replaced by the Additional ROW as determined by the DPWH. The Concessionaire shall bear the incremental cost of such Additional ROW, i.e., the excess over the cost of the substituted parts of the Basic ROW.

14. The IO shall ensure that the titles to the land acquired for the Basic ROW and Additional ROW shall be transferred to the Republic of the Philippines as soon as possible, free and clear from mortgages, pledges, liens, security interests, option agreements, claims, charges, or encumbrances of any kind, occupants including informal settlers, easements, obstructions, man-made obstacles and other structures.
15. The IO, the Concessionaire, and other persons/entities concerned shall abide by all other provisions of this DRAM which are not inconsistent with this **Section 3.11-A**.
16. Where necessary in the case of urgent projects, the IO may advance to the concerned LGU/National Housing Authority (NHA) the funds needed to start the development of any required resettlement site, subject to the pertinent accounting and auditing rules.

B. For Unsolicited Proposals

Overview:

The acquisition of ROW for unsolicited PPP Projects shall follow the process described in the foregoing Sections of the DRAM, but with the changes provided in this **Section 3.11-B**.

The project proponent shall be responsible for undertaking the Feasibility Study of the project, including the preparation of the Preliminary RAP which indicates the required ROW.

The project proponent shall indicate, in its CED to be submitted as part of its unsolicited proposal, the description and limits of the ROW that it intends to use for the project.

Once the IO accepts the proposal, the proponent shall, based on the CED, prepare the DED for the project, which shall include (a) the Parcellary Survey for the entire required ROW and (b) the Final RAP for the project.

After the IO has accepted the proponent's DED, including the Parcellary Survey results and the Final RAP, the IO shall acquire and deliver the ROW required, but the Concessionaire shall fund all ROW costs.

The IO may, as part of the contract terms and conditions, require the PPP project proponent to finance the ROW cost which shall be recovered partly or fully by the proponent from the tolls, fees, or tariffs to be charged to the users of the completed project.

Procedure:

1. The project proponent shall submit, as part of its unsolicited proposal, its FS and CED which shall indicate the ROW required for the project.
2. If the IO accepts the unsolicited proposal and confirms the proponent as the "original proponent" in accordance with RA 7718, the proponent shall undertake the DED for the

project based on the CED. The proponent shall, as one of its immediate DED activities, define and confirm the alignment or limits of the ROW required for the project.

3. Once the ROW limits defined by the proponent are accepted by the IO, the proponent shall conduct, at its own expense, the Parcellary Survey of the required ROW in accordance with **Section 2.3** of the DRAM.
4. Likewise, as part of the DED, the proponent shall prepare, at its own expense, the RAP in accordance with **Section 2.5** of the DRAM, consistent with the Parcellary Survey results.
5. As part of the Final RAP, the proponent shall undertake the appraisal of the property affected by the ROW required – i.e., land, structures/improvements, and crops/trees - in accordance with **Section 2.5** of the DRAM, using a qualified appraiser.
6. The Parcellary Survey Report, including the parcellary survey plans, prepared by the proponent shall be subject to approval by the IC for the project and to notation by the PPP Director and the Undersecretary for Planning and PPP.
7. The RAP prepared by the proponent shall be validated by the IO in accordance with **Section 2.6** of the DRAM. In validating the appraisal values in the Final RAP, the IO may engage the services of a GFI/IPA for the land. The IO shall use its qualified in-house staff to validate the valuation of the structures/ improvements. In the case of crops/trees, the IO may engage an IPA to determine the values or it may directly determine such values based on the data provided by LGU Assessor/DA/PCA/DENR/ DOF. The IO shall fund the cost of the validation of the Final RAP, except in instances where the Concessionaire is willing to finance the cost of validation activities.
8. Once the proponent is awarded the Concession Agreement, after winning the “Swiss Challenge” provided in RA 7718, the IO shall undertake the acquisition and delivery to the Concessionaire of the affected portions of the ROW, in accordance with the applicable modes and procedures in this DRAM, and following the provisions of the Concession Agreement.
9. The winning proponent/Concessionaire shall fund all costs associated with the acquisition and delivery of the ROW, including the cost of negotiation/expropriation as applicable, removal and clearing of structures, resettlement of qualified informal settlers, and appropriate compensation to the persons/entities affected by the ROW acquisition.
10. The IO shall ensure that the title to the land acquired for ROW shall be transferred to the Republic of the Philippines as soon as possible, free and clear from mortgages, pledges, liens, security interests, option agreements, claims, charges, or encumbrances of any kind, occupants including informal settlers, easements, obstructions, man-made obstacles and other structures.
11. The IO, the Concessionaire, and other persons/entities concerned shall abide by all other provisions of this DRAM which are not inconsistent with this **Section 3.11-B**.

12. Where necessary in the case of urgent projects, the IO may advance to the concerned LGU/NHA the funds needed to start the development of any required resettlement site, subject to the pertinent accounting and auditing rules.

3.12 ROW Acquisition for Design-and-Build Projects

Objective: To acquire ROW for Projects under Design-and-Build Schemes

Lead Person: For projects at CO: UPMO Cluster Director

For projects at RO/DEO: RD/DE

Support:

- UPMO Cluster Staff
- RO Staff
- DE Staff
- Legal Service
- ESSD of Planning Service

Overview:

The acquisition of ROW for Design-and-Build (DB) projects shall follow the process described in the foregoing Sections of the DRAM, but with the changes provided in this **Section 3.12**.

The IO shall be responsible for undertaking the Feasibility Study of the project, including the Preliminary ROW Action Plan (RAP) which indicates the Basic ROW.

The IO shall include in the Bidding Documents for the DB project the FS, including the Basic ROW and Preliminary RAP, for the guidance of the bidders.

The bidder shall indicate, in its Conceptual Engineering Design (CED) to be submitted as part of its Bid, the ROW that it requires for the DB project. This required ROW shall consist of (a) the Basic ROW or portions thereof and (b) any Additional ROW that the proponent intends to use for the project.

The winning DB bidder shall, based on its CED, prepare the Detailed Engineering Design (DED) for the project, which shall include (a) the Parcellary Survey for the entire required ROW – i.e., Basic ROW or portions thereof plus Additional ROW, and (b) the Final RAP for the project.

The IO shall fund, acquire and deliver to the winning proponent the Basic ROW or portions thereof to be used for the project, based on the proponent's approved DED. The IO shall acquire and deliver the Additional ROW required, based on the approved DED, but the proponent shall fund the cost of the Additional ROW.

Procedure:

1. The IO shall prepare the Preliminary RAP in accordance with **Section 2.4** of the DRAM, as part of the Feasibility Study (FS) for the DB project. The Preliminary RAP shall indicate the Basic ROW for the project.
2. The Preliminary RAP of the IO shall also include the preliminary appraisal of the property affected by the Basic ROW, including cost estimates of the land, improvements,

relocation of informal settlers, and compensation and entitlements package, as basis for the proposed budget for the Basic ROW for the project.

3. The bidder shall submit, as part of its DB bid, its CED which shall indicate the ROW that it requires for the project. This required ROW shall consist of (a) the preliminary Basic ROW defined by the IO (as part of the Bidding Documents) or portions thereof that the proponent intends to use for the project, and (b) any Additional ROW, aside from the Basic ROW or portions thereof, that the bidder also plans to utilize for the project.
4. If the bidder is awarded the DB contract, it (the winning bidder/contractor) shall undertake the DED for the project. The DB contractor shall, as one of its immediate DED activities, define and confirm the alignment or limits of the entire ROW required for the project.
5. Once the ROW limits are so defined and confirmed by the contractor and accepted by the IOA, the contractor shall conduct, at its own expense, the Parcellary Survey of the entire required ROW – i.e., (a) affected portions of the Basic ROW as confirmed by the contractor, and (b) Additional ROW needed. The contractor shall undertake the Parcellary Survey in accordance with **Section 2.3** of the DRAM.
6. Likewise, as part of the DED, the contractor shall prepare, at its own expense, the Final RAP in accordance with **Section 2.5** of the DRAM, consistent with the Parcellary Survey results.
7. As part of the Final RAP, the contractor shall undertake the appraisal of the property affected by the entire ROW required (Basic and Additional ROW) – i.e., land, structures/ improvements, and crops/trees - in accordance with **Section 2.5** of the DRAM, using a qualified appraiser.
8. The Parcellary Survey Report, including the parcellary survey plans, prepared by the contractor shall be subject to approval by the Independent Consultant (IC) for the project and to notation by the PPP Director and the Undersecretary for Planning and PPP.
9. The Final RAP prepared by the contractor shall be validated by the IO in accordance with **Section 2.6** of the DRAM. The IO may engage the services of a GFI/IPA to validate the appraisal values of the land in the Final RAP. The IO shall use its qualified in-house staff to validate the valuation of the structures/ improvements in the Final RAP. In the case of crops/trees, the IO may engage an IPA to determine the values, or the IO may directly determine such values based on data provided by Local Government Unit (LGU) Assessor/ Department of Agriculture (DA)/Philippine Coconut Authority (PCA)/Department of Environment and Natural Resources (DENR)/Department of Finance (DOF). The IO shall fund the cost of the validation of the Final RAP.
10. Based on the approved Parcellary Survey Report and the validated Final RAP, the IO shall undertake the acquisition and delivery to the contractor of the affected portions of the Basic ROW and Additional ROW, in accordance with the applicable modes and procedures in this DRAM – usually through negotiated sale (refer to **Section 2.17** of the DRAM) and, where necessary, expropriation (see **Section 2.19** of the DRAM), and following the time frame and other provisions of the contract.

11. The IO shall be responsible for funding all costs, expenses, payments, fees and charges incurred in relation to obtaining the Basic ROW, including the costs of acquisition, removal and clearing of structures, resettlement of qualified informal settlers, and appropriate compensation to the affected persons.
12. On the other hand, the contractor shall fund all costs associated with the acquisition and delivery of the Additional ROW, including the costs of negotiation/expropriation activities, removal and clearing of structures, resettlement of qualified informal settlers, and appropriate compensation to the affected persons.
13. The IO shall ensure that the titles to the land acquired for the Basic ROW and Additional ROW shall be transferred to the Republic of the Philippines as soon as possible, free and clear from mortgages, pledges, liens, security interests, option agreements, claims, charges, or encumbrances of any kind, occupants including informal settlers, easements, obstructions, man-made obstacles and other structures.
14. The IO, the DB contractor, and other persons/entities concerned shall abide by all other provisions of this DRAM which are not inconsistent with this **Section 3.12** of the DRAM.
15. Where necessary in the case of urgent projects, the IO may advance to the concerned LGU/ NHA the funds needed to start the development of any required resettlement site, subject to the pertinent accounting and auditing rules.

3.13 Outstanding ROW Claims for Completed Projects

Objective: To evaluate and process outstanding ROW claims for completed projects

Lead Person: For projects at CO: UPMO Cluster Director/PPPS Director
For projects at RO/DEO: RD/DE

Support:

- Legal Service
- UPMO Cluster/PPPS Staff
- Planning Service
- RO Staff
- DEO Staff

Overview:

In accordance with Section 5 of RA 10752 as implemented by Section 6.11 of the IRR of RA 10752, the pertinent provisions of this DRAM shall also apply to outstanding claims for right-of-way payments, except that the amount to be offered shall be the price at the time of taking of the property, including legal interest until fully paid.

This **Section 3.13** of the DRAM is subject to the transitory provision in Section 19 of the IRR of RA 10752, which states that the provisions of the IRR shall apply to all ROW transactions, except ongoing transactions which, as of the effectivity of RA 10752 – i.e., 03 April 2017 - have already reached a written agreement as to the price between the IO and the property owner.

Procedure:

1. The IO concerned (RO/DEO/PPPS) shall collect and verify/validate the following data relevant to the outstanding claim, in accordance with **Section 2.21** of the DRAM, and submit them to the Legal Service:
 - a. ROW limits, with technical descriptions, of the completed projects.
 - b. Lots affected by the ROW and their technical descriptions.
 - c. Persons/entities claiming ownership or patent (under CA 141) of the lots and any improvements
 - d. Proof of ownership/patent of the lots and improvements from the claimants – TCT, tax declaration, patent rights, years of ownership/possession government takeover as ROW
 - e. Date of actual taking of each lot and improvements by the government
 - f. Value of the lot and improvement at the date of taking and the basis of the valuation.
 - g. If applicable, Certificate of Finality of the Court Decision/Entry of Final Judgement/ Writ of Execution duly certified by the Clerk of Court.
2. Pursuant to Section 5 of RA 10752, the IO shall make an offer to the property owner concerned, as compensation price, the sum of the following:
 - a. The market value of the land at the time of taking of the property.

- b. The replacement cost of structures and improvements therein at the time of taking of the property.
 - c. The market value of crops and trees therein, at the time of taking of the property.
 - d. Legal interest.
3. To determine the market value of the land, the replacement cost of structures and improvements, and the market value of crops and trees – all reckoned at the time of taking of the property – the IO may engage the services of a GFI or an IPA in accordance with **Section 2.8** of this DRAM.
4. The computation of legal interest pursuant to BSP Monetary Board Circular No. 799, series of 2013, shall be 6% annually and computed as follows:

$$\text{Total Legal Interest} = \text{Appropriate Price Offer} \times \frac{\text{No. of Months since Actual Possession}}{12} \times 6\%$$

5. The Legal Service shall review the valuation and supporting documents submitted by the IO. If the Legal Service finds these in order, it shall recommend the funding of the claim to the Planning Service. The Planning Service shall prepare the request for funding to the DBM.
6. Upon the release by the DBM of the requested funds, the IO shall process the payment of the claim in accordance with **Section 2.23** of this DRAM.

3.14 Amendments of DRAM

This **Section 3.14** of the DRAM is reserved for future amendments of the DRAM to reflect revisions in policies, rules, procedures, and forms under existing laws, including RA 10752, the IRR of RA 10752, DPWH Department Orders and other issuances, after the approval and release of the original DRAM. The amendments shall be made in this Section to guide the users accordingly.

The Legal Service shall be responsible for updating the contents of the DRAM whenever such amendments take place. It shall maintain a database of these amendments and show these in the DPWH website.

Users are advised to refer to this **Section 3.14** of the DRAM from time to time and as needed.

The prescribed format for each amendment is as follows:

Section xxx: Indicate the appropriate section of the DRAM where the amendment is to be made.

Sub-Section, Paragraph Number: Indicate the appropriate sub-section and paragraph where the amendment is to be made.

Page Number: Indicate the appropriate page where the amendment is to be made.

Applicable Amendment/Issuance: Indicate the applicable issuance/ruling supporting the revision, e.g., DPWH Department Order xxx, series of 20yy

Use the following format to show amendments: Where possible, use italicized font to show the change/revision.

Amendment No.	Date	Original Provision	Revised Provision

**Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS**

**DPWH RIGHT-OF-WAY
ACQUISITION MANUAL**

APPENDICES

08 December 2017

**APPENDICES
TABLE OF CONTENTS**

No.	Title	Page
1	Republic Act (RA) No. 10752	4
2	Implementing Rules and Regulations (IRR) of RA 10752	12
3	Commonwealth Act (CA) No.141	42
4	DPWH Department Order (DO) No. 187, series of 2002	47
5	DO 327, series of 2003	48
6	DO 133, series of 2014	58
7	DO 203, series of 2016	59
8	DO 65, series of 2017	61
9	DO 147, series of 2001	70
10	Standard Terms of Reference for Parcellary Surveys	71
11	RAP Data Checklist	76
12	ROW Land Data Matrix	77
13	RAP Preliminary Cost Estimate for Land	78
14	RAP Preliminary Cost Estimate for Structures/Improvements and Crops/Trees	79
15	RAP Report Outline	80
16	Updated RAP Final Cost Estimate for Land	81
17	Updated RAP Final Cost Estimate for Structures/Improvements and Crops/Trees	82
18	DENR-DPWH Memorandum of Agreement, 10 March 1999	83
19	Scoping Report Template	95
20	Environmental Impact Assessment (EIA) Template	100
21	Environmental Management Plan (EMP) Template	108
22	Environmental Monitoring Plan (EMoP) Template	116
23	Screening Form Template	118
24	DENR Enform-1	125
25	Template of Terms of Reference for Property Appraisal Services by GFI/IPA	126
26	Format of Approved Budget for the Contract (ABC) for GFI/IPA Appraisal Services ..	130
27	Form of Memorandum of Agreement with GFI for Property Appraisal Services	131
28	Form of Contract Agreement with IPA for Property Appraisal Services	133
29	Deed of Donation	135
30	Agreement to Demolish and Remove Improvements (ADRI)	137
31	Deed of Exchange	140
32	Agreement for Right-of-Way Easement	143
33	Permit to Enter	146
34	Deed of Absolute Sale – for Land, Structures/Improvements, and Crops/Trees (Capital Asset)	147
35	Deed of Absolute Sale – for Land, Structures/Improvements, and Crops/Trees (Ordinary Asset)	151
36	Extra Judicial Settlement of Estate with Deed of Absolute Sale	155
37	Deed of Absolute Sale – for Land Only (Capital Asset)	160
38	Deed of Absolute Sale – for Land Only (Ordinary Asset)	164
39	Agreement to Demolish, Remove, and Reconstruct Improvements (ADRRI)	168
40	Quit Claims Deed for Unpatented Lands	171
41	Quit Claims Deed for Lands Acquired under the Public Land Law	173
42	ROW Completion Report Outline	175
43	DO 5, series of 2003	177

44	DO 73, series of 2014	182
45	Implementing Rules and Regulations to Ensure the Observance of Proper and Humane Relocation and Resettlement Procedures Mandated by the Urban Development and Housing Act of 1992	184
46	ROW Management and Action Plan (MAP) Report Outline	191
47	ROW Monthly Report Outline	192
48	DO 70, series of 2017, Documents Tracking System, Annex K on ROW	193
49	Joint Circular of DOE and DPWH on Relocation of Electric Cooperative Lines	204

Appendix 1

REPUBLIC ACT NO. 10752

AN ACT FACILITATING THE ACQUISITION OF RIGHT-OF-WAY, SITE, OR LOCATION FOR NATIONAL GOVERNMENT INFRASTRUCTURE PROJECTS

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

SECTION 1. *Short Title.* - This Act shall be known as “The Right-of-Way Act.”

SEC. 2. *Declaration of Policy.* – Article III, Section 9 of the Constitution states that private property shall not be taken for public use without just compensation. Towards this end, the State shall ensure that owners of real property acquired for national government infrastructure projects are promptly paid just compensation for the expeditious acquisition of the required right-of-way for the projects.

SEC. 3. *National Government Projects.* – As used in this Act, the term “national government projects” shall refer to all national government infrastructure and its public service facilities, engineering works and service contracts, including projects undertaken by government-owned and -controlled corporations, all projects covered by Republic Act No. 6957, as amended by Republic Act No. 7718, otherwise known as the “Build-Operate-and-Transfer Law,” and other related and necessary activities, such as site acquisition, supply or installation of equipment and materials, implementation, construction, completion, operation, maintenance, improvement, repair and rehabilitation, regardless of the source of funding. Subject to the provisions of Republic Act No. 7160, otherwise known as the “Local Government Code of 1991,” local government units (LGUs) may also adopt the provisions of this Act for use in the acquisition of right-of-way for local government infrastructure projects.

SEC. 4. *Modes of Acquiring Real Property.* – The government may acquire real property needed as right-of-way, site or location for any national government infrastructure project through donation, negotiated sale, expropriation or any other mode of acquisition as provided by law.

In cases of lands granted through Commonwealth Act 141 and its amendments, the implementing agency shall:

(a) Follow the other modes of acquisition enumerated in this Act, if the landowner is not the original patent holder and any previous acquisition of said land is not through a gratuitous title; or

(b) Follow the provisions under Commonwealth Act 141 regarding acquisition of right-of-way on patent lands, if the landowner is the original patent holder or the acquisition of the land from the original patent holder is through a gratuitous title.

The implementing agency may utilize donation or similar mode of acquisition if the landowner is a government-owned or government-controlled corporation.

When it is necessary to build, construct, or install on the subsurface or subterranean portion of private and government owned lands owned, occupied or leased by other persons, such

infrastructure as subways, tunnels, underpasses, waterways, floodways, or utility facilities as part of the government's infrastructure and development project, the government or any of its authorized representatives shall not be prevented from entry into and use of such private and government lands by surface owners or occupants, if such entry and use are made more than fifty (50) meters from the surface.

SEC. 5. Rules on Negotiated Sale. – The implementing agency may offer to acquire, through negotiated sale, the right-of-way, site or location for a national government infrastructure project, under the following rules:

(a) The implementing agency shall offer to the property owner, as compensation price, the sum of:

- (1) The current market value of the land;
- (2) The replacement cost of structures and improvements therein; and
- (3) The current market value of crops and trees therein;

To determine the appropriate price offer, the implementing agency may engage the services of a government financial institution with adequate experience in property appraisal, or an independent property appraiser accredited by the Bangko Sentral ng Pilipinas (BSP) or a professional association of appraisers recognized by BSP to be procured by the implementing agency under the provisions of Republic Act No. 9184, otherwise known as the "Government Procurement Reform Act" and its implementing rules and regulations pertaining to consulting services.

If the property owner does not accept the price offer, the implementing agency shall initiate expropriation proceedings pursuant to Section 6 hereof.

The property owner is given thirty (30) days to decide whether or not to accept the offer as payment for his property. Upon refusal or failure of the property owner to accept such offer or fails or refuses to submit the documents necessary for payments, the implementing agency shall immediately initiate expropriation proceedings as provided in Section 6 herein.

(b) Subparagraph a(2) of Section 5 shall also apply to all owners of structures and improvements, who do not have legally recognized rights to the land, and who meet all of the following criteria:

- (1) Must be a Filipino citizen;
- (2) Must not own any real property or any other housing facility, whether in an urban or rural area; and
- (3) Must not be a professional squatter or a member of a squatting syndicate, as defined in Republic Act No. 7279, otherwise known as the "Urban Development and Housing Act of 1992."

(c) With regard to the taxes and fees relative to the transfer of title of the property to the Republic of the Philippine through negotiated sale, the implementing agency shall pay, for account of the seller, the capital gains tax, as well as the documentary stamp tax, transfer tax and registration fees, while the owner shall any unpaid real property tax.

(d) If requested by the property owner, the implementing agency shall remit to the LGU concerned the amount corresponding any unpaid real property tax, subject to deduction of this amount from the total negotiated price: Provided, however, That the said amount is not more than the negotiated price.

(e) The property owner and the implementing agency shall execute a Deed of Absolute Sale: Provided, That the property owner has submitted to the implementing agency the Transfer Certificate of Title, Tax Declaration, Real Property Tax Certificate, and other documents necessary to transfer the title to the Republic of the Philippines. The implementing agency shall cause the annotation of the Deed of Absolute Sale on the Transfer Certificate of Title.

(f) Upon the execution of a deed of sale, the implementing agency shall pay the property owner:

(1) Fifty percent (50%) of the negotiated price, exclusive of taxes remitted to the BIR under subparagraph (d) herein; and

(2) Seventy percent (70%) of the negotiated price of the affected structures, improvements, crops and trees, exclusive of unpaid taxes remitted to the BIR under subparagraph (d) herein.

(g) The implementing agency shall, at the times stated below, pay the property owner the remaining fifty percent (50%) of the negotiated price of the affected land, and thirty percent (30%) of the affected structures, improvements, crops and trees, exclusive of unpaid taxes remitted to the LGU concerned under subparagraph (d) herein; Provided, That the land is already completely cleared of structures, improvements, crops and trees:

(1) At the time of the transfer of title in the name of the Republic of the Philippines, in cases where the land is wholly affected; or

(2) At the time of the annotation of a deed of sale on the title, in cases where the land is partially affected.

The provisions of subparagraph (a) herein shall also apply to outstanding claims for right-of-way payments, except that the amount to be offered shall be the price at the time of taking of the property, including legal interest until fully paid.

SEC. 6. Guidelines for Expropriation Proceedings. – Whenever it is necessary to acquire real property for the right-of-way, site or location for any national government infrastructure through expropriation, the appropriate implementing agency, through the Office of the Solicitor General, the Office of the Government Corporate Counsel, or their deputized government or private legal counsel, shall initiate the expropriation proceedings before the proper court under the following guidelines:

a. Upon the filing of the complaint or at any time thereafter, and after due notice to the defendant, the implementing agency shall immediately deposit to the court in favor of the owner the amount equivalent to the sum of:

(1) One hundred per cent (100%) of the value of the land based on the current relevant zonal valuation of the Bureau of Internal Revenue (BIR), issued not more than three (3) years prior to the filing of the expropriation complaint subject to subparagraph (c) of this section;

(2) The replacement cost at current market value of the improvements and/or structures as determined by:

(i) The implementing agency;

(ii) A government financial institution with adequate experience in property appraisal; and

(iii) An independent property appraiser accredited by the BSP.

(3) The current market value of crops and trees located within the property as determined by the government financial institution or an independent property appraiser to be selected as indicated in subparagraph (a) of Section 5 hereof.

Upon compliance with the guidelines abovementioned, the court shall immediately issue to the implementing agency an order to take possession of the property and start the implementation of the project.

If within seven (7) working days after the deposit to the court of the amount equivalent to the sum under subparagraphs (a)(1) to a(3) of this section, and the court has not issued to the implementing agency a writ of possession for the affected property, the counsel of the implementing agency shall immediately seek from the court the issuance of the writ of possession ex parte; no hearing shall be required.

The court shall release the said amount to the owner upon presentation of sufficient proofs of ownership.

(b) In case the owner of the property cannot be found, unknown, or deceased in cases where the estate has not been settled, after exerting due diligence, or there are conflicting claims over the ownership of the property and improvements and/or structures thereon, the implementing agency shall deposit the amount equivalent to the sum under subparagraphs (a)(1) to (a)(3) of this section to the court for the benefit of the person to be adjudged in the same proceeding as entitled thereto.

Upon compliance with the guidelines abovementioned, the court shall immediately issue to the implementing agency an order to take possession of the property and start the implementation of the project.

If, within seven (7) working days after the deposit with the court of the amount equivalent to the sum under subparagraphs (a)(1) to a(3) of this section, the court has not issued to the implementing agency a writ of possession for the affected property, the counsel of the

implementing agency shall immediately seek with the court the issuance of the writ of possession.

The court shall release the said amount to the person adjudged in the same expropriation proceeding as entitled thereto.

(c) In provinces, cities, municipalities and other areas where there is no land classification, the city or municipal assessor is hereby mandated within the period of sixty (60) days from the date of filing of the expropriation case, to come up with the required land classification and the corresponding declaration of real property and improvement for the area. In provinces, cities, municipalities and other areas where there is no zonal valuation, or where the zonal valuation has been in force for more than three (3) years, the BIR is mandated within the period of sixty (60) days from the date of filing of the expropriation case, to conduct a zonal valuation for said area, based on the land classification done by the city or municipal assessor.

(d) With reference to subparagraph (a)(1) of this section, in case the completion of a government infrastructure project is of utmost urgency and importance, and there is no land classification or no existing zonal valuation of the area concerned or the zonal valuation has been in force for more than three (3) years, the implementing agency shall use the BIR zonal value and land classification of similar lands within the adjacent vicinity as the basis for the valuation.

(e) In any of the cases in subparagraphs (a) to (d) of this section, upon its receipt of the writ of possession issued by the court, the implementing agency may take possession of the property and start the implementation of the project.

(f) In the event that the owner of the property contests the implementing agency's proffered value, the court shall determine the just compensation to be paid the owner within sixty (60) days from the date of filing of the expropriation case. When the decision of the court becomes final and executory, the implementing agency shall pay the owner the difference between the amount already paid and the just compensation as determined by the court.

(g) With regard to the taxes and fees relative to the transfer of title of the property to the Republic of the Philippines through expropriation proceedings, the implementing agency shall pay the documentary stamp tax, transfer tax and registration fees, while the owner shall the capital gains tax and any unpaid real property tax.

SEC. 7. Standards for the Assessment of the Value of the Property Subject to Negotiated Sale. – In order to facilitate the determination of the market value of the property, the following relevant standards shall be observed:

- a. The classification and use for which the property is suited;
- b. The development cost for improving the land;
- c. The value declared by the owners;
- d. The current selling price of similar lands in the vicinity;

- e. The reasonable disturbance compensation for the removal and/or demolition of certain improvements on the land and for the value of improvements thereon;
- f. The size, shape or location, tax declaration and zonal valuation of the land;
- g. The price of the land as manifested in the ocular findings, oral as well as documentary evidence presented; and
- h. Such facts and events so as to enable the affected property owners to have sufficient funds to acquire similarly situated lands of approximate areas as those required from them by the government, and thereby rehabilitate themselves as early as possible.

The implementing rules and regulations (IRR) to be prepared under Section 12 shall include, among other things, the terms of reference, which shall be used by the government financial institutions and independent property appraisers in the determination of the market value of the land. The terms of reference shall define in detail the standards stated herein.

SEC. 8. *Ecological and Environmental Concerns.* – In cases involving the acquisition of right-of-way, site or location for any national government infrastructure project, the implementing agency shall take into account the ecological and environmental impact of the project. Before any national government project could be undertaken, the agency shall consider environmental laws, land use ordinances, and all pertinent provisions of Republic Act No. 7160.

SEC. 9. *Relocation of Informal Settlers.* – The government, through the Housing and Urban Development Coordinating Council (HUDCC) and the National Housing Authority (NHA), in coordination with the local government units and implementing agencies concerned, shall establish and develop resettlement sites for informal settlers, including the provision of adequate basic services and community facilities, in anticipation of informal settlers that have to be removed from the right-of-way or site of future infrastructure projects, pursuant to the provisions of the Republic Act No. 7279, otherwise known as the “Urban Development and Housing Act of 1992.” Whenever applicable, the concerned local government units shall provide and administer the resettlement sites.

In case the expropriated land is occupied by informal settlers who are unable or refuse to demolish their structures and other improvements therein despite the writ of possession issued by the court under Section 6 hereof, the court shall issue the necessary writ of demolition for the purpose of dismantling any and all structures found within the subject property. The implementing agency shall take into account and observe diligently the procedure provided for in Sections 28 and 29 of the Republic Act No. 7279.

SEC. 10. *Appropriations for Acquisition of Right-of-Way, Site or Location for National Government Infrastructure Projects in Advance of Project Implementation.* – The government shall provide adequate appropriations that will allow the concerned implementing agencies to acquire the required right-of-way, site or location for national government infrastructure projects in advance of project implementation. These appropriations shall cover the funds needed to cover the following expenses for activities directly related to right-of-way acquisition for the projects as provided in this Act:

- (a) Cost of parcellary surveys and appraisal of properties affected by the projects;

(b) Compensation for the project-affected land, structures and improvements, crops and trees;

(c) Cost of development and implementation of resettlement projects covered by this Act, including planning, social preparation, and other activities under the resettlement action plan; and

(d) Related expenses of the implementing agency, including capital gains tax in the case of negotiated sale under Section 5 hereof, documentary stamp tax, transfer tax and registration fees for the transfer of titles, and other relevant administrative expenses for right-of-way management.

In public private partnership (PPP) projects, the modalities of which are defined in Republic Act No. 6957, as amended by Republic Act No. 7718, the implementing agency may, as part of the contract terms and conditions, require the project proponent to:

(a) Advance the funds covering the cost of the right-of-way which shall be reimbursed later by the implementing agency, except for unsolicited proposals; or

(b) Finance the right-of-way cost for the government which shall be recovered partly or fully by the proponent from the tolls, fees, or tariffs to be charged to the users of the completed project.

SEC. 11. *Regulation of Developments within Declared Right-of-Way.* – Upon the approval of an infrastructure project by the head of the implementing agency concerned, with funding authorized in the General Appropriations Act and with defined right-of-way, no National Government Agency or Local Government Unit shall, within two years from date of notice of taking, allow any development or construction, or issue any building, construction, development or business permit, which is contrary to the approved plans and purposes of the project, within the said right-of-way, unless explicitly authorized by the head of the implementing agency for justifiable reasons.

SEC. 12. *Sanctions.* – Violation of any provision of this Act shall subject the government official or employee concerned to appropriate administrative, civil and/or criminal sanctions, including suspension and/or dismissal from the government service and forfeiture benefits.

SEC. 13. *Implementing Rules and Regulations (IRR).* – A committee shall prepare, in consultation with key stakeholders, the IRR for the proper implementation of this Act within sixty (60) days from its approval.

The committee shall be composed of the following officials or their duly designated representatives:

(a) The Secretary of the Department of Public Works and Highways as Chairperson;

(b) The Secretary of the Department of Transportation and Communications as member;

(c) The Secretary of the Department of Energy as member;

(d) The Secretary of the Department of Justice as member;

(e) The Secretary of the Department of Budget and Management as member;

(f) The Director General of the National Economic and Development Authority as member;

(g) The Chairman of the HUDCC as member; and

(h) Other representatives of concerned entities as determined by the committee as members.

SEC. 14. Transitory Clause. - The provisions of this Act shall apply to all right-of-way transactions, except ongoing transactions which, as of the effectivity of this Act, have already reached a written agreement as to the price between the implementing agency and the property owner.

SEC. 15. Repealing Clause. – Republic Act No. 8974 is hereby repealed and all other laws, decrees, orders, rules and regulations or parts thereof inconsistent with this Act are hereby repealed or amended accordingly.

SEC. 16. Effectivity. –This Act shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation.

Approved,

(Signed)
FRANKLIN M. DRILON
President of the Senate

(Signed)
FELICIANO BELMONTE JR.
*Speaker of the House
of Representatives*

This Act which is a consolidation of House Bill No. 5588 an Senate Bill No.3004 was passed by the House of Representatives and the Senate on May 25, 2015 and December 14, 2015, respectively.

(Signed)
OSCAR G. YABES
Secretary of the Senate

(Signed)
MARILYN B. BARUA-YAP
*Secretary-General
House of Representatives*

Approved: Mar 07 2016

(Signed)
BENIGNO S. AQUINO III
President of the Philippines

Appendix 2

**COMMITTEE FOR THE PREPARATION OF
THE IRR OF RA 10752**

**IMPLEMENTING RULES AND REGULATIONS
OF REPUBLIC ACT NO. 10752,
AN ACT FACILITATING THE ACQUISITION OF RIGHT-OF-
WAY, SITE OR LOCATION FOR NATIONAL GOVERNMENT
INFRASTRUCTURE PROJECTS**

25 May 2016

TABLE OF CONTENTS

	Page	
Section 1.	COVERAGE	
Section 2.	DEFINITION OF TERMS	
Section 3.	DECLARATION OF POLICY	
Section 4.	MODES OF ACQUIRING REAL PROPERTY	
Section 5.	DONATION	
Section 6.	NEGOTIATED SALE	
Section 7.	EXPROPRIATION	
Section 8.	ACQUISITION OF PROPERTIES UNDER CA 141	
Section 9.	EXCHANGE OR BARTER	
Section 10.	EASEMENT OF RIGHT-OF-WAY	
Section 11.	ACQUISITION OF SUBSURFACE RIGHT-OF-WAY	
Section 12.	STANDARDS FOR ASSESSMENT FOR NEGOTIATED SALE	
Section 13.	ECOLOGICAL AND ENVIRONMENTAL CONCERNS	
Section 14.	RELOCATION OF INFORMAL SETTLERS	
Section 15.	APPROPRIATIONS	
Section 16.	DEVELOPMENTS WITHIN RIGHT-OF-WAY	
Section 17.	RIGHT-OF-WAY SURVEY DOCUMENTS FOR ACQUIRED PROPERTIES	
Section 18.	MANUALS FOR ROW ACQUISITION AND LARIPP	
Section 19.	TRANSITORY CLAUSE	
Section 20.	SANCTIONS	
Section 21.	IRR AMENDMENTS	
Section 22.	REPEAL	
Section 23.	EFFECTIVITY	
Annex A.	TEMPLATE TERMS OF REFERENCE FOR PROPERTY APPRAISAL SERVICES PURSUANT TO RA 10752	
Annex B.	ILLUSTRATIVE EXAMPLE OF COMPUTATION FOR CAPITAL GAINS TAX	

**IMPLEMENTING RULES AND REGULATIONS
OF REPUBLIC ACT NO. 10752,
AN ACT FACILITATING THE ACQUISITION OF RIGHT-OF-WAY, SITE OR
LOCATION FOR NATIONAL GOVERNMENT INFRASTRUCTURE PROJECTS**

Pursuant to the provisions of Section 13 of Republic Act (RA) No. 10752, the following Implementing Rules and Regulations (IRR) are hereby promulgated to carry out the provisions of the said Act.

Section 1. COVERAGE

This IRR shall cover the acquisition of real properties needed as right-of-way, site or location for national government projects undertaken by any department, bureau, office, commission, authority or agency of the national government, including any government-owned or controlled corporation or state college or university, authorized by law or its respective charter to undertake national government projects.

Section 2. DECLARATION OF POLICY

This IRR is governed by the fundamental policy declared in Section 9, Article III of the Constitution which states that private property shall not be taken for public use without just compensation, as reiterated in Section 2 of the Act. Towards this end, the State shall ensure that all persons whose real property is affected by national government infrastructure projects are promptly paid just compensation for the expeditious acquisition of the required right-of-way (ROW).

In accordance with Section 3 of the Act, subject to the provisions of RA No. 7160, otherwise known as the “Local Government Code of 1991,” Local Government Units (LGUs) may also adopt the provisions of this IRR for the acquisition of ROW for local government infrastructure projects.

Section 3. DEFINITION OF TERMS

For purposes of this IRR, the following terms shall be understood as defined:

- a. **Act** – means RA No. 10752, otherwise known as “An Act Facilitating the Acquisition of Right-Of-Way, Site or Location for National Government Infrastructure Projects,” or “The Right-of-Way Act.”
- b. **Implementing Agency** or **IA**– refers to any department, bureau, office, commission, authority or agency of the national government, including any government-owned or -controlled corporation or state college or university, authorized by law or its respective charter to undertake national government projects.
- c. **IRR** – refers to these Implementing Rules and Regulations for the Act.
- d. **National Government Projects** – as defined in Section 3 of the Act, refers to all national government infrastructure projects and their public service facilities, engineering works

and service contracts, including projects undertaken by government-owned and -controlled corporations, all projects covered by RA No. 6957, as amended by RA No. 7718, otherwise known as the “Build-Operate-and-Transfer Law,” and other related laws including those involving private sector participation and all necessary activities or projects that are intended for public use or purpose, such as site acquisition, supply and/or installation of equipment and materials, implementation, construction, completion, operation, maintenance, improvement, repair and rehabilitation, regardless of the source of funding. These projects shall include, but not be limited to the following:

- (1) Highways, including expressways, roads, bridges, interchanges, overpasses, tunnels, viaducts and related facilities;
 - (2) Railways and mass transit facilities;
 - (3) Port infrastructure, like piers, wharves, quays, storage handling and ferry services;
 - (4) Airports and air navigation facilities;
 - (5) Power generation, transmission and distribution facilities;
 - (6) Radio/television broadcasting and telecommunications infrastructure;
 - (7) Information technology infrastructure;
 - (8) Irrigation, flood control and drainage systems;
 - (9) Water and debris retention structures and dams;
 - (10) Water supply, sanitation, sewerage and waste management facilities;
 - (11) Land reclamation, dredging and development;
 - (12) Industrial and tourism estates;
 - (13) Government school buildings, hospitals, clinics and other buildings and housing projects;
 - (14) Public markets and slaughterhouses; and
 - (15) Other similar or related infrastructure works and services of the national government.
- e. **Replacement Cost** – refers to the cost necessary to replace the affected structure or improvement with a similar asset based on current market prices.
- f. **Right-of-Way or ROW** – means a part or the entirety of a property, site or location, with defined physical boundaries, used or required by a national government project.

Section 4. MODES OF ACQUIRING REAL PROPERTY

As provided in Section 4 of the Act, the following are the regular modes of ROW acquisition:

- a. Donation
- b. Negotiated Sale
- c. Expropriation

The other modes of ROW acquisition are the following:

- a. Acquisition of Properties under Commonwealth Act (CA) No. 141
- b. Exchange or Barter
- c. Easement of Right-of-Way
- d. Acquisition of Subsurface Right-of-Way
- e. Other modes authorized by law

Section 5. DONATION

The IA may explore the mode of donation of the needed portion or whole of the affected property, i.e., lots with or without improvements, by the property owner concerned, which may be a private individual/corporation or a government agency/corporation.

If the property owner agrees to donate the property to be acquired by the IA as ROW, a deed of donation shall immediately be prepared. The deed of donation shall be simple and unconditional, and contain clauses to the effect that the donation is made not to defraud the donor's creditors, and that the donor has, if necessary, reserved for himself enough property for his family's subsistence, sustenance and support in case the donor is a private individual.

The donation must be accepted by the IA, which shall be indicated in the deed.

The IA shall pay the documentary stamp tax, transfer tax and registration fees, while the donor shall pay any unpaid real property tax.

Section 6. NEGOTIATED SALE

6.1 Compensation Price

As provided in Section 5 of the Act, the IA may acquire through negotiated sale the required ROW project, by offering to the property owner as compensation price, the sum of the:

- a. current market value of the land;
- b. replacement cost of structures and improvements therein; and

- c. current market value of crops and trees therein.

6.2 Use of Government Financial Institutions and Independent Property Appraisers

To determine the appropriate price offer for the acquisition of ROW through negotiated sale, the IA may engage the services of either of the following, taking into consideration efficiency, economy and the need of the IA to facilitate the implementation of national government infrastructure projects:

- a. A government financial institution (GFI) with adequate experience in property appraisal to be selected by the IA through a competitive process; or
- b. An independent property appraiser (IPA) accredited by:
 - (1) the Bangko Sentral ng Pilipinas (BSP) or
 - (2) a professional association of appraisers recognized by BSP.

The IPA shall be procured by the IA under the provisions of RA No. 9184, otherwise known as the "Government Procurement Reform Act," and its IRR pertaining to consulting services.

For this purpose, the BSP and the professional association of appraisers shall provide their lists of IPAs upon request of the IA. The BSP and the professional association of appraisers shall not be accountable for any acts of the IPAs stated in the list.

Whenever applicable, priority shall be given to the engagement of the services of a GFI.

The IA may use the appraisal reports of the GFI or IPA as one of the bases of the IA's price offer for negotiated sale, consistent with the standards for assessment under Section 12 of this IRR. For this purpose, the IA is encouraged to develop its in-house personnel capable of validating appraisal reports.

6.3 Terms of Reference for GFIs and IPAs

As basis for the engagement of the services of a GFI or IPA, the IA shall prepare the Terms of Reference (TOR) for the services. The TOR shall contain, among other things, the following basic content:

- a. Background of the project for which the ROW is required, and the objectives of the property appraisal services to be provided by the GFI or IPA;
- b. Desired outputs to be delivered by the GFI or IPA, their description and degree of detail - e.g., estimated market value of the land under consideration, the Replacement Cost of structures and improvements therein, and/or the market value of crops and trees therein,;
- c. Standards and specifications to be observed by the GFI or IPA in providing the services and producing the desired outputs, which shall include those listed under Section 12 of this IRR, as may be applicable;

- d. Duration of the services and timetable for the delivery of outputs by the GFI or IPA; and
- e. Qualifications of the GFI or IPA to be engaged.

In preparing the TOR, the IA may consult the GFI in case of services to be provided by the latter.

The IA shall adopt the TOR template given in **Annex A**.

6.4 Engagement of GFIs

If the IA decides to engage the services of a GFI, the IA shall enter into a Memorandum of Agreement (MOA) with the GFI in accordance with the following conditions:

- a. The GFI is capable and has adequate experience to undertake the property appraisal services required by the IA;
- b. The GFI must actually undertake the appraisal by administration using its own in-house manpower and resources; and
- c. The IA shall pay the GFI an appropriate fee for its appraisal services in accordance with the terms of the MOA.

6.5 Procurement of IPAs

If the IA decides to engage the services of an IPA to determine the appropriate price of a property to be offered to the property owner through negotiated sale under Section 6 of this IRR, the IA shall procure the IPA in accordance with the rules and procedures for the procurement of consulting services under RA No. 9184 and its IRR,

An IPA must meet the following criteria to qualify for the consulting services:

- a. The IPA must be in the list of the BSP or of a professional association of appraisers recognized by the BSP, provided that IPAs not yet included in the list shall not be barred from joining the procurement for such services, and provided further that prior to award of the contract, such IPAs shall be required to submit a proof that they are already included in the list; and
- b. The IPA must comply with the experience and other eligibility requirements provided in RA No. 9184 and its IRR, including the registration and license required for a Real Estate Appraiser.

6.6 Replacement Cost

With regard to Section 6.1b of this IRR, the Replacement Cost of a structure or improvement affected by the ROW shall be based on the current market prices of materials, equipment, labor, contractors profit and overhead, and all other attendant costs associated with the acquisition and installation of a similar asset in place of the affected asset.

If the affected structure has been damaged, then the Replacement Cost should be based on the pre-damaged condition of that structure. The Replacement Cost of the structure may vary from the market value of the existing structure since the structure that would actually replace it may have a different cost at current market prices. The replacement structure has to perform the same functions and meet the performance specifications as the original structure.

The IA may engage the services of a GFI or an IPA to determine the appropriate price offer, consistent with the guidelines set forth in Section 6.2 of this IRR. The IA may also request the assistance of the DPWH to determine such Replacement Cost.

If the IA shall directly determine the Replacement Cost of structure or improvement, the following guidelines derived from DPWH standards for estimating civil works costs shall be used:

- a. The IA shall prepare the basic plan and performance-type specifications for the structure to be replaced, generally considering its original condition. These shall indicate, among other things, the following:
 - (1) Main function or purpose of the structure – e.g., residential;
 - (2) Basic configuration and dimensions of the structure – e.g., two-storey house with a total floor area of 150 square meters; and
 - (3) Major structural features – e.g., concrete and wooden structure, with galvanized iron (GI) roof.
- b. Based on the basic plan and specifications prepared in Section 6.6a of this IRR, the IA shall prepare the Replacement Cost of the structure. The Replacement Cost is the price that the IA will pay the owner to replace the existing structure or asset with a similar asset at current market prices.
- c. The Replacement Cost shall be composed of the Estimated Direct Cost and the Estimated Indirect Cost of the replacement structure. These components shall be calculated in accordance with the succeeding items.
- d. The Estimated Direct Cost (EDC) shall consist of the following:
 - (1) Current market cost of materials to be used in doing the work item called for, which shall include the following:
 - (a) Cost at source including processing, crushing, stockpiling, loading, royalties, local taxes, construction and/or maintenance of haul roads, etc.;
 - (b) Expenses for hauling to project site;
 - (c) Handling expenses;
 - (d) Storage expenses; and

- (e) Allowance for waste and/or losses, at five percent (5%) of materials requirement.
- (2) Current market cost of labor to be used for:
 - (a) Salaries and wages, within the limits authorized by the Department of Labor and Employment; and
 - (b) Fringe benefits, such as vacation and sick leaves, benefits under the Workmen's Compensation Act, Social Security System (SSS) contributions, allowances, 13th month pay, bonuses, etc.
- (2) Equipment Expenses:
 - (a) Rental of equipment – usually based on the current Associated Construction Equipment Lessors, Inc. (ACEL) rental rates. For simple computation, the operated rental rates are preferred to the bare rental rates as the former includes operator's wages, fringe benefits, fuel, oil, lubricants and equipment maintenance.
 - (b) Mobilization and demobilization – at one percent (1%) of the EDC of the civil works items.
- e. The Estimated Indirect Cost shall consist of the following items based on accepted construction industry practices:
 - (1) Overhead Expenses not exceeding eight percent (8%) of the EDC, which include the following, as applicable:
 - (a) Engineering and Administrative Supervision, including expenses for office equipment and supplies, power and water consumption, communication and maintenance;
 - (b) Transportation allowances;
 - (c) Premium on Contractor's All Risk Insurance, where necessary; and
 - (d) Financing Cost, e.g., premium on bonds.
 - (2) Contingencies and Miscellaneous not exceeding four percent (4.0%) of the EDC. These include expenses for unforeseen events and other activities.
 - (3) Contractor's Profit Margin not exceeding eight percent (8%) of the EDC for projects with an EDC of more than PhP 5 million and ten percent (10%) for projects with an EDC of PhP 5 million and below.
 - (4) Value Added Tax (VAT) Component in accordance with law, five percent (5%) in the case of a property owned by a government agency, or twelve percent (12%) in

the case of a property owned by a private party, of the sum of the EDC, Overhead, Contingencies, Miscellaneous, and Profit.

In all cases, the Indirect Costs shall not exceed the following limits:

Estimated Direct Cost (EDC)	Overhead, Contingencies, and Miscellaneous (OCM) as % of EDC	Profit, as % of EDC
Up to PhP5M	12	10
Above PhP5M to PhP50M	9	8
Above PhP50M to PhP150M	7	8
Above PhP150M	6	8

If engaged by an IA to determine the Replacement Cost of structures and improvements, the GFI/IPA may use applicable provisions of the valuation standards adopted by the Professional Regulatory Board of Real Estate Service under the Professional Regulation Commission (PRC).

6.7 Acceptance or Rejection of Price Offer

As provided in Section 5 of the Act, the property owner is given thirty (30) days from receipt of the written offer by the IA to decide whether or not to accept the offer as payment for his property. Upon refusal or failure of the property owner to accept such offer or if he fails and/or refuses to submit the documents necessary for payments, the IA shall immediately initiate the expropriation proceedings as provided in Section 7 of this IRR.

6.8 Owners of Structures and Improvements With No Rights to the Land

The provisions of Section 6.6 of this IRR pertaining to the replacement cost of structures and improvements shall also apply to all owners of structures and improvements who do not have legally recognized rights to the land, and who meet all of the following criteria:

- a. Must be a Filipino citizen;
- b. Must not own any real property or any other housing facility, whether in an urban or rural area;
- c. Must not be a professional squatter or a member of a squatting syndicate, as defined in RA No. 7279, otherwise known as the “Urban Development and Housing Act of 1992;” and
- d. Must not occupy an existing government ROW.

As defined in RA No. 7279, “professional squatters” refers to:

- a. individuals or groups who occupy lands without the express consent of the landowner and who have sufficient income for legitimate housing, as identified by the proper Local Inter-Agency Committee (LIAC) with the assistance of the Urban Poor Affairs Office (UPAO); or

- b. persons who have previously been awarded homelots or housing units by the Government but who sold, leased or transferred the same to settle illegally on a different homelot or housing unit but in the same place or in another urban area, and non-bona fide occupants and intruders of lands reserved for socialized housing.

“Squatting syndicate,” as defined in RA No. 7279, refers to a group of persons engaged in the business of squatter housing for profit or gain. The term shall not apply to individuals or groups who simply rent land and housing from professional squatters or squatting syndicates.

To complement the four criteria mentioned in the first paragraph of this Section 6.8, the owner and occupant of the structure or improvement must show a proof of ownership of the structure/improvement, e.g., a certification from the Barangay concerned.

Informal settler families classified as underprivileged and homeless citizens as defined in RA No. 7279 and not qualified under the four criteria above shall be entitled to relocation pursuant to RA No. 7279 in accordance with Section 14 of this IRR.

6.9 Taxes and Fees

As provided in Section 5(c) of the Act, the IA shall pay for account of the seller/owner, the Capital Gains Tax (CGT), as well as the Documentary Stamp Tax (DST), transfer tax and registration fees, while the owner shall pay any unpaid real property tax.

The IA shall pay the CGT to the Bureau of Internal Revenue (BIR) based on the actual consideration stated in the Deed of Sale, as expressed below:

$$AC = NAC + CGT$$

where:

AC = Actual Consideration indicated in the Deed of Sale to be appropriated and paid out by the IA for the negotiated sale,

NAC = Compensation Price as offered by the IA to the property owner in accordance with Section 6.1 of this IRR, net of CGT, and

CGT = Capital Gains Tax to be paid by the IA to the BIR, for the account of the owner.

Since $CGT = x\%$ of AC,

then $NAC = AC - CGT = 100\%AC - x\%AC = (100\% - x\%)AC$,

and, therefore, $AC = NAC/(100\% - x\%)$

Annex B shows an illustrative example in computing the AC, NAC and CGT for a hypothetical property affected by a ROW to be acquired through negotiated sale.

The above provision pertaining to CGT does not apply to the sale of property classified as ordinary assets. The latter is subject to the existing BIR rules and regulations.

In addition, the DST, transfer tax and registration fees for the negotiated sale shall be paid by the IA in accordance with pertinent laws and regulations.

Upon the request of the property owner, the IA shall remit to the LGU concerned the amount corresponding to any unpaid real property tax, subject to the deduction of this amount from the total negotiated price, provided that the said amount is not more than the negotiated price.

Section 6.10 Deed of Absolute Sale and Payments

As provided in Section 5(e) of the Act, the property owner and the IA shall execute a Deed of Absolute Sale after the property owner has submitted to the IA the Transfer Certificate of Title, Tax Declaration, Real Property Tax Certificate or Clearance (as issued by the Treasurer of the concerned LGU) and other documents necessary to transfer the title to the Republic of the Philippines. The IA shall cause the annotation of the Deed of Absolute Sale on the Transfer Certificate of Title.

In case of sale of land with structures and other improvements, the Deed of Sale shall provide a stipulation allowing the IA or its authorized representatives to demolish and remove them. The Deed of Sale shall also include a stipulation on the right of the IA to immediately enter the property and implement the project.

In case the sale pertains to structures and improvements only, as provided in Section 5(b) of the Act, the property owner and the IA shall execute an Agreement to Demolish and Remove Improvement (ADRI), provided that the former has submitted to the latter the necessary documents to establish proof of ownership of said structures and improvements, as mentioned in Section 6.8 of this IRR. Similarly, the IA shall remit to the LGU concerned the amount corresponding to any unpaid tax on such structures and improvements, subject to the deduction of this amount from the total negotiated price, provided that it is not more than the negotiated price.

Upon the execution of a Deed of Sale, the IA shall pay the property owner:

- a. Fifty percent (50%) of the negotiated price of the affected land, exclusive of the payment of unpaid taxes remitted to the LGU concerned under Section 6.9 of this IRR; and
- b. Seventy percent (70%) of the negotiated price of the affected structures, improvements, crops and trees, exclusive of unpaid taxes remitted to the LGU concerned under Section 6.9 of this IRR.

Where the property owner owns both the land and structures/improvements, as provided in Section 5(g) of the Act, the IA shall, at the periods stated below, pay the property owner the remaining fifty percent (50%) of the negotiated price of the affected land, and thirty percent (30%) of the affected structures, improvements, crops and trees, exclusive of unpaid taxes remitted to the LGU concerned under Section 6.9 of this IRR, provided that the land is already completely cleared of structures, improvements, crops and trees, as certified by the IA:

- a. At the time of the transfer of title in the name of the Republic of the Philippines, in cases where the land is wholly affected; and

- b. At the time of the annotation of a deed of sale on the title, in cases where the land is partially affected.

Where the property owner owns only the land, as provided in Section 5(g) of the Act, the IA shall, at the periods stated below, pay the property owner the remaining fifty percent (50%) of the negotiated price of the affected land, exclusive of unpaid taxes remitted to the LGU concerned under Section 6.9 of this IRR:

- a. At the time of the transfer of title in the name of the Republic of the Philippines, in cases where the land is wholly affected; and
- b. At the time of the annotation of a deed of sale on the title, in cases where the land is partially affected.

Where the property owner owns only the structures/improvements, as provided in Section 5(g) of the Act, the IA shall, at the periods stated below, pay the property owner the remaining thirty percent (30%) of the affected structures, improvements, crops and trees, exclusive of unpaid taxes remitted to the LGU concerned under Section 6.9 of this IRR, immediately after the IA has certified that the land is already completely cleared of structures, improvements, crops and trees.

- a. At the time of the transfer of title in the name of the Republic of the Philippines, in cases where the land is wholly affected; and
- b. At the time of the annotation of a deed of sale on the title, in cases where the land is partially affected.

The IA shall ensure the faithful and prompt compliance with the above payment procedures and may revise or issue the necessary orders and directives to this effect.

The IA shall pay the CGT to the BIR within thirty (30) days after (a) the release of the initial payments specified above or (b) the notarization of the Deed of Sale, whichever is earlier. The IA shall also pay the DST within five (5) days after the close of the month when the Deed of Sale is notarized.

6.11 Outstanding Claims for ROW Payments

In accordance with Section 5 of the Act, the provisions of Section 6.1 of this IRR shall also apply to outstanding claims for right-of-way payments, except that the amount to be offered shall be the price at the time of taking of the property, including legal interest until fully paid, subject to the transitory provision in Section 19 of this IRR.

6.12 Special Cases

In case of untitled lands being acquired through negotiated sale, the IA shall compensate the owner using the procedures in Section 6 of the IRR, provided that the land owner shall present:

- a. a Tax Declaration showing his and his predecessors' open and continuous possession of the property for at least thirty (30) years;

- b. Certification from the Department of Environment and Natural Resources (DENR) that the land is alienable and disposable; and
- c. Other documents that may show proof of ownership.

In case of failure to establish ownership over the land, but where improvements are introduced thereon, the apparent property owner may be entitled to compensation for the said improvements subject to Section 6.8 of this IRR.

Section 7. EXPROPRIATION

Whenever it is necessary to acquire real property for the ROW, site or location for any national government infrastructure through expropriation, which includes, among others, the case in Section 6.7 of this IRR where, within thirty (30) days, the property owner refuses or fails to accept the price offer of the IA for negotiated sale or fails and/or refuses to submit the documents necessary for payment, or when negotiation is not feasible, then the appropriate IA, through the Office of the Solicitor General (for national agencies), the Office of the Government Corporate Counsel (for government-owned and –controlled corporations), or their deputized government or private legal counsel, shall initiate the expropriation proceedings by filing a verified complaint before the proper court under the following guidelines:

- a. Upon the filing of the complaint or at any time thereafter, and after due notice to the defendant, the IA shall immediately deposit to the court in favor of the owner, the amount equivalent to the sum of:
 - (1) One hundred percent (100%) of the value of the land based on the current relevant zonal valuation of the BIR, issued not more than three (3) years prior to the filing of the expropriation complaint, subject to Section 7(c) of this IRR;
 - (2) The replacement cost at current market value of the improvements and/or structures as determined by:
 - (a) the IA;
 - (b) a GFI with adequate experience in property appraisal; and
 - (c) an IPA accredited by the BSP.
 - (3) The current market value of crops and trees located within the property as determined by the government financial institution or an independent property appraiser to be selected as indicated in Section 6 of this IRR.

Upon compliance with the above guidelines, the court shall immediately issue an order to take possession of the property to the IA which shall start the implementation of the project.

If within seven (7) working days after the deposit to the court of the amount equivalent to the sum under items (a)(1) to (a)(3) of Section 7 of this IRR, and the court has not issued

to the IA a writ of possession for the affected property, the counsel of the IA shall immediately seek from the court the issuance of the writ of possession. The court shall immediately issue the writ of possession ex parte; no hearing shall be required.

The court shall release the said amount to the owner upon presentation of sufficient proofs of ownership.

- b. In case the owner of the property cannot be found, is unknown, or is deceased in cases where the estate has not been settled, after exerting due diligence, or there are conflicting claims over the ownership of the property and improvements and/or structures thereon, the IA shall deposit the amount equivalent to the sum under items (a)(1) to (a)(3) of Section 7 of this IRR to the court, for the benefit of the person to be adjudged in the same proceeding as entitled thereto.

Upon compliance with the above guidelines, the court shall immediately issue to the IA an order to take possession of the property.

If within seven (7) working days after the deposit with the court of the amount equivalent to the sum under items (a)(1) to (a)(3) of Section 7 of this IRR, the court has not issued to the IA a writ of possession for the affected property, the counsel of the IA shall immediately seek from the court the issuance of the writ of possession.

The court shall release the said amount to the person adjudged in the same expropriation proceeding as entitled thereto.

- c. In provinces, cities, municipalities and other areas where there is no land classification, the city or municipal assessor is hereby mandated within the period of sixty (60) days from the date of filing of the expropriation case, to come up with the required land classification and the corresponding declaration of real property and improvement for the area. In provinces, cities, municipalities and other areas where there is no zonal valuation, or where the current zonal valuation has been in force for more than three (3) years, the BIR is mandated within the period of sixty (60) days from the date of filing of the expropriation case, to conduct a zonal valuation for said area, based on the land classification done by the city or municipal assessor.
- d. With reference to item (a)(1) of Section 7 of this IRR, in case the completion of a government infrastructure project is of utmost urgency and importance, and there is no land classification or no existing zonal valuation of the area concerned or the zonal valuation has been in force for more than three (3) years, the IA shall use the BIR zonal value and land classification of similar lands within the adjacent vicinity as the basis for the valuation.
- e. In any of the cases in items (a) to (d) of Section 7 of this IRR, upon its receipt of the writ of possession issued by the court, the IA may take possession of the property and start the implementation of the project.
- f. In the event that the owner of the property contests the IA's proffered value, the court shall determine the just compensation to be paid the owner within sixty (60) days from the date of filing of the expropriation case. When the decision of the court becomes final

and executory, the IA shall pay the owner the difference between the amount already paid and the just compensation as determined by the court.

- g. With regard to the taxes and fees relative to the transfer of title of the property to the Republic of the Philippines through expropriation proceedings, the IA shall pay the DST, transfer taxes under RA No. 7160 and registration fees, while the owner shall pay the CGT, any unpaid real property tax, and all other applicable taxes under the law.

The owner shall pay the CGT to the BIR within thirty (30) days after the judgment in the expropriation case had become final and executory. The IA shall also pay the DST within five (5) days after the close of the month when the judgment in the expropriation case had become final and executory.

Section 8. ACQUISITION OF PROPERTIES UNDER CA 141

As provided in Section 4 of the Act, in cases of lands granted through CA No. 141, dated 07 November 1936, known as the Public Land Act, and its amendments, the IA shall:

- a. follow the other modes of acquisition enumerated in this IRR, if the landowner is not the original patent holder and any previous acquisition of said land is not through a gratuitous title; or
- b. follow the provisions under CA No. 141 regarding acquisition of ROW on patent lands, if the landowner is the original patent holder or the acquisition of the land from the original patent holder is through a gratuitous title.

With respect to Section 8b above, under the provisions of CA No. 141, particularly Section 112, a ROW strip not exceeding 20 meters in width within the land acquired under that law is reserved by the government for public use with damages to improvements only. CA No. 141 was amended by Presidential Decree (PD) No. 635, dated 07 January 1975, which increased the ROW strip reserved for public use to a width not exceeding 60 meters.

If the government decides to exercise its right to use the ROW strip reserved for public use within the land acquired under CA No. 141, the owner is required to execute a quit claim. The IA shall then take possession of the property affected by the ROW without any compensation to the owner for the land, but shall pay the owner the cost of the damages for the improvements within that land equivalent to their replacement cost as determined in accordance with Section 6.6 of this IRR. If the owner refuses or is unable to issue a quit claim, the concerned government officials responsible for the implementation of projects are authorized to immediately take possession of the portion of property subject of the lien, as the need arises and upon due notice to the owner. This is without prejudice to the IA resorting to appropriate proceedings to acquire immediate possession of the property.

PD No. 1381 also allows the government to utilize the reserved ROW strip for temporary buildings for Resident and/or Project Engineers needed in the prosecution of an infrastructure project. Once the infrastructure project is completed and the temporary buildings used by Resident/Project Engineers are no longer needed, the possession of the portion of property used for the building shall revert to the title holders.

The IA shall extend financial assistance to the property owner in accordance with the provisions of Executive Order No. 1035, series of 1985.

Section 9. EXCHANGE OR BARTER

Instead of being paid the money value of his property, the owner of a property needed for a ROW of a national government project may request the government to exchange or barter an old abandoned government road or other government property near the project with his said property. The IA may favorably consider this mode, subject to the provisions of relevant laws and the following conditions:

- a. The exchange shall be done on a “value-for-value” basis, i.e., the properties being exchanged are equivalent in market value or price;
- b. If the government property to be exchanged with the private property was originally donated by a previous owner, the donation must be verified to ensure that there is no condition which prohibits the government from disposing of it to other private persons. If the said government property was originally acquired through sale, the previous owner shall have the first priority to re-acquire the property if required by law or by the contract or deed of sale;
- c. Owners of property whose land abut the said abandoned government road or other property shall not be deprived of access, i.e., egress or ingress, to the new highway to be built, if any; and
- d. The private property owner and the IA which are parties to the exchange or barter agreement shall be subject to applicable CGT and DST in accordance with BIR rules and regulations.

Section 10. EASEMENT OF RIGHT-OF-WAY

If the portion of a lot needed for a ROW is minimal, such that the expenses for surveying or segregating that portion from the main lot would be very much more than the value of the part of the lot needed, the IA may, if the property owner agrees, resort to the mode of Easement of ROW provided under the Civil Code.

Under this mode, a ROW easement agreement shall be executed by the property owner and the IA whereby the former will grant the latter the right to use the affected portion of the lot as ROW, but the owner retains ownership of that portion of the lot.

The IA shall pay the owner the value of that portion of the lot based on the existing zonal valuation declared by the BIR. In addition, the IA shall compensate the property owner the replacement cost of any improvements and structures on the land affected by the ROW in accordance with Section 6.6 of this IRR. Entry by the IA to the acquired property may be effected upon full payment of the value of the property. The IA may engage the services of an IPA to determine the amount of the easement to be paid.

The mode of ROW acquisition through easement agreement may also be used in government agency-to-agency transactions, including those involving government-owned and controlled corporations.

The IA shall cause the registration of all ROW easement agreements with the Register of Deeds concerned within ten (10) days from the date of their execution. The Register of Deeds shall annotate on the respective titles the agreements within seven (7) days from receipt thereof.

Section 11. ACQUISITION OF SUBSURFACE RIGHT-OF-WAY

As provided in Section 4 of the Act, when it is necessary to build, construct, or install on the subsurface or subterranean portion of private and government owned lands owned, occupied or leased by other persons, such infrastructure as subways, tunnels, underpasses, waterways, floodways, or utility facilities as part of the government's infrastructure and development project, the government or any of its authorized representatives shall not be prevented from entry into and use of such private and government lands by surface owners or occupants, if such entry and use are made more than fifty (50) meters from the surface.

The IA shall duly consult with and notify the affected property owners of any acquisition of subsurface right of way needed for the infrastructure projects.

If the national government project involves underground works within a depth of fifty (50) meters from the surface, the IA may undertake the mode of acquisition in the following order:

- a. Negotiate with the property owner a perpetual easement of ROW for the subterranean portions of his property required by the project; and
- b. Offer to acquire from the property owner the affected portion of the land, including the affected structures, improvements, crops and trees therein in accordance with the provisions of the Act.

To assist the IA in determining (a) the appropriate price offer for the perpetual easement of the ROW under Section 11a of this IRR or (b) the appropriate price offer for the entire affected land including structures, improvement, crops and trees under Section 11b of this IRR, the IA may engage the services of a GFI or an IPA, in accordance with the procedure provided in Section 6 of this IRR. The easement price under Section 11a of this IRR shall be twenty percent (20%) of the market price of the land.

The IA shall follow the other rules for negotiated sale provided in Section 6 of this IRR.

Section 12. STANDARDS FOR ASSESSMENT FOR NEGOTIATED SALE

As provided in Section 7 of the Act, in order to facilitate the determination of the market value of the property, the following relevant standards shall be observed:

- a. The classification and use for which the property is suited based on, among other things, the latest approved land use plan and/or zoning ordinance, if any, of the city or municipality concerned;

- b. The development cost for improving the land based on, among other things, the records and estimates of the City or Municipal Assessor concerned, GFI or IPA for similar or comparable lands;
- c. The value declared by the owners based on the value shown in the owners' latest Tax Declaration Certificates or Sworn Statements;
- d. The current selling price of similar lands in the vicinity based on, among other things, the latest records on Deeds of Sale for similar lands in the office of the Register of Deeds concerned;
- e. The reasonable disturbance compensation for the removal and/or demolition of certain improvements on the land and for the value of improvements thereon considering, among other things, the replacement cost of improvements at current market prices as provided in Section 6.6 of this IRR;
- e. The size, shape or location, tax declaration and zonal valuation of the land based on, among other things, the latest records on Deeds of Sale in the Register of Deeds, tax declaration by the City or Municipal Assessor, zonal valuation of the BIR for comparable properties;
- g. The price of the land as manifested in the ocular findings, oral as well as documentary evidence presented; and
- h. Such facts and events so as to enable the affected property owners to have sufficient funds to acquire similarly situated lands of approximate areas as those required from them by the government, and thereby rehabilitate themselves as early as possible.

In all cases, the increase in the value of the affected property brought about by the government project itself shall not be considered in the determination of the purchase price.

As provided in Section 6.3 of this IRR, the Terms of Reference, which shall be used by the GFIs and IPAs in the determination of the market value of the land, should include the applicable standards stated in this Section.

Section 13. ECOLOGICAL AND ENVIRONMENTAL CONCERNS

As provided in Section 8 of the Act, in cases involving the acquisition of ROW, site or location for any national government infrastructure project, the IA shall take into account the ecological and environmental impact of the project. Before any national government project could be undertaken, the IA shall consider environmental laws, land use ordinances, and all pertinent provisions of RA No. 7160.

During the feasibility study/detailed engineering design of the projects, except for Public-Private Partnership (PPP) Projects, the IA shall secure from the DENR an Environmental Compliance Certificate (ECC) or Certificate of Non-Coverage (CNC), as the case may be, in accordance with PD No. 1586 and its IRR. In the case of ancestral domain, additional requirements in accordance with RA No. 8371 and its IRR must be complied with.

The IA shall also prepare a Preliminary Land Acquisition Plan and Resettlement Action Plan (LAPRAP) or an Indigenous People's Action Plan, as applicable, which shall form part of the Environmental Impact Assessment (EIA).

For projects undertaken through PPP schemes under RA No. 6957 (as amended), its IRR, and other pertinent laws, the provisions of the same shall govern the requirements for obtaining an ECC/CNC.

Section 14. RELOCATION OF INFORMAL SETTLERS

As provided in Section 9 of the Act, the government, through the Housing and Urban Development Coordinating Council (HUDCC) and the National Housing Authority (NHA), in coordination with the LGUs and IAs concerned, shall establish and develop resettlement sites for informal settlers, including the provision of adequate basic services and community facilities, in anticipation of informal settlers that have to be removed from the ROW or site of future infrastructure projects, pursuant to the provisions of the RA No. 7279. Whenever applicable, the concerned LGUs shall provide and administer the resettlement sites.

In case the expropriated land is occupied by informal settlers who are unable or refuse to demolish their structures and other improvements therein despite the writ of possession issued by the court under Section 7 of this IRR, the court shall issue the necessary writ of demolition for the purpose of dismantling any and all structures found within the subject property. The IA shall take into account and observe diligently the procedure provided for in Sections 28 and 29 of RA No. 7279.

Immediately after the project approval by the appropriate agency, the IA shall notify the HUDCC of its proposed project which may require the acquisition of ROW that may cause the displacement or relocation of informal settlers.

Section 15. APPROPRIATIONS

As provided in Section 10 of the Act, the government shall provide adequate appropriations that will allow the concerned IAs to acquire the required right-of-way, site or location for national government infrastructure projects in advance of the project implementation. These appropriations shall include the funds needed to cover the following expenses for activities directly related to right-of-way acquisition for the projects as provided in this Act:

- a. Cost of parcellary surveys and appraisal of properties affected by the projects;
- b. Compensation for the project-affected land, structures and improvements, including relocation or replacement of compensable utilities, crops and trees;
- c. Cost of development and implementation of resettlement projects covered by this Act, including planning, social preparation, in accordance with HUDCC design standards and costings. Where necessary, this may include land development and housing construction, provision of basic services and community facilities, livelihood restoration and improvement, and other activities under the resettlement action plan in coordination with concerned government agencies; and

- d. Related expenses of the IA, including CGT in the case of negotiated sale under Section 6 of this IRR, DST, transfer tax and registration fees for the transfer of titles, and other relevant administrative expenses for right-of-way management, including the cost of ECC application.

For PPP projects, the IA may, as part of the contract terms and conditions, require the project proponent to:

- a. advance the funds covering the cost of the ROW which shall be reimbursed later by the IA, except for unsolicited proposals; or
- b. finance the ROW cost for the government which shall be recovered partly or fully by the proponent from the tolls, fees, or tariffs to be charged to the users of the completed project.

For budgeting purposes, the ROW costs of projects without any benchmark prices may be based on the BIR zonal values times a factor not exceeding two (2).

For projects that have undergone pre-feasibility or feasibility study only, the proposed budget or appropriations for the replacement cost of affected structures or improvements may be based on benchmark unit costs which are derived from industry standards and accepted by the DPWH. An example of a benchmark unit cost is cost per square meter of floor area of a house or building.

For projects that have undergone detailed engineering design, the proposed budget or appropriations for the replacement cost of affected structures or improvements shall be based on detailed estimates, including bill of materials/quantities, in accordance with the standards and procedures set by the DPWH.

Section 16. DEVELOPMENTS WITHIN RIGHT-OF-WAY

As provided in Section 11 of the Act, upon the approval by the Head of the IA concerned of an infrastructure project with funding authorized in the General Appropriations Act and with defined ROW, no National Government Agency or LGU shall, within two years from date of notice of taking, allow within the said ROW any development or construction, or issue any building, construction, development or business permit, which is contrary to the approved plans and purposes of the project, unless explicitly authorized by the Head of the IA for justifiable reasons.

For this purpose, the date of notice of taking is the date of the letter issued by the IA to the concerned landowners, after the approval of the LAPRAP as part of the detailed engineering design, informing them of the intent of the IA to acquire their lands for the ROW.

Once the notice of taking is issued, any new structure or improvement to an existing one on the land covered by the notice shall not be compensated.

In the same manner, no informal settlers will be eligible for compensation if their structures are built after the cut-off date for entitlements. In this IRR, the “cut-off date” refers to the first day of census undertaken as part of LAPRAP preparation after both the project approval by the IA and Detailed Engineering Design.

Section 17. RIGHT-OF-WAY SURVEY DOCUMENTS FOR ACQUIRED PROPERTIES

The IA shall submit the relevant documents indicating the survey limits for the lands acquired for ROW of infrastructure projects to the LGU concerned for information and reference in development planning, taxation, and other purposes.

Section 18. AGENCY MANUAL OF PROCEDURES FOR ROW ACQUISITION

To provide clear, specific, and operational guidelines for the efficient acquisition of ROW for its infrastructure projects, each IA shall prepare and implement its own “Manual of Procedures for ROW Acquisition” (Manual).

Said Manual must be consistent with the provisions of the Act and this IRR and shall be customized to the particular requirements and systems for ROW acquisition of the IA. The IA Manual shall serve as the standard or uniform reference for the specific rules, processes, standard documents, and template forms to be used by the IA and its concerned central and field offices in the acquisition of ROW. The IA Manual shall also be used by property owners as their reference on the requirements and procedures to be followed to facilitate ROW acquisition, while ensuring that they obtain due process and fair compensation. Finally, the IA Manual shall serve as a guide for the GFIs and IPAs to be engaged by the IA in determining the appropriate price offers to property owners affected by ROW acquisition.

The IA Manual shall include the following basic content, as adapted with modifications from the DPWH Manual:

1. INTRODUCTION

- 1.1 Purpose of the Manual
- 1.2 Coverage and Applications of the Manual

2. PROCEDURES FOR THE ROW ACQUISITION PROCESS

- 2.1 ROW Action Plan as part of Project Feasibility Study and Design
- 2.2 Preparation of LAPRAP
- 2.3 Environmental Impact Assessment (EIA)
- 2.4 Conduct of Parcellary Survey
- 2.5 ROW Acquisition through Donation
- 2.6 ROW Acquisition through Negotiated Sale
- 2.7 Determination of Compensation Price Offer for Negotiated Sale – based on Market Value of Land, Replacement Cost of Structures and Improvements, and Market Value of Crops and Trees
- 2.8 Determination of Package of Compensation and Entitlements to Project-Affected Persons (PAPs)
- 2.9 Use of GFIs and IPAs in Determining Price Offer and Compensation Package for Negotiated Sale
- 2.9 Determination of CGT and Other Taxes and Fees
- 2.10 Preparing Budget and Appropriations for ROW Acquisition – covering all Relevant Expenses – at Preliminary Stage (ROW Action Plan) and Final Stage (based on Price Offer and Relevant Expenses)
- 2.11 Execution of Deed of Sale

- 2.12 Transfer of Title/Tax Declaration
- 2.13 Payments to Owners and PAPs
- 2.14 ROW Acquisition through Expropriation
- 2.15 Obtaining and Implementing Writ of Possession and Permit to Enter Sale
- 2.16 Relocation of PAPs based on LAPRAP
- 2.17 Clearing of Structures/Improvements and Crops/Trees within ROW
- 2.18 Management of ROW including Documents

3. PROCEDURES FOR OTHER CASES

- 3.1 ROW Acquisition for Lands under CA No. 141
- 3.2 ROW Acquisition through Exchange or Barter
- 3.3 ROW Acquisition through Easement of ROW
- 3.4 Acquisition of Subsurface ROW
- 3.5 Other Special Cases

APPENDICES

RA No. 10752

IRR of RA No. 10752

CA No. 141

Relevant Department/Agency Orders

ROW Action Plan Preliminary Cost Estimates: for Land, Structures/Improvements and Crops/Trees

ROW Action Plan Data Checklist

ROW Action Plan Report Outline

Templates for Environmental Scoping, EIA, Environmental Management Plan (EMP), Screening, Initial Environmental Examination (IEE) Checklist

ROW Action Plan Final Cost Estimates: for Land, Structures/Improvements and Crops/Trees

Parcellary Survey ROW Land Data

ROW Compensation Matrix

Deed of Donation Template

Deed of Sale Template

Deed of Exchange or Barter Template

Template Agreement to Demolish and Remove Improvements (ADRI)

Quit Claim Deed Template

Easement of ROW Agreement Template

Permit to Enter Template

WORKFLOW CHARTS

Overall Process Flow

Project Identification, Feasibility Study, Design and ROW Action Plan Preparation

EIA

Conduct of Parcellary Survey

Preparation of LAPRAP

ROW Acquisition through Donation

ROW Acquisition through Negotiated Sale

Preparation of Deed of Absolute Sale

Transfer of Title/Tax Declaration

ROW Acquisition through Expropriation

ROW Acquisition for Lands under CA No. 141
ROW Acquisition through Exchange or Barter
ROW Acquisition through Easement of ROW
Acquisition of Subsurface ROW
Clearing of ROW
Processing of Title Documents
Management of ROW

The IA shall ensure that its Manual includes, among other things, faithful and prompt compliance with the prescribed payment procedures under Section 6.10 of this IRR.

Section 19. TRANSITORY CLAUSE

As provided in Section 14 of the Act, the provisions of this IRR shall apply to all ROW transactions, except ongoing transactions which, as of the effectivity of this Act, have already reached a written agreement as to the price between the IA and the property owner.

Section 20. SANCTIONS

As provided in Section 12 of the Act, violation of any provision of the Act shall subject the government official or employee concerned to appropriate administrative, civil and/or criminal sanctions, including suspension and/or dismissal from the government service and forfeiture benefits in accordance with the provisions of the law.

Section 21. IRR AMENDMENTS

The IRR Committee constituted pursuant to Section 13 of the Act may be reconvened by its Chairperson, at his initiative and/or upon the recommendation of any of its members, to formulate and prescribe amendments to this IRR consistent with the letter and spirit of the Act.

Section 22. REPEAL

As provided in Section 16 of the Act, RA No. 8974 is hereby repealed and all other laws, decrees, orders, rules and regulations or parts thereof inconsistent with this Act are hereby repealed or amended accordingly.

Section 23. EFFECTIVITY

This IRR shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation.

Issued this ___ day of _____, 2016.

COMMITTEE FOR THE IRR OF RA NO. 10752

JOSEPH EMILIO A. ABAYA

Secretary, Department of Transportation
and Communications
Member

ZENAIDA Y. MONSADA

Secretary, Department of Energy
Member

EMMANUEL L. CAPARAS

Secretary, Department of Justice
Member

FLORENCIO B. ABAD

Secretary, Department of Budget
and Management
Member

EMMANUEL F. ESGUERRA

Secretary of Socio-Economic Planning and
Director General, National Economic and
Development Authority
Member

CHITO M. CRUZ

Chairperson, Housing and Urban
Development Coordinating Council
Member

ROGELIO L. SINGSON

Secretary, Department of Public Works and Highways
Chairperson

Appendix 2
ANNEX A
TEMPLATE TERMS OF REFERENCE
FOR PROPERTY APPRAISAL SERVICES PURSUANT TO RA NO. 10752

As basis for the procurement of the services of a Government Financial Institution (GFI) or Independent Property Appraiser (IPA) to determine the appropriate price of properties to be offered to the property owner through negotiated sale under Section 6 of the Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 10752 (The Right-of-Way Act), the GFI/IPA shall provide the appraisal services for the purpose of acquisition of private properties for national government project under this Terms of Reference (TOR):

1. Background:

- *Insert a brief description and map of the project for which the Right-of-Way (ROW) is required.*
- *Insert the Parcellary Survey Report for the project indicating the properties affected by the ROW.*

2. Objectives of the Services (Include all that apply):

- To determine the fair market value of the land, the replacement cost of structures/improvements, and the fair market value of crops and trees in the properties described above as affected by the ROW requirement of the said project
- To recommend the appropriate price offer for negotiated sale of the affected properties based on the above.
- To provide technical assistance, if necessary, to the IA on the negotiation proceedings, including possible administrative and judicial processes.

3. Desired Outputs -The GFI/IPA is expected to deliver to the IA an Appraisal Report that contains the following *(Include all that apply)*:

- Estimated market value of the land under consideration.
- Estimated replacement cost of structures and improvements therein.
- Estimated market value of crops and trees therein.
- Recommended total price offer for negotiated sale for the properties affected.
- Other reports/advisories as needed in the negotiation proceedings.

The Appraisal Report must be signed by a real property appraiser or valuer duly licensed by the Professional Regulation Commission (PRC) and registered with the Professional Regulatory Board of Real Estate Service (PRBRES) pursuant to RA No. 9646 (Real Estate Service Act of the Philippines, 2009).

4. Standards and Specifications – In providing the services and delivering the desired outputs, the GFI/IPA shall observe the following standards and specification listed under Section 7 of RA No. 10752:

- The classification and use for which the property is suited;

This shall be based on, among other things, the latest approved land use plan and/or zoning ordinance, if any, of the city or municipality concerned.

- The development cost for improving the land;

This shall be based on, among other things, the records and estimates of the City or Municipal Assessor concerned, GFI or IPA for similar or comparable lands.

- The value declared by the owners;

This shall be based on the value shown in the owners' latest Tax Declaration Certificates or Sworn Statements.

- The current selling price of similar lands in the vicinity;

This shall be based on, among other things, the latest records on Deeds of Sale for similar lands in the office of the Register of Deeds concerned.

- The reasonable disturbance compensation for the removal and/or demolition of certain improvements on the land and for the value of improvements thereon;

This shall consider, among other things, the replacement cost of improvements at current market prices as provided in Section 6.6 of RA 10752-IRR.

- The size, shape or location, tax declaration and zonal valuation of the land;

These shall be based on, among other things, the latest records on Deeds of Sale in the Register of Deeds, tax declaration by the City or Municipal assessor, zonal valuation of the BIR for comparable properties.

- The price of the land as manifested in the ocular findings, oral as well as documentary evidence presented; and

- Such facts and events so as to enable the affected property owners to have sufficient funds to acquire similarly situated lands of approximate areas as those required from them by the government, and thereby rehabilitate themselves as early as possible.

5. Duration of Services and timetable for Delivery of Outputs– The GFI/IPA shall perform the services and deliver the said outputs to the IA within (*insert number of calendar days*) days from its receipt of the IA's Notice to Proceed for the Agreement for these services, and according to the following schedule (*example shown below*):

Phases	Timeline	Deliverables	Remarks
Pre-Project Start-up	(1 st Week)	Planning Framework - Conferences/meetings - Confirmation of Proposal - Consolidation and review of documents	Documents needed: Project Layout/ Survey Plans, Parcellary Plans indicating the width of the highway, Title and Tax Declaration per lot.
Pre-Site Visit	2 nd Week	Site Familiarization - Meetings with Barangay Officials - Establishment of Field Office - Pre-Site Inspection	

		- Securing Other References (Tax Map/ Tax Declaration) from the Assessors	
On-Site Investigation and Analysis	3 rd & 4 th Weeks	<p>Property Identification and Site Analysis</p> <ul style="list-style-type: none"> - Identification of each property on ground versus plans submitted, that includes its location, accessibility, terrain, developments and improvements thereon. - Definition of physical features of improvements and their conditions and measurements. - Counts of considerable trees within each affected lot and other structures on site. - Investigation, queries and validation of current prices of lots and sold properties in the project vicinity. - Canvas of current construction materials in the locality. 	
On Site Validation of Ownership	5 th Week	<p>Documentations of Properties Affected</p> <ul style="list-style-type: none"> -Securing or verification of documents (Titles) with Registry of Deeds and other agencies concerned 	
Off Site (Office)	6 th 7Weeks	<p>Write-ups and Preparation of Draft Report</p> <ul style="list-style-type: none"> -Consolidation and analysis of gathered data and information. -Establishing benchmarks of valuation and calculations of market value per property -Composition and printing of Draft Report 	
	7 th Week	<p>Review of Draft Report</p> <ul style="list-style-type: none"> -Reproduction of gathered documents for attachments. -Compilation of write-ups and attachments for submission. 	
	8 th Week	<p>Review of Revised Draft Report</p> <ul style="list-style-type: none"> -Review of findings on the Draft Report. -Preparation of Revised Draft Report considering comments/corrections. -Submission of Revised Draft Report. 	
	9 th Week	<p>Final Report/Output – Six (6) Copies of Report</p> <ul style="list-style-type: none"> -Review and reproduction of Revised Draft Report and submission as Final Appraisal Report (6 copies) 	

6. (If IA is engaging an IPA) Qualification of IPA- An IPA must meet the following criteria to qualify for the consulting services:

- The IPA must be in the list of the BSP or a professional association of appraisers recognized by the BSP, provided, that an IPA not yet included in the list shall not be barred from joining the procurement for such services; and provided further that,

prior to award of the contract, such IPA shall be required to submit a proof that they are already included in the list.

- The IPA must comply with the experience and other eligibility requirements provided in R.A 9184 and its IRR, including the registration and license required for a Real Estate Appraiser.

Appendix 2
ANNEX B
ILLUSTRATIVE EXAMPLE OF COMPUTATION FOR CAPITAL GAINS TAX

Given:

Net Actual Consideration (NAC) offered by the Implementing Agency (IA) to the property owner based on, among others, the Fair Market Value (FMV) of the property as determined by the GFI/IPA, and accepted by the IA = PhP1,000,000.

Applicable Capital Gains Tax = 6%

Questions:

- (a) What is the Net Amount that the IA should pay to the property owner?
- (b) What is the Gross Amount to be appropriated and allocated by the IA to cover the negotiated sale?
- (c) How much is the Capital Gains Tax (CGT) to be paid by the IA to the BIR for the account of the owner?

Answers:

(a) Net Amount to be paid to the property owner = NAC = PhP1,000,000.

(b) Gross Amount to be appropriated/allocated by the IA = Actual Consideration (AC):

$$AC = NAC / (100\% - 6\%) = NAC / 94\% = \text{PhP}1,000,000 / 0.94 = \text{PhP}1,063,830.$$

(c) CGT to be paid by the IA to BIR for the account of the owner:

$$CGT = 6\% \text{ of GSP} = 0.06 \times \text{PhP}1,063,380 = \text{PhP}63,830.$$

Appendix 3

Excerpts from Commonwealth Act No. 141

Sec. 8. Only those lands shall be declared open to disposition or concession which have been officially delimited and classified and, when practicable, surveyed, and which have not been reserved for public or quasipublic uses, nor appropriated by the Government, nor in any manner become private property, nor those on which a private right authorized and recognized by this Act or any other valid law may be claimed, or which, having been reserved or appropriated, have ceased to be so. However, the President may, for reasons of public interest, declare lands of the public domain open to disposition before the same have had their boundaries established or been surveyed, or may, for the same reason, suspend their concession or disposition until they are again declared open to concession or disposition by proclamation duly published or by Act of the Congress.

Sec. 83. Upon the recommendation of the Secretary of Agriculture and Natural Resources, the President may designate by proclamation any tract or tracts of land of the public domain as reservations for the use of the Republic of the Philippines or of any of its branches, or of the inhabitants thereof, in accordance with relations described for this purpose, or for quasi-public uses or purposes when the public interest requires it, including reservations for highways, rights of way for railroads, hydraulic power sites, irrigation systems, communal pastures or leguas comunales, public parks, public quarries, public fishponds, workingmen's village and other improvements for the public benefit.

Sec. 88. The tract or tracts of land reserved under the provisions of section eighty-three shall be non-alienable and shall not be subject to occupation, entry, sale, lease, or other disposition until again declared alienable under the provisions of this Act or by proclamation of the President.

Sec. 106. If at any time after the approval of the application and before the issuance of a patent or the final concession of the land, or during the life of the lease, or at any time when the applicant or grantee still has obligations pending with the Government, in accordance with this Act, it appears that the land applied for is necessary, in the public interest, for the protection of any source of water or for any work for the public benefit that the Government wishes to undertake, the Secretary of Agriculture and Natural Resources may order the cancellation of the application or the non-issuance of the patent or concession or the exclusion from the land applied for of such portion as may be required, upon payment of the value of the improvements, if any.

Sec. 111. All persons receiving title to lands under the provisions of this Act shall hold such lands subject to the provisions hereof and to the same public servitudes as exist upon lands owned by private persons, including those with reference to the littoral of the sea and the banks of navigable river or rivers upon which rafting may be done.

Sec. 112. Said lands shall further be subject to a right of way not exceeding twenty meters in width for public highways, rail-roads, irrigation ditches, aqueducts, telegraph, and telephone lines, and similar works as the Government or any public or quasi-public service or enterprise, including mining or forest concessionaires, may reasonably require for carrying on their business, with dam-ages for the improvements only.

Sec. 113. The beneficial use of water shall be the basis, the measure, and the limit of all rights thereto, and the patent herein ranted shall be subject to the right of the Government to make such rules and regulations for the use of water and the protection of the water supply, and for other public purposes, as it may deem best for the public good. Whenever, by priority of possession, tights to the use of water for mining, agricultural, manufacturing, or other purposes have vested and accrued, and the same are recognized and acknowledged by the local customs, or by the laws and decisions of the courts, the possessors and owners of such vested rights shall be maintained and protected in the same, and all patents granted under this Act shall be subject to any vested and accrued rights to ditches and reservoirs used in the manner above described prior to April eleven, eighteen hundred and ninety nine.

Sec. 114. There is hereby reserved from the operation of all patents, certificates, entries and grants by the Government authorized under this Act the right to use for the purposes of power any flow of water in any stream running through or by the land granted, the convertible power from which at ordinary low water exceeds fifty horse power. Where the convertible power in any stream running through or by land granted under the authority of this Act thus exceeds fifty horsepower, and there is no means of using such power except by the occupation of a part of the land granted under authority of this Act, then so much land as is reasonably necessary for the mill site or site for the power house, and for a suitable dam and site for massing the water, is hereby excepted from such grants, not exceeding four hectares, and a right of way to the nearest public highway from the land thus excepted, and also a right of way for the construction and maintenance of such flumes, aqueducts, wires, poles or other conduits as may be needed, in conveying the water to the point where its fall will yield the greatest power, or the power from the point of conversion to the point of use, is reserved as a servitude or easement upon the land granted by authority of this Act: Provided, however, That when the Government or any concessionaire of the Government shall take possession of the land under this section which a grantee under this Act shall have paid for, supposing it to be subject to grant under this Act, said grantee shall be entitled to indemnity from the Government or the concessionaire, as the case may be in, the amount, if any, paid by him to the Government for the land taken from him by virtue of this section. And provided, further, That with respect to the flow of water, except for converting the same into power exceeding fifty horse power, said grantee shall be entitled to the same use of water flowing through or along his land that other private owners enjoy under the law, subject to the governmental regulations provided in the previous section. Water power privileges in which the convertible power at ordinary low water shall exceed fifty horsepower shall be disposed of only upon terms established by an Act of the assembly concerning the use, lease or acquisition of such water privilege.

**Appendix 3-A
PD 635**

**MALACAÑANG
MANILA**

PRESIDENTIAL DECREE No. 635

**AMENDING SECTION ONE HUNDRED TWELVE OF COMMONWEALTH ACT
NUMBERED ONE HUNDRED FORTY-ONE, AS AMENDED, OTHERWISE KNOWN
AS THE PUBLIC LAND LAW**

WHEREAS, the infrastructure program of the Government has been adopted primarily to hasten the economic development of the country;

WHEREAS, to carry out this program more effectively and to cope with the demands of the ever growing traffic volume, advance planning and programming for wider roads must be made;

WHEREAS, in order to attain this objective, and to minimize to a great extent the financial burden on the part of the Government in acquiring the needed right-of-way for its public works projects, it is necessary to amend further section 112 of Commonwealth Act No. 141, as amended;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers in me vested by the Constitution, do hereby decree and order as follows:

Section 1. Section 112 of Republic Act No. 141, as amended, is hereby amended to read as follows:

“**Sec. 112.** Said land shall further be subject to a right-of-way not exceeding sixty (60) meters in width for public highways, railroads, irrigation ditches, aqueducts, telegraph and telephone lines, and similar works as the Government or any public or quasi-public service or enterprise, including mining or forest concessionaires, may reasonably require for carrying on their business, with damages for the improvements only.”

Section 2. This Decree shall take effect immediately. All acts inconsistent with this Decree are hereby repealed or modified accordingly.

DONE in the City of Manila, this 7th day of January, in the year of Our Lord, nineteen hundred and seventy-five.

(Sgd.) **FERDINAND E. MARCOS**
President of the Philippines

By the President:

(Sgd.) **ROBERTO V. REYES**
Acting Executive Secretary

**Appendix 3-B
PD 1361**

**MALACAÑANG
M a n i l a**

PRESIDENTIAL DECREE No. 1361

FURTHER AMENDING THE PROVISIONS OF SECTION ONE HUNDRED TWELVE OR COMMONWEALTH ACT NUMBERED ONE HUNDRED FORTY-ONE, AS AMENDED BY PRESIDENTIAL DECREE NUMBERED SIX HUNDRED THIRTY-FIVE

WHEREAS, owners of lots acquired under the Public Land Law refuse to organize the construction of airport runways and terminal buildings as included among the undertakings to which their lots are subject to lieu in favor of the government, as provided for under Section 112 of Commonwealth Act No. 141, as amended by Presidential Decree No. 635;

WHEREAS, owners of such lots also refuse to acknowledge the temporary construction of structures or buildings needed by Resident or Project Engineers in the construction of highways and bridges as included in the lien;

WHEREAS, because of this refusal to recognize these undertakings as part of the lien, the constructions of airports and/or roads and bridges have become more expensive and have been unnecessarily delayed;

WHEREAS, to remedy this situation, it is imperative to further amend the provisions of Section 112 of Commonwealth Act No. 141, as amended by Presidential Decree No. 635;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers in me vested by the Constitution, do hereby order and decree:

Section 1. Section 112 of Commonwealth Act No. 141, as amended, is hereby further amended to read as follows:

"Sec. 112. Said land shall further be subject to a right-of-way not exceeding sixty (60) meters on width for public highways, railroads, irrigation ditches, aqueducts, telegraph and telephone lines, airport runways, including sites necessary for terminal buildings and other government structures needed for full operation of the airport, as well as areas and sites for government buildings for Resident and/or Project Engineers needed in the prosecution of government-infrastructure projects, and similar works as the Government or any public or quasi-public service or enterprise, including mining or forest concessionaires, may reasonably require for carrying on their business, with damages for the improvements only.

Government officials charged with the prosecution of these projects or their representatives are authorized to take immediate possession of the portion of the property subject to the lien as soon as the need arises and after due notice to the owners. It is however, understood that ownership over said properties shall immediately revert to the title holders should the airport be abandoned or when the infrastructure projects are completed and buildings used by project engineers are abandoned or dismantled, but subject to the same lien for future improvements."

Section 2. This decree shall take effect immediately.

All Acts inconsistent with this decree are hereby repealed or modified accordingly.

Done in the City of Manila, this 26th day of April, in the year of Our Lord, nineteen hundred and seventy-eight.

(Sgd.) **FERDINAND E. MARCOS**
President of the Philippines

Appendix 4

Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY

DEPARTMENT ORDER

No. 187

Series of 2002

SUBJECT: Strict Compliance to Inclusion of Preparation of Parcellary Plans and Cost Estimates for ROW Acquisition in Detailed Engineering of Infrastructure Projects

It has been observed that many Implementing Offices of the Department are not complying with Department Order No. 142, series of 1995, requiring that parcellary survey be undertaken during the detailed engineering stage of the project, resulting in the delay in the right-of-way acquisition and implementation of infrastructure projects.

Henceforth, Implementing Offices (Bureau of Construction and Regional/Project Management/District Offices) are strictly directed to undertake the conduct of parcellary surveys and preparation of parcellary plans together with the cost estimates for right-of-way (ROW) acquisition right after the completion of the right-of-way plans during the preparation of the detailed engineering of the project. The guidelines set forth in D.O. 142 are hereby amended as follows:

1. The conduct of parcellary surveys and preparation of parcellary plans shall be supervised by registered Geodetic Engineers.
2. The conduct of parcellary surveys and approval of parcellary plans shall be undertaken by the implementing office. Hiring of private surveying firms may be allowed if said offices have no capability or available personnel to undertake the survey, subject to existing rules and regulations on hiring of consulting firms. The prosecution of survey work done by contract shall be in accordance with Department Order No. 147, series of 2001, and Memorandum dated 24 October 2001 of Undersecretary Edmundo V. Mir.
3. For the detailed engineering of projects to be undertaken by consultants, the conduct of geodetic engineering surveys which include parcellary surveys shall be undertaken by a licensed Geodetic Engineer pursuant to the provision of Republic Act No. 8560, otherwise known as the "Philippine Geodetic Engineering Act of 1998".
4. The cost of ROW acquisition based on parcellary plans shall be estimated and included in the total construction cost of the proposed project. For projects involving squatter relocation, the cost of development of identified relocation site and the estimated relocation cost shall be included as an item in the ROW acquisition.
5. Parcellary plans and related documents shall be submitted by the implementing office to the Land Management Bureau of the Department of Environment and Natural Resources for approval. The implementing offices concerned shall also be responsible for securing the title(s) of acquired lands in favor of the government. The Legal Service in the Central Office shall be furnished copies of the titles.
6. Detailed Engineering plans submitted to the Central Office for approval shall be supported by a report on the status of the parcellary survey and plans of the project.
7. The procedures, guidelines and payments for the acquisition of ROW shall still be guided by the provisions of Republic Act No. 8974.

This order shall amend/modify other previous issuances inconsistent herewith and shall take effect immediately.

(Sgd) SIMEON A. DATUMANONG

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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
MANILA

017-10 01
01-05-0

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DEPARTMENT ORDER)
NO. 327)
Series of 2003 *SMMP 01-05-04*

SUBJECT : GUIDELINES FOR LAND
ACQUISITION AND
RESETTLEMENT ACTION
PLANS (LAPRAPs) FOR
INFRASTRUCTURE PROJECTS

Pursuant to the provisions of Department Order (DO) No. 5, s. of 2003, requiring the preparation of Land Acquisition Plan and Resettlement Action Plans (LAPRAPs) for all infrastructure projects using a standardized compensation package and in order to ensure the equitable provision of just compensation for land including structures and/or improvements, acquired for infrastructure right-of-way (IROW), the following guidelines are hereby prescribed for strict implementation.

1.0 LAPRAP Policies

1.1 In accordance with D.O. No. 5, s. of 2003, all projects, whether local or foreign-funded projects that will require right-of-way (ROW) acquisitions will have their respective LAPRAPs formulated. In the preparation of a LAPRAP, the procedures in the IROW Procedural Manual shall be followed.

1.2 The LAPRAP document shall describe the project, expected impacts and mitigating measures, socio-economic profile of project affected persons (PAPs), compensation package, timetable of implementation, institutional arrangements, monitoring and evaluation arrangements, participation, consultation and grievance procedures in accordance with the LAPRAP Document Outline attached hereto as Annex "A".

1.3 The LAPRAP shall be prepared using the inputs from the IROW Action Plan, the census and socio-economic survey conducted, the detailed engineering study, and the parcellary survey results.

1.4 The LAPRAP shall be the basis for qualifying and compensating PAPs for lands, structures, and/or improvements that are partially or fully affected by the Department's infrastructure projects, in accordance with the qualification entitlement, and compensation guidelines attached hereto as "Annex B".

1.5 The provision of resettlement sites shall be the responsibility of the local government units (LGUs) concerned, with assistance from the concerned government agencies tasked with providing housing. The DPWH shall coordinate with these LGUs and appropriate government agencies for the resettlement and relocation of qualified PAPs. The acquisition, planning, and development of resettlement sites shall be part of the LAPRAPs, with the responsibility resting mainly with the concerned LGUs, Housing and Urban Development Coordinating Council (HUDCC), National Housing Authority (NHA), and other concerned agencies.

1.6 Where relocation is considered necessary, the receiving LGU (under whose political jurisdiction the relocation site will be located) may seek assistance from DPWH for the provision of access roads to the relocation site, and other government agencies for the provision of basic facilities and services.

1.7 An Indigenous People's Action Plan (IPAP) shall be formulated for indigenous peoples (IP) if they are affected by the Department's infrastructure projects, in coordination with the National Commission of Indigenous People (NCIP) to ensure that the ancestral domain and culture of the IP are secured.

2.0 LAPRAP Objectives

The objectives of the LAPRAP are as follows:

2.1 To determine the number of PAPs affected and identify the assets (land, structures and improvements) they will lose due to the acquisition of IROW for the project;

2.2 To identify the extent of impacts of the project IROW on the PAPs and their assets, and the measures to mitigate these impacts;

2.3 To determine the compensation and entitlements to be given to PAPs for the acquisition of the assets to be affected by the IROW;

2.4 To determine the budget estimate for compensation and entitlement, relocation and resettlement, information dissemination, consultation, monitoring and other tasks for implementing the LAPRAP;

2.5 To provide the timetable, manner of payment and institutional arrangements for implementation; and

2.6 To ensure public participation in the implementation and monitoring of the LAPRAP.

3.0 Roles and Responsibilities

The formulation of the LAPRAP shall be the responsibility of the Implementing Office, with assistance from the IROW and Resettlement Project Management Office (PMO), the Environmental Impact Assessment Project Office (EIAPO), the Regional Environmental Impact Assessment Office (REIAO), or private consulting firms. The implementation of the LAPRAP, once approved, is the responsibility of the DPWH District Engineering Offices that have jurisdiction over the municipalities covered by the LAPRAP, with assistance from the Regional Offices (ROs) and the EIAPO.

In addition, other DPWH offices mentioned hereunder will perform the following roles and responsibilities with regard to the LAPRAP.

3.1 Implementing Office (IO):

- 3.1.1 Conduct of census of PAPs, socio-economic survey, land and structure value survey, canvassing of construction costs and listing of assets that will be affected by the project;
- 3.1.2 Formulate the LAPRAP with technical assistance from the Environmental Impact Assessment Project Office (EIAPO), or through private consultants;
- 3.1.3 Secure approval of LAPRAP and the corresponding budget for compensation, implementation and monitoring activities; and,
- 3.1.4 Assist in monitoring the implementation of the LAPRAP.

3.2 District Engineering Office (DEO):

- 3.2.1 Assist the IO in the conduct of census of PAPs, socio-economic survey, land and structure value survey, canvassing of construction costs and listing of assets that will be affected by the project;
- 3.2.2 Organize the Municipal/City LAPRAP Implementing Committee (MLIC) for the implementation of the LAPRAP and conduct of grievance process, in case there are complaints;
- 3.2.3 Implement the LAPRAP, including disbursement of compensation to PAPs, in coordination with the IOs, the RO, and the MLIC; and,
- 3.2.4 Submit to the RO, IO, and the EIAPO progress reports on implementation, including disbursements for compensation.

3.3 Regional Office (RO):

- 3.3.1 Through the REIAO, assist in the implementation and monitoring of the LAPRAP; and,
- 3.3.2 Facilitate the grievance process of the MLIC through the Legal Officer.

3.4 Environmental Impact and Assessment Project Office (EIAPO):

- 3.4.1 Assist in the preparation and review of LAPRAPs;
- 3.4.2 Assist in facilitating consultation meetings and information dissemination to PAPs and other relevant stakeholders throughout the LAPRAP process;
- 3.4.3 Provide training on LAPRAP;
- 3.4.4 Assist the DEOs and the MLICs in the validation of PAPs and entitlements; and,
- 3.4.5 Track and monitor the implementation of the LAPRAP, in accordance with the LAPRAP Monitoring and Tracking Manual.

3.5 IROW and Resettlement PMO:

- 3.5.1 Coordinate with the IOs, ROs, and DEOs concerned for their need for assistance in LAPRAP preparation and link them with the EIAPO and the REIAO;
- 3.5.2 Monitor formulation and review of LAPRAPs by the IOs;
- 3.5.3 Keep copies of all approved LAPRAPs and compile master list of PAPs;
- 3.5.4 Coordinate with IOs, ROs and DEOs for their need for assistance in resettlement and relocation of PAPs;
- 3.5.5 Coordinate with other government agencies concerned with housing, resettlement and relocation;
- 3.5.6 Provide guidelines and assistance to IOs, ROs and DEOs in selection of relocation sites;
- 3.5.7 Assist IOs, ROs and DEOs in coordinating with housing agencies for site development plans for relocation sites;
- 3.5.8 Review site development plans and site development costs;
- 3.5.9 Assist IOs, ROs and DEOs in coordinating with LGUs and other government offices for site development; and,
- 3.5.10 Formulate policies and guidelines for resettlement and relocation.

4.0 Approval of LAPRAPs


The authority to approve LAPRAPs is hereby delegated to the different DPWH Officials, as follows:

<u>DPWH Official</u>	<u>Limit of Authority</u>
4.1 District Engineer (including Head of Sub-DEO)	P 3.0 million
4.2 Regional Director	5.0 million
4.3 Project Director	5.0 million
4.4 Assistant Secretary	10.0 million
4.5 Undersecretary	15.0 million

5.0 Penalty Clause

Any violation of the guidelines prescribed herein shall subject the erring employee or official to appropriate sanctions that may include suspension and/or dismissal in accordance with civil service rules and other pertinent laws and regulations.

This Order shall take effect immediately and supercede all previous Department Orders and other issuances or any provision thereof that are inconsistent herewith.


FLORANTE SORIQUEZ
Acting Secretary

**Annex “A”
(Guidelines for LAPRAPs for Infra Projects)**

THE LAPRAP DOCUMENT OUTLINE

Executive Summary

Table of Contents

Chapter 1. Introduction

- 1.1 Rationale
- 1.2 Objectives
- 1.3 Methodology
- 1.4 Public Consultation Proceedings
- 1.5 Project Description

Chapter 2. Impacts and Mitigation Measures

- 2.1 Expected Impacts
- 2.2 Avoidance/Preventive Measures, such as realignment, narrowing clearing to construction limits, reducing construction limits and ROW, increasing slope
- 2.3 Mitigation Measures

Chapter 3. Socio-Economic Profile of Project Affected Persons

- 3.1 Demographic
- 3.2 Economic
- 3.5 Land tenure

Chapter 4. Compensation and Entitlements

- 4.1 Entitlements
- 4.2 Land Acquisition
- 4.3 Replacement Costs of Structures, Improvements
- 4.4 Compensation for Trees, and Crops
- 4.5. Resettlement Site Development (if needed)

Chapter 5. Grievance Process

Chapter 6. Implementation

- 6.1 Implementation Schedule
- 6.2 Project Organization
- 6.3 Organization of MLIC
- 6.4 Process and Schedule of Payment

Chapter 7. Monitoring and Evaluation

- 7.1 Roles and Responsibilities
- 7.2 Reports

Annexes

**Annex “B”
(Guidelines for LAPRAPs for Infra Projects)**

**GUIDELINES FOR QUALIFICATIONS OF PAPs, ENTITLEMENTS
AND COMPENSATION**

1.0 Qualification of PAPs, Severely-affected PAPs, and Marginally-affected PAPs

1.1 Project Affected Persons (PAPs)

Include any person or persons, household, a firm, or a private or public institution who, because of the need to acquire right-of-way for the implementation of an infrastructure project, will lose their land, house, and other improvements fully or partially. Only those PAPs found to be residing in, doing business, or cultivating land, or having rights over resources within the ROW to be acquired as of the date of the census survey (which is the cut-off date) are eligible for compensation of lost assets.

1.2 Severely-affected PAPs

PAPs who will lose more than 20% of their assets because of the need to acquire right-of-way for the implementation of an infrastructure project or their remaining land or structure is no longer viable for continued use or occupancy. Those PAPs who will lose those assets will be entitled to full payment for the fair market value of the entire land and the full replacement cost of the entire structures and other improvements affected. Other entitlements shall be in accordance with the matrix presented under Section 3.0 hereof.

1.3 Marginally-Affected PAPs

PAPs who will lose less than 20% of their assets because of the ROW to be acquired for the project or if the remaining structure that is affected is still viable for continued use or occupancy. Those PAPs who will lose those assets will be entitled to full payment for the fair market value of the land to be taken and the full replacement cost of the portions of the structures and other improvements affected. Other entitlements shall also be in accordance with the matrix presented under Section 3.0 hereof.

1.4 PAPs occupying but not owning affected lands and/or structures

PAPs who are not land owners but occupy lands or structures within the ROW to be acquired for the project, and who are not “professional squatters,” will be compensated for affected structures but not for the land.

2.0 Modes of Compensation

2.1 Compensation for the affected land shall be based on land use (i.e. agricultural, residential, commercial, industrial, etc.) and computed using the BIR zonal value, in accordance with R.A. 8974.

2.2 Compensation for affected structures shall be at replacement cost computed at the cost (using current market prices) of materials and labor to re-construct a similar structure for houses and other fixed structures with no deductions for salvaged materials;

2.3 Compensation for improvements shall be at cost of affected crops and/or trees computed at the value determined by the Municipal / City Assessor for crops and fruit trees, and DENR for timber species.

2.4 Other entitlements shall be computed in accordance with the matrix presented below.

3.0 Entitlements Matrix

Entitlement	Category of PAP	Impact	Computation of Amount
Payment for Land	PAP who owns Land (i.e., holds title or tax declaration or other proof of ownership)	Severely affected (i.e. more than 20% of land is affected) – cost of whole property	BIR zonal value
		Marginally affected (less than 20% of land is affected) – cost of affected portion	
Payment for Structure and other improvements such as fences, and the like.	PAP who owns the Structure	Severely affected (i.e. more than 20% of structure is affected) – cost of entire structure	Replacement Cost at current market values of affected portion
		Marginally affected (i.e. less than 20% is affected) – cost of affected portion	

Payment for Improvements such as crops and trees	PAP who is owner or tenant or occupant who owns the improvements (crops and trees)	Severely affected (i.e. more than 20% of land is affected) – cost of whole property	Current market value as determined by Municipal/ City Assessor for crops and fruit trees, and DENR for timber trees.
		Marginally affected (less than 20% of land is affected)– cost of affected portion	
Financial Assistance (also referred to as subsistence allowance)	PAP who owns Land used for agricultural purposes	Severely affected only	PhP 15,000.00
Inconvenience Allowance	PAP who owns Land	Severely affected only where landowner who owns a house within the affected land needs to move elsewhere	PhP 10,000.00
Rehabilitation Assistance	PAPs whose only source of income are severely affected and may have to engage in some other income-earning activities. This may also be granted to vulnerable groups, like indigenous peoples, women, elderly, etc	Severely affected only	In the form of special skills training or other development activities (budget P15,000 per training). DPWH will coordinate with concerned government agencies for assistance, such as skills training.
Financial assistance	PAP who is an agricultural tenant PAP who acquired land under CA 141	Severely affected Agricultural land only	Equivalent to the average annual gross harvest for the last 3 years but not less than PhP15,000 per ha (EO 1035), aside

	for the area of portion subject to section 112 thereof.		from the cash payment / compensation of their crops actually damaged by the project.
Free Transportation	PAPs who are relocating, including shanty dwellers in urban areas who opt to go back to their place of origin (e.g., province) or to shift to government relocation sites.	Severely affected only	Provision of free transportation
Transitional Allowance	House tenants of affected main structures who will have to find a new place because of the project	Severely affected only	Equivalent to one month rent of a similar structure within the same area
	Shop owners to cover for their computed income loss		Computed income loss during demolition and reconstruction of their shops but not to exceed 1 month period
Disturbance compensation	Lessees of agricultural land affected by the project	Severely affected only	Equivalent to 5 times the average gross harvest during the last 5 years

Appendix 6



NOV 28 2014

Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
Manila

297, 13 DPWH
11-29-2014

DEPARTMENT ORDER)

SUBJECT: Return/Transfer of Functions Relative to Acquisition of Right-of-Way to the Legal Service.

NO. 133)
Series of 2014 *11.29.14*

In the interest of the service, and in view of the approval by the Department of Budget and Management of the Notice of Organization Staffing and Compensation Action (NOSCA) for the Legal Service wherein one of its four divisions is the Right-of-Way Acquisition & Enforcement Division (ROWAED, and since the acquisition of right-of-way is essentially a legal matter, all related functions vested in the Infrastructure Right-of-Way-Project Management Office (IROW-PMO) and the Bureau of Design in an interim capacity pursuant to Department Order No. 49, series of 2013, and Department Order 49-A, series of 2013, are now transferred/returned to the Legal Service.

As such, all concerned are hereby directed to coordinate with the Legal Service to implement this Order.

This Order takes effect immediately and supersedes previous orders to the contrary.


ROGELIO L. SINGSON
Secretary

4.6 ETDZ

Department of Public Works and Highways
Office of the Secretary



WIN4M03179

- 3.2 Ensure that the computation of land valuations and disturbance compensation (structures and other improvements) are based on the RA 10752 and its Implementing Rules and Regulations (IRR) and other applicable laws, policies and department orders.

4. Processing and Payment of Valid Claims

- 4.1 Processing of claim shall only be made upon the approval of the UPMO-ROW Task Force/ROW Team Resolution.
- 4.2 The payment for lots and improvements (structures & trees) should be effected in accordance with the provisions of RA 10752 and IRR and other governing laws, policies and department orders.
- 4.3 Payments of ROW claims shall be made by the concerned District Engineering Offices.

5. Submission of Documents

- 5.1 The UPMO concerned shall submit to the UPMO-ROW Task Force Chairperson the inventory and status of ROW claims every month. The UPMO-ROW Task Force Chairperson shall submit the overall accomplishments of the UPMO-ROW Task Force to the Secretary, thru Undersecretary for UPMO Operations every quarter.

6. Records Keeping

- 6.1 The UPMO concerned shall safe keep ROW documents within their jurisdiction and prepare inventory of lots acquired for ROW for submission to the UPMO-ROW Task Force and the Records Management Division, HRAS, Central Office.
- 6.2 The UPMO-ROW Task Force shall likewise safe keep the UPMO-ROW Task Force Resolutions including other ROW documents submitted by the UPMOs such as Deeds, Court Orders, Transfer Certificate Title and deliver the same to the National Archive.
- 6.3 The Records Management Division, AMMS, Central Office shall also safe keep authentic copies of related documents from the UPMO concerned.

7. Signing Authority

In addition to Department Order No. 112 s. 2016, approval of ROW Committee Resolutions, Deed of Sale, Voucher (for Payment Properties and Court Deposit) and Signing of Verification and Certification of Expropriation Complaints shall be:

- a) Project Manager – for claims amounting up to 5 Million

This Order shall take effect immediately and supersedes previous order to the contrary.

(Sgd) MARK A. VILLAR
Acting Secretary

complete the legal acquisition of such ROW, as outlined in the DPWH ROW Acquisition Manual (DRAM) and all relevant ROW Department Orders and issuances.

1.5 Existing ROW personnel and ROW functions of the Legal Service

1.5.1 The LS is directed to perform the support functions described in § 1.5.2 of this Order in the pursuit of the objectives of ROW Task Forces organized hereunder. For this purpose, the LS shall use applicable staff drawn from the existing ROW personnel of the LS, including Job Orders (JO) and other project hires. The LS shall also use existing applicable funds, facilities, and other resources of its ROW Acquisition and Enforcement Division (ROWAED).

1.5.2 Such ROW support functions include:

- ROWA activities described in **Annex "A"** and in the latest version of the DRAM insofar as they are consistent with the terms of this Order, especially those provisions which concern the designation and delegation of new signing/ approving authorities.
- Pre-validation, validation, or re-validation of ROW transactions, as necessary.
- Technical assistance.
- Logistics and ground works.
- Advisory functions.
- Inter-agency consultation, coordination, and collaboration.
- Other activities necessary or related to ROW acquisition and enforcement consistent with the terms of this Order.

2. Creation and Composition of ROW Task Forces:

2.1 For PPP and TRB projects

The PPPS Director is hereby given the authority to constitute a ROW Task Force with a mandate described in § 1.4 for each PPP and TRB project, or for any portion thereof, as necessary, the ROW acquisition of which is being implemented by the Department.

2.1.1 Each ROW Task Force under § 2.1 shall consist of the following officials:

Head : PPPS Director or his/her duly authorized representative

Deputy Head : Director of LS

Staff : Project Manager concerned, PPPS

Division Chief, ROWAED, LS

A representative from the Planning Service, as designated by the Director of the Planning Service

A representative from the Stakeholders Relations Service

(SRS), as designated by the SRS Director

A representative from the Office of the Undersecretary or Assistant Secretary for Regional Operations concerned, as designated by such Undersecretary/Assistant Secretary

A representative from the Office of the Undersecretary for Legal Affairs and Priority Projects, as designated by such Undersecretary, and

Other staff, as provided in § 2.3 below.

- 2.1.2 All members of any ROW Task Force constituted under § 2.1 shall be under the control and supervision of the Task Force Head, or in the absence or incapacity of the Head or his/her authorized representative, its respective Deputy Head, for all matters falling within the scope and authority of ROW Task Force.

2.2 For Regional Projects

Whenever a Regional Office is faced with ROWA capacity constraints for its regional projects, the Regional Director concerned may notify in writing the Undersecretary for Legal Affairs and Priority Projects of his/her intention to constitute a ROW Task Force and shall state the reasons therefor. Upon receipt of this notice, the Undersecretary for Legal Affairs and Priority Projects shall consider the same and, if deemed necessary, forthwith assist in the organization of the ROW Task Force(s) under the command of the Regional Director concerned.

- 2.2.1 Each ROW Task Force under § 2.2 shall consist of the following officials:

Head : Regional Director concerned

Deputy Head : Assistant Regional Director concerned

Staff : Any number of representatives from the Planning and Design Division and Construction Division, Regional Office, as determined by the Regional Director

Any number of attorneys from the Regional Office, as determined by the Regional Director

Any number of representatives from the Planning and Design Section and Construction Section of the concerned District Engineering Office(s), as determined by the District Engineer(s) and concurred upon by the Regional Director

Any number of representatives from the Office of the Undersecretary for Legal Affairs and Priority Projects, including its Legal Service, as determined by such Undersecretary

Any number of representatives from the Office of the

Undersecretary or Assistant Secretary for Regional Operations concerned, as designated by such Undersecretary/Assistant Secretary

Any number of representatives from the Office of the Undersecretary for PPP and Planning, as determined by such Undersecretary

Other staff, as provided in § 2.3 below.

- 2.2.2 All members and staff of any ROW Task Force constituted under § 2.2 shall be under the control and supervision of its respective Head, or in the absence or incapacity of the Head, its respective Deputy Head, for all matters falling within the scope and authority of ROW Task Forces defined herein.

2.3 All Other Staff

All other staff of the Task Force shall be employed, selected, detailed, transferred, assigned, designated, or appointed by the Head of the ROW Task Force (RTF Head) referred to in §§ 2.1.1 and 2.2.1, who shall be drawn, as far as practicable, from ROW team members, JO personnel, and project hires, subject to Department personnel policies and rules..

2.4 Inclusion of Regional Directors or District Engineers in PPP or TRB Task Forces

In the case of PPP or TRB projects, the RTF Head under § 2.1 may include, as necessary, Regional Director(s) of affected Regional Office(s), and/or District Engineer(s) of affected District Engineering Office(s), or their duly authorized representative(s), as part of the ROW Task Force, with the aim of sharing, delegating, or discharging some of such Task Force's functions.

The RTF Head may further delegate the authority to conduct certain ROW functions and activities, including any ground works and clearing operations, to any officials in affected Regional Offices and District Engineering Offices as he/she may consider expedient or necessary.

2.5 Augmentation

The RTF Head may augment a ROW Task Force with support personnel from (i) the project concessionaire(s) or project proponent(s) concerned, to the extent permissible by law; (ii) any DPWH office or unit; and, (iii) in the case of PPP or TRB projects, concerned regional and district offices.

2.6 Immediate Deployment

The RTF Head and the LS Director with respect to support functions as provided under § 1.5 are hereby directed to immediately organize and deploy ROW Task Force(s) as required by this Order, as follows:

- 2.6.1 The RTF Head shall issue memoranda, letters of appointment, or any necessary or proper documents to meet all organizational and staffing requirements for the ROW Task Force, which shall include the selection and designation of specific signatories for various ROW documents and transactions. It shall be the duty of the RTF Head to issue internal rules governing the conduct of each ROW Task Force constituted under his/her command in the form of memoranda, office orders, or other written issuance.
- 2.6.2 All Service/Regional/Bureau/Project Directors are hereby directed to provide all reasonably necessary assistance and support to all RTF Heads for the accomplishment of the objectives of this Order.
- 2.6.3 The RTF Head shall formulate sunset clauses to provide guidelines on winding down of affairs of the ROW Task Force which he/she heads. Such sunset clauses are subject to the review of the Secretary or Undersecretary for Legal Affairs and Priority Projects.

3. General Functions of All ROW Task Forces

- 3.1. In addition to the basic mandate set forth in § 1.4, every ROW Task Force shall take all steps necessary for the timely completion of all ROW functions, including:
 - Exercising, as primary function and jurisdiction, all tasks and functions associated with ROWA as described in in **Annex "A"** and in the latest version of the DRAM insofar as they are consistent with the terms of this Order.
 - Engaging in inter-agency coordination and consultation.
 - Recommending, to the appropriate authority, appropriate measures to address ROW problem areas which lie outside the authority of any member of the ROW Task Force.
 - Advising and recommending to the Undersecretary for Planning and PPP, budgetary matters for purposes of submitting accurate, complete, and informed budget requests to the Department of Budget and Management, and for other budgetary planning objectives.
- 3.2. Each ROW Task Force may, subject to the approval of the Secretary, enter into memoranda of agreement, memoranda of understanding, or other similar joint undertakings with other government agencies in furtherance of its function.
- 3.3. Record Keeping
 - 3.3.1. The PPPS as regards PPP and TRB projects, or the Regional Office concerned as regards regional projects, shall have custody of all original or authentic copies of ROW documents, such as deeds, court orders, certificates of title, and tax instruments, and shall deliver the same to the National Archive when necessary.

- 3.3.2. The PPPS or the Regional Office, as the case may be, in ensuring the safety and integrity of the aforementioned documents, may introduce or implement technological security measures, such as automation of processes, digitization of documents, and provision of secured storage area (both physical and electronic), as well as adopt best practices of relevant Document Management Systems (DMS). To the extent practicable, every ROW Task Force may resort to the use of electronic signatures for approval purposes and electronic documentation in accordance with the spirit and intents of Executive Order (E.O.) No. 810 (June 15, 2009), DOST-ICT Memorandum Circular No. 2014-001 (April 25, 2014), The Rules on Electronic Evidence under A.M. No. 01-7-01-SC (July 17, 2001), Republic Act No. 8792 (2000), and all applicable law on electronic signatures.
- 3.3.3. Every ROW Task Force shall protect and keep safe all original or authentic documents gathered in the performance of its duties and shall turn over the same to the PPPS or Regional Office, as appropriate, within seven (7) calendar days upon receipt thereof. Each Task Force may cause the reproduction of said documents for reference purposes.
- 3.3.4. Every RTF Head shall cause the preparation and submission of inventories of properties subject to ROW claims and all ROW transactions when so required by the Secretary or Undersecretary for Legal Affairs and Priority Projects.
- 3.3.5. The Records Management Division, Human Resources and Administrative Service, Central Office, shall also keep safe all copies of related documents from every ROW Task Force. Any request from any person/office for certified true copies or faithful reproductions of ROW documents shall be forwarded to the PPPS, the Regional Office concerned, or other appropriate legal custodian, for appropriate action.

4. Signing Authority

- 4.1. Processing of ROW claims shall be made upon the authority and approval of the PPPS Director or his/her duly authorized representative(s) for PPP and TRB projects, or of the Regional Director or his/her duly authorized representative(s) for regional projects.
 - 4.1.1. Sub-delegation may include assigning select approval authority or signing authority ordinarily reposed in the PPPS Director or Regional Director, as the case may be, pursuant to this Order, to other officials of the Regional Office(s) or District Engineering Office(s) under the authority of § 2.4, as necessary and to the extent permissible by law.
 - 4.1.2. Guidelines for more specific designations of requisite signing authorities for typical ROW transactions are attached hereto as **Annex "B"**. The RTF Head shall issue more particular designations or specifications of signing authorities as necessary.
- 4.2. In the interest of expediency and to prevent duplication of prior staff work in good order, the RTF Head may, upon the exercise of due diligence, accede to, ratify, confirm, recognize, or validate, all prior acts and transactions, after the fact of their completion by any DPWH personnel, through the issuance of ratification letters of

general application or similar written forms or signatures indicating acceptance. To the extent practicable and permissible under law, ROW Task Forces shall resort to the use of electronic signatures for approval purposes and electronic documentation as provided under § 3.3.2.

- 4.3. For accounting purposes, all ROW transaction documents duly signed in the conduct of ROW claims processing and pursuant to their applicable levels of authority up to February 21, 2017, shall be acknowledged and processed according to the system in place prior to February 22, 2017 (the date of the original issuance of D.O. 19, s. 2017).

Thereafter, beginning February 22, 2017, the signing authority for all ROW transactions shall be lodged accordingly in the PPPS Director or his/her authorized representatives (for PPP and TRB projects), Regional Directors or their authorized representatives (for regional projects), and the UPMO-ROW Task Force (as per D.O. 203, s. 2016 and S.O. 1, s. 2017).

5. Discretionary Creation of Technical Working Group or Groups (TWG)

- 5.1. The RTF Head may create a Technical Working Group or Groups (TWG), composed of representatives belonging to the ROW Task Force concerned and/or any other DPWH office. For the inclusion of members from such other DPWH offices, the RTF Head shall secure the requisite consent from the appropriate authority concerned.
- 5.2. A TWG may perform functions and tasks related to a project's ROW requirements which the RTF Head may assign to it from time to time, which may include:
 - 5.2.1. Validating or re-validating ROW claims and recommending payment upon diligent evaluation.
 - 5.2.2. Screening and verifying the authenticity and genuineness of ROW documents.
 - 5.2.3. Ensuring that the computation of land valuations/replacement cost of improvements are in accordance with law.
 - 5.2.4. Engaging in inter-agency coordination/consultation.

6. Technical Assistance from the Finance Service

Representatives from the Finance Service, including those belonging to its Accounting Division, are hereby directed to provide assistance necessary for the proper processing and review of any aspect of the ROW claims.

7. Subject to the provisions of § 4.3, the Director of the Finance Service, DPWH Central Office, is hereby directed to download, or affirm any prior downloading of, both obligated and unobligated funds for the payment of infrastructure ROW claims and ROW-related expenses to the appropriate offices, as follows:

- 7.1. For regional projects that are neither PPP, TRB, nor UPMO projects – to the Regional Offices concerned.
- 7.2. For PPP and TRB projects – to the PPS as the Implementing Office.
- 7.3. For UPMO-ROW activities - to be governed by D.O. 203, s. 2016 and S.O. 1, s. 2017.

The downloading and disbursement of such funds shall at all times be consistent with existing government accounting and auditing guidelines and procedures.

8. Initiation of Expropriation Proceedings and Management of ROW Cases

- 8.1. It is hereby clarified that the authority delegated to the Division Chief of ROWAED, LS, under D.O. 48, s. 2017, concerning the “approval and signing of comments on right-of-way (ROW) cases in response to routine requests of the Office of the Solicitor General (OSG)” shall, with respect to all ROW-related cases that are pending as of February 22, 2017 (the original issuance date of D.O. 19, s. 2017) include the authority to sign and execute all court-bound papers, including verifications and/or certifications of non-forum shopping, only for the purpose of appeal. In this regard, and in accordance with the tenor of D.O. 48, s. 2017, the Division Chief of ROWAED shall continue to coordinate and collaborate with the OSG as necessary or desirable.
- 8.2. On the other hand, it is hereby clarified that, for purposes of initiating original expropriation complaints or other original ROW-related cases on or after February 22, 2017 (the original issuance date of D.O. 19, s. 2017), being in the nature of a ROW claim or transaction, the following officials shall be deemed to be the authorized

signatories for verifications and/or certifications of non-forum shopping and for all related pleadings and other court-bound papers:

- 8.2.1. For regional projects that are neither PPP, TRB, nor UPMO projects – The Regional Directors concerned.
- 8.2.2. For PPP and TRB projects – The PPS Director.
- 8.2.3. For UPMO-ROW activities – These shall continue to be governed by D.O. 203, s. 2016 and S.O. 1, s. 2017.
- 8.3. For purposes of case management in collaboration with the OSG, it is hereby clarified that the official who signed the initiatory pleading or court-bound paper pursuant to § 9.2 shall be the same official or office who/which shall principally transact and coordinate with the OSG or any of its attorneys.
 - 8.3.1. The official or office concerned is hereby directed to immediately engage the OSG in pursuit of the objectives of this Order.

8.3.2. In case of resource constraints, the official or office concerned may at any time call upon the LS to provide technical assistance and general support.

9. Reporting

All RTF Heads shall submit to the Secretary, through the Undersecretary for Legal Affairs and Priority Projects, quarterly reports on all ROW transactions in their respective offices, which shall include explanations on budget use, accounting, and financial summaries. All reports shall be certified by the RTF Head concerned or his/her authorized representative as true and correct based on personal knowledge and/or authentic records.

10. Verification of ROW Claims

All approving authorities defined under this Order are hereby directed to screen and verify ROW claimants as well as the genuineness and authenticity of ROW documents in order to prevent fraudulent and excessive claims, pursuant to the provisions of the Republic Act (RA) No. 10572, "An Act Facilitating the Acquisition of Right-of-Way Site of Location for National Government Infrastructures Projects" issued on March 7, 2016, pertinent COA rules and regulations, and applicable law.

11. Non-Impairment

Nothing in this Order shall be construed to affect, diminish, or impair the power of control and general supervision of the Secretary reposed in him by statute and executive orders.

12. Retroactivity

This Order shall be given retroactive effect for purposes of recognizing ROW claims and transactions, and divisible aspects thereof, which were perfected or approved between the date of the original issuance of D.O. 19 (February 22, 2017) and the date of this Order, including those transactions contemplated under § 4.3 para. 2 and cases under § 9, unless otherwise ordered by the Secretary.

For all other matters, this Order shall be prospective in application.

13. This Order supersedes D.O. 19 (s. 2017), D.O. 156 (s. 2016), D.O. 133 and 133-A (s. 2014), D.O. 24 (s. 2007), D.O. 327 (s. 2003), and all other department orders and policies, or portions thereof, contrary to or inconsistent with this Order are amended accordingly.

This Order shall take effect immediately.

(Signed)
MARK A. VILLAR
Secretary

Appendix 9
Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
Manila

Department Order No. 147
Series of 2001

August 22, 2001

**AUTHORITY FOR DPWH REGIONAL DIRECTORS AND DISTRICT ENGINEERS
TO HIRE PRIVATE SURVEYING FIRMS**

To expedite the detailed engineering of DPWH projects being undertaken by Regional and District Offices, the Regional Directors and District Engineers are hereby authorized to hire private surveying firms in the conduct of geodetic engineering survey work and approve contracts therefore.

The following guidelines shall be strictly observed by Regional and District Offices in the prosecution of survey work done by contract:

- 1) The procurement of a surveying firm shall be made thru open competitive bidding subject to existing rules and regulations on hiring of consulting firms.
- 2) Surveying firm should be a geodetic Engineering Partnership or Sole Proprietorship Firm.
- 3) Terms of Reference of the proposed survey shall be in accordance with the DPWH Design Guidelines, Criteria and Standard, Volume I (Survey and Investigation). Refer to the attached Annexes "A", "B", "C", "D" and "E" for the proforma Terms of Reference for various types of survey
- 4) The unit costs of surveys as shown on the attached Annex "F" shall be used as reference in estimating the contract cost.
- 5) The review/checking of survey plans prepared by the surveying firm shall be undertaken by the Planning and Design Division/Section of the Regional/District Office. Errors should be corrected by the surveying firms at their own expense prior to approval of the survey plans by the Regional Director/District Engineer.
- 6) The surveying firm shall be responsible for the submission of parcellary plans and related documents to the Land Management Bureau of the Department of Environmental and Natural Resources for its approval. The implementing offices shall be responsible for securing the title(s) of acquired lands in favor of the government.
- 7) Survey errors in the approved design plans determined during actual project stake-out shall be corrected by the surveying firm at no additional cost. To ensure compliance by the surveying firm, all payments to the firm shall be subject to retention of ten percent (10%) which shall be withheld by the Regional Offices/District Office unit after the completion of the stake-out survey during project implementation.

This Order shall take effect immediately.

SIMEON A. DATUMANONG
Secretary

Appendix 10

STRANDARD TERMS OF REFERENCE FOR THE PARCELLARY SURVEY OF Name of Project

I. INTRODUCTION

A. BACKGROUND

The Government of the Republic of the Philippines, thru the Department of Public Works and Highways (DPWH), intends to engage the services of Local Consultancy Firms for the conduct of a Parcellary Survey of affected lots within the road right of way in order to ensure expeditious implementation of Name of Project.

B. OBJECTIVE

The objective of the services is to identify affected lots within the Road Right-of-Way (RROW) limits, as indicated in the detailed road design plans approved by the DPWH Secretary or his authorized representative and segregate the affected lots for the purpose of registering them in favor of the Government.

C. PROJECT SCOPE OF WORK

The proposed project which is the parcellary survey of Name of Road has an estimated length of _____ km.

II. SCOPE OF SERVICES

A. GENERAL

2.1 The Consultant shall coordinate with the Land Management Services (LMS), Department of Environment and Natural Resources (DENR), DPWH-Implementing Office and Regional/District Offices concerned on the RROW acquisition. The services shall be provided in accordance with the improved Infrastructure Right-of-Way (ROW) Procedural Manual, DPWH Department Order (DO) No. 24, series of 2007 – Amended Omnibus levels of Authorities of Officials of the Department of Public Works and Highways, and other related Department issuances on procedures, rules, and responsibilities of all offices concerned.

2.2 The Consultant/Geodetic Engineer/Survey Contractor (Geodetic Engineering Partnership or Sole Proprietorship Firm) shall provide all labor, instruments/equipment like Global Positioning System and Electronic Total Stations, calibrated by the DENR LMS, materials, supplies, vehicles, and other facilities necessary to perform satisfactorily the survey works herein required, viz:

2.2.1 Detailed Survey and Mapping Requirements

The detailed survey works shall be undertaken in accordance with the common surveying and mapping requirements and specifications stipulated in the Manual for Land Survey in the Philippines (Land Administrative Order No. 4 of the Bureau of Lands); Executive Order No. 4, adopting the Philippine Reference System of 1992 as the Standard Reference System for Survey in the Philippines; and the DPWH Design Guidelines, Criteria and Standards, Volume I, Part I, Surveys and Investigations, that include but are not limited to the following:

a. Establishment of Horizontal Ground Controls

Establishment of horizontal ground controls based on the Philippine Plane Coordinate System or the Philippines Transverse Mercator Grid and/or Executive Order No. 45 (Adopting the Philippine Reference System of 1992 as the Standard Reference System for Survey in the Philippines).

b. Traverse Survey based on the Second Order Accuracy

c. Research Work of Affected Lots/Real Properties

In the research work for cadastral maps and technical descriptions of affected lots, the names of affected landowners, if any, within the RROW must be taken from the corresponding Municipal, City or Provincial Assessor's Office. The following data shall be gathered relative to the parcellary survey.

i. From the Assessor's Office

- Tax declaration of Real Property
- Tax Map to determine the owner and address
- Land Classification

ii. From the Affected Landowners

- Tax declaration of Real Property
- Copy of the Transfer Certificate of Title (TCT)
- Tax Clearance
- Pictures taken by the Consultant/Geodetic Engineer

iii. From the Registry of Deeds

- Certified copy of the Transfer Certificate of Title (TCT)

iv. From the Land Management Services (LMS)

- Cadastral Map
- Technical Description of Lot
- Lot Plan in standard LMS Form

v. From the Department of Agrarian Reform

- Areas subject to Land Reform or vast estate landholdings, where there is voluntary offer to sell (VOS) by owners

vi. From the National Commission for Indigenous People

- Areas of ancestral domain (Map)

vii. From the Department of National Defense (DND)

- Maps showing areas of Military Reservation

viii. From the Department of Environment and Natural Resources, DENR

- Protected Areas (maps) from the Protected Areas Management Bureau (PAMB)

The Consultant/Geodetic Engineer shall exhaust all possible measures to obtain all necessary data in the lands to be acquired. Lands with no available data shall be clearly mentioned/specified in the report for further research during the acquisition stage.

d. Closed Traverse and/or Closed Loop

Traverse and/or loop stations must start and end on recovered previously established horizontal ground controls of higher order and follow approximately the course of the boundaries of the affected properties.

e. Angular and Linear Errors of Closures

Angular and linear errors of closures must be in accordance with the specifications and requirements of the Manual for Land Surveys in the Philippines (Land Administrative Order No. 4).

f. Monumenting/Placing of Permanent Reference Points

- Lot Monuments

Standard cylindrical monuments used in defining and marking corners shall be made of concrete (mixture 1:2:3) at least 15 cm in diameter by 40 cm in depth and must be set 35 cm in the ground at the corners of lots within the RROW. The top shall be centered by a galvanized iron spike or by a conical hole not exceeding 20 millimeters in diameter and not less than 10 millimeters in depth to define the corner to which measurement shall be made.

2.3 Survey Operations and Submittal of Parcellary Survey Plans>Returns

The computations, plotting/downloading and preparation of survey plans shall be done in accordance with survey requirements and specifications of the DENR/LMS and DPWH Guidelines, Criteria and Standards, Volume I, Part I, Surveys and Investigations.

The Plan (A-1 size mylar) shall consist of the following:

- a. Cover Sheet.
- b. Location Plan showing the adjoining Towns, Municipalities/Barangays, vicinity map, general notes, direction of meridian, technical description of all controlling points, legend/symbols, index map.
- c. Plotted in grid coordinate system.
- d. Right-of-way limit.
- e. Match line stationing in every sheet of plan.
- f. Name of Municipalities/Barangay/Sitio to be traversed/ affected.
- g. Technical descriptions of monuments/reference points.
- h. Land classification (residential, agricultural, commercial, industrial).
- i. Stationing at every 100 meters interval.
- j. All corners shall be indicated by small circle with their respective number description.

- k. Name, license number, date and place of issuance, signature and seal of Geodetic Engineer.
- l. Date of survey.
- m. Waiver drafted in every sheet of plans.
- n. Name of signatories/approving officials in every sheet of plan;
- o. Indicate per sheet in tabular form the following.
 - Name of claimant/s or owner/s of lots with corresponding lot no. and lot areas (remaining and affected) in sq. meter.
 - Technical description and tie lines of all lots affected by the ROW.
 - Names of affected lot owners, the area of lot affected and area of lot remaining.
- p. Other Related Documents
 - Lot data computation of affected lots,
The lot data computation that shall delineate the affected area from the mother lot shall be prepared on prescribed LMB Forms.
 - Miscellaneous Data,
This shall include all research materials and documents pertaining to the affected lots such as certified true copies of OCT/TCT, technical description of the lot, tax declaration of real property and approved subdivision plans in LMS Form.

2.4 Subdivision Plans

The subdivision plans shall be prepared in accordance with the requirements of the LMS, DENR, together with other documents to be approved by the said agency to be used for land registration purposes. This plan shall be compiled together with the computation of the technical descriptions of the lot.

The subdivision plans shall be signed/certified for conformity by the DPWH-Head of the Implementing Office or Regional Director /District Engineer concerned prior to submission to the LMS, DENR, for approval.

2.5 Approval of Parcellary Survey Plans

The parcellary plans including the copy of the subdivision plans and other related documents shall be submitted by the DPWH-Implementing Office to the Bureau of Design (Foreign-Assisted Projects) and/or Regional and District Offices (Locally-Funded Projects) for approval per DO 24, series of 2007- Amended Omnibus Levels of Authorities of Officials of the DPWH.

The review and approval of the Parcellary Survey Plans by DPWH do not relieve the Surveys Consultant/Geodetic Engineer from the responsibility for the accuracy of the survey works and installation of right-of-way and lot monuments.

The approved parcellary and subdivision plans together with an electronic file shall be submitted to the DPWH-Implementing Office for safekeeping, copy furnished Bureau of Design and Regional/District and other concerned Offices.

III. IMPLEMENTATION

A. STAFFING

The following experts/professionals and their members shall be required to carry out the Consulting Services for the road section/project and should have appropriate educational degree, relevant training and adequate years of experience in parcellary survey:

List of Staff	Parcellary Survey	
	Name of Project	
	No. of Staff	Man-Months
1. Project Engineer		
2. Sr. Geodetic Engineer		
3. Geodetic Engineer		
4. Researcher		
5. Cartographer		
6. Computer Aided Design (CAD) Operator/Draftsman		

B. CONTRACT PERIOD

The Consultant’s contract period for undertaking the parcellary survey and the preparation of parcellary survey plans of the aforecited project shall not be more than _____ () months and the Consultant shall commence work within seven (7) days after receipt of Notice to Proceed.

Submitted by:

Approved by:

Head, Implementing Unit

Chairman, BAC for Consulting Services

Appendix 11

RAP Data Checklist

Project:			
(1)	(2)	(3)	(4)
Data	Source	Status	Remarks
1. CLUP			
2. Socio-Economic Profile			
3. BIR zonal valuation			
4. Cadastral maps			
5. Land Valuation Maps			
6. Tax Declaration (Land)			
7. Tax Declaration (Improvement)			
8. TCT/OCT			
9. Lot Technical Descriptions			

Guide to Preparer:

1. On the 1st column under the entries “4. Cadastral maps” and “5. Land Valuation Maps”, indicate the name of the City/Municipality where the needed ROW is located.
2. On the 2nd column, indicate the Office where the data was obtained; for example, indicate if the cadastral map was obtained from the Assessor’s Office, the DENR LMB/LMS, or LRA.
3. For entry numbers 6, 7, and 8, under column 1, indicate in the 3rd column if these data are available at the concerned Assessor’s Office or not.
4. For the 3rd column, put a check if data is obtained/available; Put an x if data is not available at the time of ROW Action Plan Preparation.
5. For the 4th column:
 - a. If data are obtained/available, indicate date when such data were prepared
 - b. If data are not available, indicate so
 - c. If data are available but outdated, indicate so
 - d. If data are still under preparation, indicate expected date of completion
 - e. If data are for revision, indicate expected date of completion

Appendix 15
RAP Report Outline

EXECUTIVE SUMMARY

1. INTRODUCTION

- 1.1 Rationale
- 1.2 Objectives
- 1.3 Methodology
- 1.4 Project Description
- 1.5 Right-of-Way Limits

2. FIELD WORK AND DATA COLLECTION

- 2.1 Public Consultation Meetings
- 2.2 Socio-Economic Profile of Project-Affected Persons
- 2.3 Cadastral Maps
- 2.4 Barangays Affected
- 2.5 Land Use and Areas Affected
- 2.6 Structures and Improvements Affected
- 2.7 Crops and Trees Affected
- 2.8 Land Valuation Map
- 2.9 Pricing of Land Based on BIR Zonal Values
- 2.10 Pricing of Land Based on Tax Declaration
- 2.11 Recent Prices of Comparable Properties in the Area
- 2.12 OCTs/TCTs and Tax Declarations with Lot Descriptions
- 2.13 Possible Relocation Sites

3. IMPACTS AND MITIGATION MEASURES

- 3.1 Expected Impacts
- 3.2 Avoidance/Preventive Measures
- 3.3 Mitigating Measures

4. COST ESTIMATES, COMPENSATION AND ENTITLEMENTS

- 4.1 Preliminary ROW Cost Estimates for Land
- 4.2 Preliminary ROW Replacement Cost Estimates for Structures and Improvements
- 4.3 Preliminary ROW Cost Estimates for Crops and Trees
- 4.4 Preliminary Estimates of Other Entitlements of PAPs
- 4.5 Preliminary ROW Cost Estimates for Resettlement Site Development

5. CONCLUSIONS AND RECOMMENDATIONS

- 5.1 Recommended Preliminary Compensation and Entitlements Package
- 5.2 Mitigating Measures and Grievance Process
- 5.3 Implementation Schedule
- 5.4 Monitoring and Evaluation
- 5.5 Next Steps

ANNEXES

Appendix 18

DENR-DPWH Memorandum of Agreement, 10 March 1999

DENR - DPWH Memorandum of Agreement
03/10/99

MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENT:

This Agreement, made and executed this _____ day of _____, 1999 at Manila, Philippines, by and between

The Department of Environment and Natural Resources, a government agency existing under the laws of the Republic of the Philippines, with main office at Visayas Avenue, Diliman, Quezon City, and represented by its Secretary, ANTONIO H. CERILLES, herein referred to as the "DENR".

and

The Department of Public Works and Highways, a government agency existing under the laws of the Republic of the Philippines, with main office at Bonifacio Drive, Port Area, Metro Manila, and represented by its Secretary GREGORIO R. VIGILAR, herein referred to as the "DPWH".

WITNESSETH THAT:

WHEREAS, in its effort to protect the environment and conserve the natural resources of the country, the Government issued in 1977 the Environmental Policy Decree (PD 1151) and in 1978 the "Philippine Environmental Impact Assessment (EIA) Law" (PD 1586), which require proponents of development projects to forecast the environmental impacts of such projects, determine and implement the appropriate preventive or mitigating measures to address adverse consequences and submit a report of their findings in the form of either an Initial Environmental Examination (IEE) or an Environmental Impact Statement (EIS);

WHEREAS, there is a need to streamline the procedures for processing applications for an Environmental Compliance Certificate (ECC);

WHEREAS, the integration of the EIS System early in the project development cycle will enhance and promote its desired function as a planning and management tool for sustainable economic development and for environmental conservation and enhancement;

WHEREAS, the DENR is the primary agency tasked with environmental protection, natural resources conservation and EIS administration;

WHEREAS, the DPWH is responsible for the planned and sound development of the infrastructure system of the country;

WHEREAS, the rational way of planning the national progress of the country is through sustainable development: the pursuit of higher levels of quality of life while preserving or even enhancing environmental quality;

DENR – DPWH Memorandum of Agreement
03/10/99

WHEREAS, to ensure success in achieving national progress through sustainable development, there is a need to encourage more active participation of concerned government institutions in policy formulation and program implementation, and to strengthen collaboration among them through viable working arrangements;

WHEREAS, there is a need for line agencies to integrate the EIS System into their regular functions particularly those leading to the design and location of development projects that significantly affect the ecological balance in the area,

WHEREAS, in accordance with EO 291, series of 1996, an Environmental Impact Assessment (EIA) Office has been established in the Planning Service, DPWH, whose responsibility is to screen, check consistency and completeness of documentation requirements and evaluate DENR-ENFORM 1 documents prior to endorsement to Environmental Management Bureau (EMB) or concerned DENR Regional Office;

NOW, THEREFORE, for and in consideration of the foregoing premises, the PARTIES do hereby mutually agree and bind themselves as follows:

I. GENERAL PROVISIONS

1. An Initial Environmental Examination (IEE) document shall be prepared for those projects which traverse and/or are located in an Environmentally Critical Area (ECA) and with a rating of less than 5. (Annex 1) An Environmental Impact Statement (EIS) document shall be prepared for those projects which traverse and/or are located in an ECA and with a rating of equal to or greater than 5. The calculation of the ECA Rating is made by totaling values assigned according to the following Table, where a value of 0 is given if the ECA is not applicable. The ECAs are defined in National Environmental Protection Council (NEPC) Circular No. 3, series of 1983
2. The words or terms when used in discussing Environmentally Critical Projects (ECPs) in this Memorandum of Agreement shall mean as follows:
 - a) **"National highway/road"** means a way made for traveling by the general public using motorized land-based vehicles, which is under the administration of the national government through the DPWH, which includes pavements, shoulders, embankments, rights-of-way, bridges, ferries, drainage structures, signs, guardrails, and related protective structures.
 - b) **"Maintenance"** means the act of preserving and keeping each type of national highway/road as nearly as possible in its original condition as constructed or as subsequently improved. Maintenance does not include rehabilitation, betterment and improvement.
 - c) **"Rehabilitation"** means the act of restoring any type of national highway/road to its condition as originally constructed or as subsequently improved, when the national highway/road facility has so deteriorated that normal maintenance effort, procedures and expenditures

03/10/99

are inadequate to accomplish this task.

- d) **"Betterment"** means any work that substantially changes the nature, strength or quality of an existing national highway/road in spot locations such as flattening a corner, replacing a temporary bridge, raising the grade on a flooded section, and the like.
- e) **"Improvement"** means any work that substantially changes the nature, strength or quality of an existing national highway/road uniformly along the entire length of a road section such as widening, paving and the like.
- f) **"Influence area"** means the area in which the project will cause an impact either in form of direct impact or indirect impact.

3. All proposed road projects that meet the following criteria shall be classified as ECPs under the EIS System. Flyover projects are not considered as Environmentally Critical Projects:

- a. Construction of a new national highway/road, including major realignments. Due to the magnitude of this type of new construction, significant adverse environmental impacts may occur if an EIS study is not used to plan and manage the construction and operation of the highway.
- b. Major realignments - include road projects with major realignments exceeding the maximum length shown in the third column of the Table below for the corresponding shift in the horizontal alignment. The Table combines the shift in horizontal realignment measured in meters horizontally from the centerline of the existing road with the total distance over which the realignment(s) occurs. Where values exceed those contained in the Table, the road project is considered an ECP.

SHIFT IN HORIZONTAL REALIGNMENT (m) FOR MOUNTAINOUS ROADS (>200 m above sea level)	SHIFT IN HORIZONTAL REALIGNMENT (m) FOR LOWLAND ROADS (<200 m above sea level)	MAX TOTAL LENGTH PERMITTED FOR NON-CRITICAL PROJECT (m)
0-1	0-2	1,000
1-2	2-5	500
2-5	5-10	100
5-10	10-20	50
>10	>20	ECP

- c. Any road project where the widening will be $\geq 20\%$ measured in relation to the existing width of the paved area or travel width of gravel roads or where the widening will result in one or more additional lanes will be considered as an ECP

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03/10/99

- d. Construction or improvement of any national highway/road that will significantly increase access to an area. When access to the *influence area* of a road is foreseen to increase by 50% or more, as measured by an increase in the Annual Average Daily Traffic (AADT) over the first 5 year period, there exists the potential for adverse environmental impacts that will need to be mitigated. Potential impacts include deforestation, promotion of land uses and development activities that are not compatible with local natural resource systems, competition for land and natural resources between new migrants and local indigenous people, as well as air and noise pollution. For example:

Pre-project AADT = 1,000 and projected AADT after 5 years = 1,400
means non critical

Pre-project AADT = 1,000 and projected AADT after 5 years = 1,600
means critical

- e. All water impoundment projects. With a minimum of 20 Million cubic meters capacity.
- f. Bridges of more than 4 spans and/ or exceeding 80 meters. This includes "betterment", "improvement" and replacement of existing bridges.

- 4. For non-critical proposed projects, not covered with the EIS System, an environmental management plan shall also be prepared;

Table 1 identifies the level of environmental management activities to be employed for each project category

Table 1.
Summary of Environmental Management Procedures for Proposed Road Projects

Environmental Category	Principal EIA Document	Supporting Documentation
ECPs and projects in ECA >= 5	Scoping Document EIS	Environmental Management Plan* (EMP) Contract specifications
Projects within ECA <5	Scoping Document IEE / Checklist	Mitigation and enhancement measures Contract specifications
Non-Critical Project	EMP/Standard Operational Procedures	Environmental Management Guidelines Contract specifications

*The Environmental Management Plan should include consideration of environmental concerns in project specifications, design documents, contract and tender documents, construction supervision, and monitoring requirements

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DENR - DPWH Memorandum of Agreement
03/10/99

II. RIGHTS AND OBLIGATIONS OF THE DENR

The DENR shall:

1. Extend technical assistance to the DPWH in developing its EIA Office, on matters relating to environmental management by providing technical training on the EIS System and other capacity building measures;
2. Devise plans/mechanisms, in consultation with the DPWH, on the expeditious processing of all projects covered by the EIS System or needing DENR certifications;
3. Provide the DPWH relevant guidelines, procedures and regulations required under the EIS System;
4. Invite technical experts from the DPWH to serve as resource persons for the Environmental Impact Assessment Review Committee (EIARC) in the conduct of Scoping, substantive review and evaluation of the EIS/IEE documents for which the DPWH is not the proponent;
5. Assist in gathering of information from key agencies and provide data for inclusion in the DPWH Geographical Information System (GIS) area mapping system for Environmentally Critical Areas (ECAs), referring to the General Provisions, Article I,1;
6. Agree that the DPWH shall implement the proposed DPWH EIA review process as outlined in the EIA Process Flowchart contained in Annex 2;
7. Create and establish in coordination with the DPWH a joint Technical Working Group (TWG) in the conduct of the following activities:
 - a. Define criteria and parameters to determine projects to be covered or not by the EIS System;
 - b. Determine which projects of the DPWH shall be required to establish a Multipartite Monitoring Team (MMT); and
8. Agree to review this Memorandum of Agreement after the first two years and annually thereafter.

III. RIGHTS AND OBLIGATIONS OF THE DPWH

The DPWH shall:

1. Develop its EIA Office to undertake functions related to environmental management of DPWH projects;
2. Provide technical training, consultation, direction, and support to Services, Project Management Offices, Bureaus, and Regional Offices of DPWH on such areas as concepts and principles of the EIS System, and the early integration of environmental consideration into project planning;

DENR - DPWH Memorandum of Agreement
03/10/99

3. Undertake the drafting of internal environmental management guidelines for consideration in the design documents, contract and tender documents, construction supervision, and monitoring requirements for both environmentally critical and non-critical projects and disseminate these to Services, Project Management Offices, Bureaus, and Regional Offices and secure their use;
4. Initiate the preparation and development of the Initial Environmental Examination (IEE) Checklist for applicable DPWH projects in coordination with the DENR;
5. Conduct Initial Environmental Screening of its projects to determine those that are Non-Critical Projects, Environmentally Critical Projects (ECPs), or located in Environmentally Critical Areas (ECAs), in accordance with the approved and agreed-upon screening procedures and criteria by the parties hereto;
6. Participate in and provide inputs to the Scoping, substantive review of the EIS documents particularly on the details of road and infrastructure activities and other aspects which the DPWH has expertise wherein the DPWH is not the proponent;
7. Obtain a review of the Process Documents by the relevant funding agency (IBRD, ADB, OECF, USAID, etc.) in accordance with the review procedures specified in the loan/grant agreement.
8. Coordinate with the DENR on the expeditious processing of environmental clearances and permits in coordination with LGUs, and other DENR attached agencies and Bureaus;
9. Ensure that appropriate post-assessment monitoring and reporting shall be conducted as required;
10. As a replacement to EGF, the DPWH shall ensure that Contractors' All Risk Insurance (CARI) is provided to cover expenses for the following: indemnification/compensation of damage to life and property that may be caused by the implementation of the projects and abandonment/decommissioning of the project facilities related to the prevention of possible negative impact.
11. Quick Response Fund (QRF) to supplement CARI

This fund will be used for emergency repairs/restorations of the critically damaged infrastructure facilities after calamity in order to restore mobility and ensure safety in the affected areas.
12. The Multipartite Monitoring Team (MMT) will be formed through Bayanihan Approach, since there are no funds available for Environmental Monitoring Fund (EMF). The MMT will be formed on a voluntary basis (bayanihan) with members coming from the EIAPD, Planning Service, EIARO (DPWH Regional Offices), CENRO, PENRO, Local Government Units (LGU), Non

DENR – DPWH Memorandum of Agreement
05/04/99

Government Units (NGO), PO's experts and other cause oriented environmental groups. In this regard, expenses of members of MMT in the performance of their official duties will be charged to appropriate funds of their respective offices.

13. Build and maintain a GIS database, in cooperation with the DENR and other relevant government agencies, to be used in determining ECA spatial boundaries;
14. Agree to implement the EIA review process as outlined in the process flowchart contained in Annex 2; and
15. Agree to review this Memorandum of Agreement after the first two years and annually thereafter.

IV. AMENDMENTS

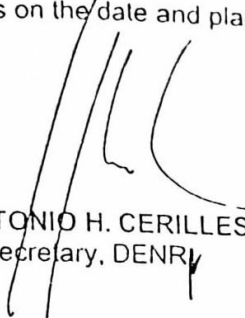
1. No modification of this Memorandum of Agreement (MOA) or any part thereof shall be made except after execution of a written agreement duly signed by both parties;
2. Should circumstances necessitate the revision of any item embodied in this MOA the concerned parties shall, prior to such revision, coordinate in the process of revision and grant a reasonable grace period for the implementation of such revision.

DENR - DPWH Memorandum of Agreement
03/10/99


V. EFFECTIVITY

This Memorandum of Agreement shall take effect immediately after being signed by the parties herein.

IN WITNESS THEREOF, the parties, through their duly authorized representatives, have hereunto entered into this Agreement and affixed their signatures on the date and place herein above-mentioned.

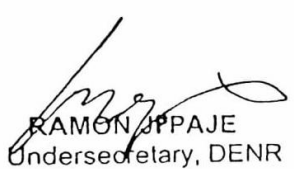


ANTONIO H. CERILLES
Secretary, DENR

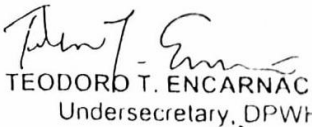


GREGORIO R. VIGILAR
Secretary, DPWH

WITNESSES:



RAMON P. PAJE
Undersecretary, DENR




TEODORO T. ENCARNACION
Undersecretary, DPWH



PETER ANTHONY A. ABAYA

Director, EMB
DENR



LINDA M. TEMPLO

Director III, Planning Service
DPWH

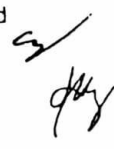
DENR – DPWH Memorandum of Agreement
03/10/99

ANNEX I

Environmentally Sensitive/ Critical Areas Values

1. National Parks /watersheds/sanctuaries	5
2. Aesthetic potential tourist spots	2
3. Endangered species	4
4. Unique historic / archeological/scientific areas	3
5. Indigenous culture communities	5
6. High incidence of natural hazards	1
7. Critical slopes >40%	5
8. Prime agricultural land	3
9. Recharge areas for aquifer	2
10. Protected water bodies	2
11. Mangrove areas	4
12. Coral reefs	5

(e.g. A road project that cuts through a national park and is located in a catchment area draining to a river that may transport sediment to a coral reef would have an ECA Rating of 10. A road project passing in the vicinity of a site of unique historical value, would have an ECA Rating of 2. The ECA Rating of 10 indicates that an EIS document would be required for the road project through the national park, because the environmental management issues in this case are likely to be quite complex. An IEE document would be required in the second example of an ECA Rating of 2, since the issues are well defined and can be addressed through mitigation).



DENR - DPWH Memorandum of Agreement
03/10/99

ANNEX 2

Environmental Impact Assessment (EIA) Preparation and Review Procedures

1. To implement the requirements of the EIS System, the DPWH will first conduct the Initial Screening process prior to EIA Scoping to identify critical projects from non-critical projects, based on DAO 96-37 and the corresponding DENR-EIA procedural manual;
2. Critical Projects covered by the EIS System are those projects that are classified as Environmentally Critical Projects (ECPs), or projects located in Environmentally Critical Areas (ECAs). Projects which are Non-Critical are not covered by the EIS System. Criteria used to identify Critical and Non-Critical Projects are discussed in the I. General Provisions. *ENFORM I* will be prepared for all projects and will be placed on file in the DPWH EIA Office.
3. A Scoping activity shall be conducted in coordination with the DENR. It shall include inputs from the local/affected communities, DENR-Regional Offices, LGUs, and other concerned project stakeholders;
4. A Scoping Report shall be prepared, prior to the conduct of an EIA activity for all DPWH ECPs and projects located in ECAs. The said report shall be signed by the DENR and whenever applicable reviewed and approved by the relevant funding agency (IBRD, ADB, OECF, USAID, etc.). This shall be done in order to:
 - a) Identify the significant environmental management issues to be addressed/resolved in the conduct of environmental impact assessment; formulation of mitigating/enhancement measures and implementation of environmental management activities;
 - b) Serve as the terms and conditions of work submitted to the DENR and to be reviewed by the members of the EIA Review Committee (EIARC), barring exceptional or unforeseen changes in local conditions at the proposed project site;
5. The DPWH EIA Office and / or project proponent consultants shall:
 - a) Prepare Terms of Reference (TOR) and contracts for the preparation of IEEs and EISs;
 - b) Monitor consultants' work, and shall review the IEEs and EIS prepared by consultants prior to submission to DENR.
 - c) Obtain a review of the IEE or EIS by the concerned funding agency (IBRD, ADB, OECF, USAID, etc.), where applicable, prior to submitting the document to the DENR. In these cases, the funding agency representative may either sign the Proponent's Accountability Statement or provide a Statement indicating that all factors are in accordance with the criteria and procedures identified;

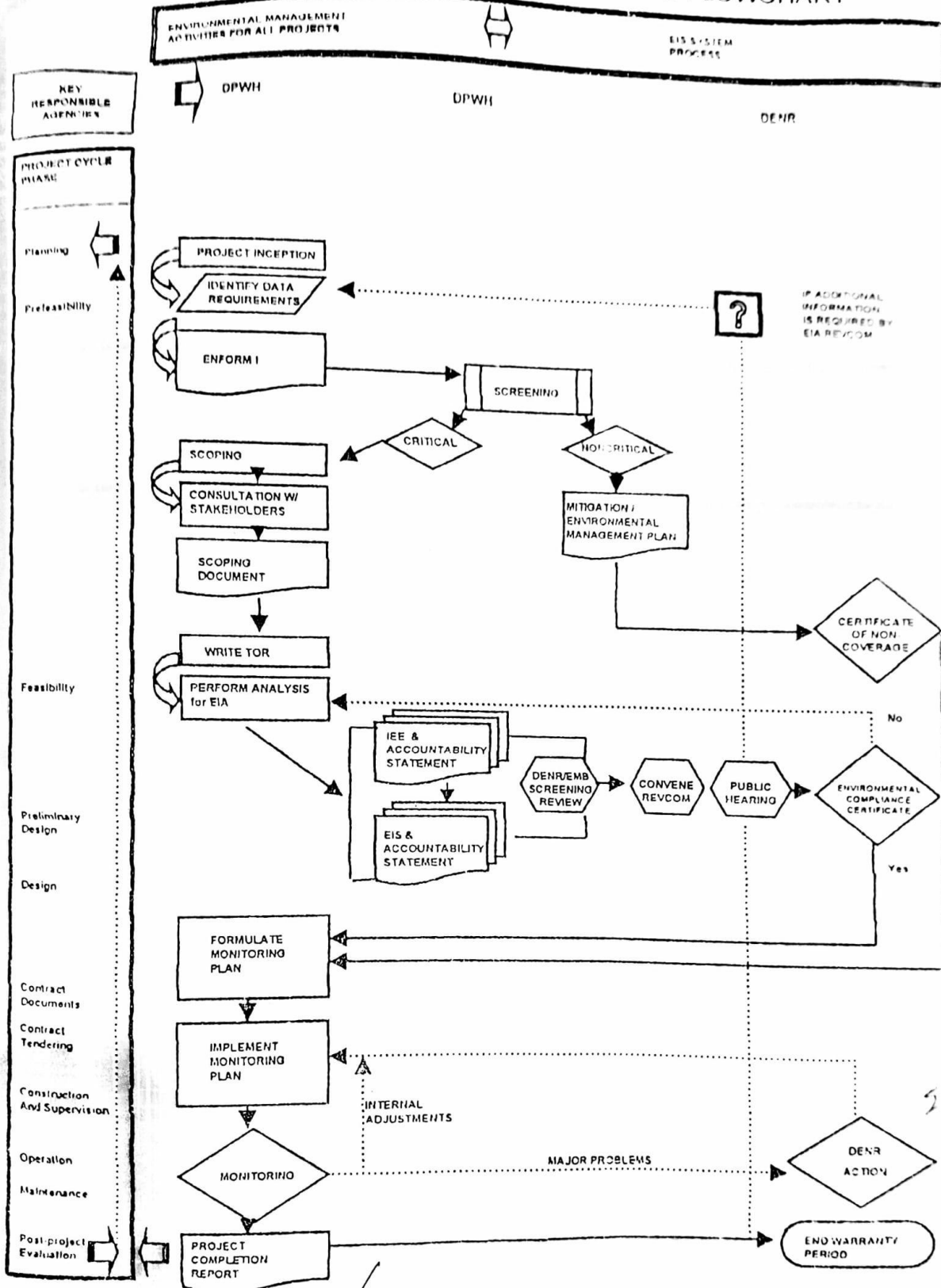
6 The environmental impact assessment process discussed in Annex 2 is

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03/10/99*

described schematically in the attached EIA Process Flowchart (Annex 3).



ENVIRONMENTAL IMPACT ASSESSMENT PROCESS FLOWCHART



Funding review to take place according to agreements on a project by project basis

Appendix 19

Scoping Report Template

Environmental Impact Assessment

for the

[Name of Project]

[Date]

Table of Contents

1. Project Description
 - 1.1 Project Name
 - 1.2 Project Location
 - 1.3 Name and Address of Proponent
 - 1.4 Objectives and Rationale
 - 1.5 Project Components
 - 1.6 Project Activities
 - 1.6.1 Pre-Construction Phase
 - 1.6.2 Construction Phase
 - 1.6.3 Operation and Maintenance Phase
 - 1.6.4 Abandonment Phase
 2. Pre-Scoping Activity
 3. Scoping Process
 4. Summary of Agreed Upon Scope
 5. Summary of Agreed Upon Studies to be Undertaken and Methodology
 6. Agreed Upon Scope of Participation of Stakeholders
 7. Signatures
- Annexes

1. Project Description

Project Name

State the official name of the project.

Project Location

State the location of the project. Include map of such a scale that could show the whole geographical extent of the project in one page, plus the location of known cities, major islands, bodies of water, mountains, and other landmarks. For a major road project, an A3-sized map may have to be used. On the same page, include as an inset a regional map showing the boundaries of the main location map.

Name and Address of Proponent

*Department of Public Works and Highways
Bonifacio Drive, Port Area, Manila*

Objectives and Rationale

Discuss why the project is being undertaken. Identify the problems, existing or foreseen, that it seeks to address. Present how the project fits into a development plan, whether national, regional, provincial or municipal.

Discuss also the alternatives that were considered when the project was envisioned. Show that the project is the best among several options that were considered, whether from a financial, environmental or developmental viewpoint.

Project Components

Include an indication of the size of the project, such as the length of road project or the capacity of a flood control structure. State whether the construction work to be undertaken is for a new structure, or is for maintenance, rehabilitation, or improvement of an existing one.

Discuss the major components of the project. This may refer to the individual road sections, bridges, or tunnels that will be constructed. Components may also be in the form of road widening or rehabilitation that form part of a road construction effort.

Project Activities

This section should include:

- a) The current status of the project (planning, feasibility, preliminary design, detailed design, etc.)*
- b) A list of the main project activities and their timing*

- c) *Labor, materials and equipment requirements at each phase.*

Whenever applicable, use a Gantt chart to depict project schedule.

Pre-Construction Phase

Construction Phase

Operation and Maintenance Phase

Abandonment Phase

2. Pre-Scoping Activity

Present a short report on any social preparation activities conducted on the proposed project. Mention dates, venues, and participants. Provide a summary of the key issues raised. Attach copies of invitations, signed attendance sheets, programs, handouts, presentation materials and resolutions.

3. Scoping Process

Present a report on the scoping meetings conducted in connection with the proposed project. Mention dates, venues, and participants. Provide a summary of the key issues raised. Attach copies of invitations, signed attendance sheets, programs, handouts, presentation materials and resolutions.

4. Agreed-upon Scope

See Sample Summary Matrix 1 of Issues or Impacts in DPM

5. Agreed-upon Methodology

See Sample Summary Matrix 2 in DPM

6. Agreed-upon Scope of Participation of Stakeholders

Discuss proposed or expected roles of stakeholders in the EIS process, other than as respondents to surveys or participants in discussions about the project. Such roles may include observing selected data gathering activities, or contributing to the design of the social and environmental management plan.

7. Signatures

- *DPWH or PMO Representative*
- *EIS Preparer (Team Leader)*
- *DENR Representative*
- *EIARC Representative*
- *Stakeholders representing the following:*

- *Local government*
- *Community and indigenous groups*
- *Non-government organizations and people's organization*
- *National government agencies*
- *Other identified sectors.*

Annexes

- Checklist of data requirements listed in the procedural review criteria form (Annex 8 in SEMS Operations Manual)
- Minutes of the scoping sessions
- Attendance sheets containing the signatures, contact numbers and affiliations of participants in all scoping meetings
- Maps and diagrams.

Appendix 20

[NAME OF PROJECT]

**ENVIRONMENTAL
IMPACT ASSESSMENT
TEMPLATE**

TABLE OF CONTENTS

- I. EXECUTIVE SUMMARY
 - A. Brief Introduction
 - B. Brief Description of Methodology and Profile of EIA Team
 - C. Scope and Limitation of the EIA
 - D. Brief Project Description
 - E. Brief Description of Baseline Environmental Conditions
 - F. Matrix of Issues and Impacts Raised during the Scoping and Consultations
 - G. Matrix of Major Impacts and Mitigation/Enhancement Measures with Summary Discussion
 - H. Matrix of Environmental Management Plan with Summary Discussion
 - I. Matrix of Environmental Monitoring Plan with Summary Discussion
 - J. Proposal of Environmental Guarantee and Monitoring Fund Scheme (when applicable)
 - K. Summary Process Documentation Report
 - L. Summary of Commitments, Agreements and Proofs of Social Acceptability
- II. INTRODUCTION
 - A. Project Background
 - B. EIA Approach and Methodology
 - C. EIA Process Documentation
 - D. EIA Team
 - E. EIA Study Schedule
- III. PROJECT DESCRIPTION
 - A. Project Rationale
 - B. Project Alternatives
 - C. Project Location
 - D. Project Information
 - E. Description of Project Phases
 - E.1.1 Pre-construction/Operations Phase
 - E.1.2 Construction Phase
 - E.1.3 Operational Phase
 - E.1.4 Abandonment Phase
- IV. BASELINE ENVIRONMENTAL CONDITIONS
 - A. Physical Environment
 - A.1.1 Geology and Geomorphology
 - A.1.2 Hydrology and Hydrogeology
 - A.1.3 Pedology and Land Use
 - A.1.4 Water Quality and Limnology
 - A.1.5 Meteorology
 - A.1.6 Air Quality and Noise
 - A.1.7 Oceanography
 - B. Biological Environment
 - B.1.1 Terrestrial Flora and Fauna
 - B.1.2 Aquatic Biology
 - C. Socio-Cultural, Economic and Political Environment

- C.1.1 Population and Growth
- C.1.2 Health and Education
- C.1.3 Income and Livelihood
- C.1.4 Social Services and Infrastructure
- C.1.5 Culture
- C.1.6 Sites of Archeological, Historical or Scientific Interest
- C.1.7 Perception and Awareness

V. FUTURE ENVIRONMENTAL CONDITIONS WITHOUT THE PROJECT

VI. IMPACT ASSESSMENT

- A. Physical/Chemical Effects
 - A.1.1 Land
 - A.1.2 Water
 - A.1.3 Air and Noise
- B. Biological/Ecological Effects
 - B.1.1 Terrestrial Flora and Fauna
 - B.1.2 Aquatic Biology
- C. Aesthetic and Visual Effects
- D. Socio-Cultural and Economics Effects
 - D.1.1 Population
 - D.1.2 Labor and Employment
 - D.1.3 Housing and Social Services
 - D.1.4 Infrastructure and Public Utilities
 - D.1.5 Health and Education
 - D.1.6 Culture and Lifestyle
 - D.1.7 Livelihood and Income
- E. Mitigation and Enhancement Measures
- F. Residual and Unavoidable Impacts

VII. ENVIRONMENTAL RISK ASSESSMENT (WHEN APPLICABLE)

VIII. ENVIRONMENTAL MANAGEMENT PLAN

- A. Construction/Contractors Environmental Program
- B. Social Development Program
- C. Contingency/Emergency Response Plan
- D. Risk Management Program
- E. Abandonment Plan (when applicable)
- F. Environmental Monitoring Plan

IX. ENVIRONMENTAL GUARANTEE AND MONITORING FUND

X. COMMITMENTS AND AGREEMENTS

XI. BIBLIOGRAPHY/REFERENCES

XII. ANNEXES AND APPENDICES

I EXECUTIVE SUMMARY

- A. Brief Introduction
- B. Brief Description of Methodology and Profile of EIA Team

The description of the methodology should mention that the EIS has been prepared in accordance with the Philippine EIS System with reference to the MOA between the DENR and the DPWH and the DAO 96-37. The screening and scoping methods, including consultation with stakeholders, should briefly be described as well as the method of assessment.

The profile of the EIA team should comprise the names, positions, field of expertise and duties of the EIA team.

- C. Scope and Limitation of the EIA

This should refer to the Agreed Scope prepared during the scoping phase.

- D. Brief Project Description
- E. Brief Description of Baseline Environmental Conditions
- F. Matrix of Issues and Impacts Raised during the Scoping and Consultations

This includes a revised and updated Project-Impact Matrix and Significant Issues List.

- G. Matrix of Major Impacts and Mitigation/Enhancement Measures with Summary Discussion
- H. Matrix of Environmental Management Plan with Summary Discussion
- I. Matrix of Environmental Monitoring Plan with Summary Discussion
- J. Proposal of Environmental Guarantee and Monitoring Fund Scheme (when applicable)
- K. Summary Process Documentation Report
- L. Summary of Commitments, Agreements and Proofs of Social Acceptability

II INTRODUCTION

- A. Project Background
- B. EIA Approach and Methodology
- C. EIA Process Documentation
- D. EIA Team
- E. EIA Study Schedule

III PROJECT DESCRIPTION

- A. Project Rationale

Update Project Description from the Scoping Report to form a short description of the goals and objectives of the project, and the need for the project. Use non-technical terms. This description should correspond to the descriptions given in the Feasibility Study.

Include an indication of the size of the project, e.g., length of road project and the type of the construction works, e.g., new construction, maintenance, rehabilitation, or improvement.

With reference to the environmental screening state clearly the environmental classification and EIA requirements of the project, i.e. whether the project is/is not classified as an Environmental Critical Project and whether the project is/is not located in an Environmental Critical Area).

B. Project Alternatives

This should indicate any reasonable alternatives that would meet the proposal's need, including the possibility of the 'do-nothing' alternative. Attention should be paid to the major differences between the alternatives.

C. Project Location

Use site location description found in the Scoping Report (updating where needed). Indicate project area in Topographic Map, Land Use Map, and map of Environmentally Critical Areas.

D. Project Information

Update the Scoping Report to give a brief non-technical listing and description of the project components.

E. Description of Project Phases

This section should include:

- a) The current status of the project (planning, feasibility, preliminary design, detailed design, etc.)*
- b) A list of the main project activities and their timing*
- c) Labor, materials and equipment requirements at each phase.*

Use a Gantt chart where applicable to depict project schedule.

E.1.1 Pre-construction/Operations Phase

E.1.2 Construction Phase

E.1.3 Operational Phase

E.1.4 Abandonment Phase

IV BASELINE ENVIRONMENTAL CONDITIONS

Some sections, such as geology and meteorology, rely on secondary data from sources listed in the DAO96-37 Procedural Manual. Baseline water and air quality characterization calls for primary data. Other component such as hydrology or oceanography may not be relevant for some projects.

A. Physical Environment

- A.1.1 Geology and Geomorphology*
- A.1.2 Hydrology and Hydrogeology*
- A.1.3 Pedology and Land Use*
- A.1.4 Water Quality and Limnology*
- A.1.5 Meteorology*
- A.1.6 Air Quality and Noise*
- A.1.7 Oceanography*

B. Biological Environment

These components are seldom needed for projects in urban settings, but are critical for those that are near protected areas.

- B.1.1 Terrestrial Flora and Fauna*
- B.1.2 Aquatic Biology*

C. Socio-Cultural, Economic and Political Environment

Among the components below, only the last will require primary data, usually through a perception survey or interviews with key persons in the affected community. All PAPs should be included in the survey.

- C.1.1 Population and Growth*
- C.1.2 Health and Education*
- C.1.3 Income and Livelihood*
- C.1.4 Social Services and Infrastructure*
- C.1.5 Culture*
- C.1.6 Sites of Archeological, Historical or Scientific Interest*
- C.1.7 Perception and Awareness*

V FUTURE ENVIRONMENTAL CONDITIONS WITHOUT THE PROJECT

VI IMPACT ASSESSMENT

Impact assessment should cover all project stages: pre-construction, construction, operation and abandonment.

A. Physical/Chemical Effects

A.1.1 Land

A.1.2 Water

A.1.3 Air and Noise

Air and noise assessment should make use of the models provided to EIAPO. Predicted air pollution and noise levels should be presented as contours overlain on a map of the project site.

B. Biological/Ecological Effects

B.1.1 Terrestrial Flora and Fauna

B.1.2 Aquatic Biology

C. Aesthetic and Visual Effects

D. Socio-Cultural and Economics Effects

Refer to the ESSD EIA Manual for guidance on this section.

D.1.1 Population

D.1.2 Labor and Employment

D.1.3 Housing and Social Services

D.1.4 Infrastructure and Public Utilities

D.1.5 Health and Education

D.1.6 Culture and Lifestyle

D.1.7 Livelihood and Income

E. Mitigation and Enhancement Measures

Update and insert the “Project-Impact Matrix” and the “Significant Issue List” and give a brief explanation to the assessment.

Describe alternatives and include them in the “Project-Impact Matrix.”

F. Residual and Unavoidable Impacts

VII ENVIRONMENTAL RISK ASSESSMENT (WHEN APPLICABLE)

VIII ENVIRONMENTAL MANAGEMENT PLAN

- A. Construction/Contractors Environmental Program
- B. Social Development Program
- C. Contingency/Emergency Response Plan
- D. Risk Management Program
- E. Abandonment Plan (when applicable)
- F. Environmental Monitoring Plan

IX ENVIRONMENTAL GUARANTEE AND MONITORING FUND

Check MOA between DPWH and DENR regarding these funds.

X COMMITMENTS AND AGREEMENTS

XI BIBLIOGRAPHY/REFERENCES

XII ANNEXES AND APPENDICES

- 1. List of EIS Preparers
- 2. Accountability Statements of Key EIS Preparers
- 3. Accountability Statements of the Proponent
- 4. Photos
- 5. Process Documentation Report
- 6. Scoping Report
- 7. Summary of Proof of Social Acceptability
- 8. Project Design Drawings and Plans
- 9. Maps
 - 9.1. Location Map
 - 9.2. Topographic Map
 - 9.3. Land Use Map
 - 9.4. Environmental Critical Areas
 - 9.5. Other Maps
- 10. Copies of laboratory analysis results

Appendix 21

Environmental Management Plan (EMP) Template

Issue	Objective	Target	Activity/Mitigation Measure	Indicator	Responsible Party	Timing	Cost
<i>Refers to a problem or concern that should be prevented, mitigated or enhanced.</i>	<i>The overall policy objective or guiding principle covering the issue.</i>	<i>An ideal condition or milestone sought by the measure</i>	<i>A strategy or program of action to meet the target</i>	<i>Measurable parameters with which progress in addressing the issue can be gauged</i>	<i>Person or agency responsible for carrying out the measures or overseeing their completion</i>	<i>Schedule, frequency or completion dates for the activities.</i>	<i>The costs of the measure, including the source of funding</i>
Loss and damage to property	To ensure that any impact on property is avoided, mitigated or properly compensated. To ensure fair and peaceful land acquisition.	All identified PAPs are properly compensated in a timely manner and in accordance with the DPWH Resettlement Policy.	<ol style="list-style-type: none"> 1. Conduct linear mapping. 2. Conduct socioeconomic survey including an inventory of PAPs and extent of expected impact on properties. 3. Conduct Public Consultation regarding compensation. 4. Conduct validation of compensation, and check whether impacts on PAPs can be avoided through changes in the design or construction method. 5. Implement compensation scheme and any technically and economically feasible design changes to lessen the impact on PAPs. 6. Discuss the issue with the contractor. 7. Monitor progress of compensation until all PAPs have been satisfied. 	<p>Number of complaints from PAPs about the compensation.</p> <p>Number and percentage of PAPs compensated.</p> <p>Total amount of compensation given to PAPs.</p>	DPWH, NHA and LGUs.	<p>Activity 1-6: Before construction.</p> <p>Activity 7: During and after construction.</p>	Compensation and entitlement of Project Affected Families will be decided in the Resettlement Action Plan (RAP)
Temporary loss of vegetative cover	To minimize loss or restore vegetative cover due to construction and related	The vegetative cover is restored before the end of the construction period	<ol style="list-style-type: none"> 1. Plan operations so as to minimize damage to vegetation 2. Specify in the Construction Specifications where spoils and materials should and should not be stockpiled. 3. Monitor stockpiling. 	Area or percentage of vegetative cover in open areas near project site	<p>Activity 1: Design Consultant.</p> <p>Activity 2: Contractor</p>	During design and construction	Minimal

Issue	Objective	Target	Activity/Mitigation Measure	Indicator	Responsible Party	Timing	Cost
	operations.				Activity 3: Engineer.		
Spoils and Construction Waste Disposal	<p>To ensure safe and proper disposal of spoil and construction waste.</p> <p>To minimize the generation of spoil and construction waste.</p> <p>To optimize the reuse of spoil and construction waste.</p>	All excess soil generated by the project is either reused or disposed of at designated disposal sites.	<ol style="list-style-type: none"> 1. Estimate the amounts and types of spoil and construction waste to be generated by the project. 2. Plan cut-and-fill methods so as to minimize spoils 3. Investigate whether the waste can be reused in the project or by other interested parties. 4. Identify potential safe disposal sites close to the project. Investigate the environmental conditions of the disposal sites and prepare recommendation of most suitable and safest site(s). 5. Incorporate reuse of waste materials and the use of designated disposal sites in the detailed design. 6. Require the contractor to document reuse and safe disposal of spoils and construction waste. 7. Instruct the contractor in proper and safe spoils and construction waste disposal. 	<p>Amount of soil disposed of</p> <p>Incidents of waste materials and spoils improperly dumped.</p> <p>Amount of waste materials reused</p>	Engineer assisted by ESSD	During construction	Cost will depend on the scale of the project; a separate line item shall be included in the Bill of Quantities for disposal.
Quarrying	<p>To ensure environmental safe quarrying at designated sites.</p> <p>To ensure that quarrying is conducted with the appropriate permits</p>	<p>All quarry activities are conducted in accordance with DPWH requirements and sound environmental practices.</p> <p>Quarrying is only</p>	<ol style="list-style-type: none"> 1. Estimate amounts and types of materials to be used in the project. 2. Identify potential quarry sites, and require contractors to conduct the necessary studies and obtain the required permits and licenses. 3. The clearing of trees and natural vegetation shall be discouraged. Temporary ditches and/or settling basins shall be dug to collect runoff water and to prevent erosion and contamination of 	<p>Incidents of quarrying in non-designated sites.</p> <p>Incidents of violations of sound environmental quarry practices.</p>	DPWH and contractors	Before, during and after construction	The cost of compliance with the requirements shall be included in the Contractor's rate for supplying materials; or priced in a separate Environmental

Issue	Objective	Target	Activity/Mitigation Measure	Indicator	Responsible Party	Timing	Cost
		conducted in designated quarry sites, with proper permits	<p>surface water.</p> <p>4. Ponding of water shall be prevented through temporary drains discharging to natural drainage channels.</p> <p>5. The site should be restored back to safe and ecologically sound conditions after quarrying has ceased (unless the quarry is to continue its operation). The site shall be left in a stable condition, without steep slopes. Stripped material shall be spread to stable contours in order to promote percolation and re-growth of natural vegetation and natural drainage. The site shall be drained, and no standing water shall remain.</p> <p>6. Extraction of rocks, gravel and sand from small rivers or streams shall be discouraged. If extraction is necessary, then the extraction points shall be spread out along the length of the river to minimize disruption in river flow and to prevent instability to embankments.</p> <p>7. The depth of material removal at any one location shall be limited, and extraction areas shall be selected where there is little fine material to be carried downstream.</p> <p>8. Local residents and water users shall be consulted to ensure that irrigation intakes, bunds and local fishing are not adversely impacted.</p>				Management and Restoration (Quarries) line item. For this line item, the Consultant will prepare technical specifications for which the Contractor will include a cost estimate.
Dust/air/noise Pollution	<p>To minimize the dust and smoke emissions</p> <p>To minimize</p>	Air quality should be within the limits allowed by the 1999 Philippine Clean	<p>1. All heavy equipment and machinery shall be well maintained and tested to ensure compliance with vehicular emission limits</p> <p>2. Mufflers shall be installed in all</p>	Complaints from the residents about dust or air pollution caused by the project.	Contractor	Monthly during construction at stations selected by the DENR or identified in the	All costs of complying with noise and air pollution from vehicles should

Issue	Objective	Target	Activity/Mitigation Measure	Indicator	Responsible Party	Timing	Cost
	noise generation and disturbance	Air Act at all times Disturbance to the community is minimal	equipment that can be fitted with them 3. Stockpiled sand and soil shall be slightly wetted before loading, particularly in windy conditions. 4. Vehicles transporting sand and soil shall be covered with a tarpaulin. Dirt and gravel roads through residential areas shall either be black-topped or surfaced with bamboo-reinforced concrete. 5. Blasting and the operation of heavy equipment shall be conducted only in daylight hours. 6. Vegetative buffer zones shall be maintained to protect populated and sensitive areas from road activities. 7. Spraying of bare areas with water. 8. Mixing equipment should be well sealed 9. Heavy equipment shall observe speed limits.	Visible dust caused by the construction operations. Air quality measurements Noise measurements during construction operations.		EIS	be borne by the Contractor.
Soil Erosion	To minimize soil erosion	No landslides or heavy scouring during the construction period. Slope protection measures are constructed in all areas prone to	1. Fill should be compacted properly in accordance with design standards 2. Unsuitable excavated materials should be removed from areas prone to erosion 3. Adopt slope protection measures like, gabions and mattresses, grouted riprap and other structures that will hold unstable soil. 4. Tree planting on road sides 5. Slopes shall be planted with appropriate vegetation as soon as possible using previously stockpiled topsoil. 6. In the short-term, either temporary or permanent drainage works shall protect	Number and extent of slope protection measures installed Sizes of areas planted with trees and vegetation. Incidents of landslides.	Contractor	During construction.	Costs of stabilizing exposed slopes through vegetation and structures shall be included in the Bill of Quantities. Costs should include maintenance and monitoring The contract for

DPWH ROW Procedural Manual

Issue	Objective	Target	Activity/Mitigation Measure	Indicator	Responsible Party	Timing	Cost
		erosion.	all areas susceptible to erosion. Measures shall be taken to prevent ponding of surface water and scouring of slopes. Newly eroded channels shall be backfilled and restored to natural contours.	Incidents of major scouring.			replanting and maintaining the trees or vegetation can be awarded to a local cooperative or NGO.
Traffic congestion	To minimize disturbance and accidents	Smooth and safe flow of traffic	1. Identify alternative routes for vehicles 2. Assign traffic enforcers	Traffic flow	Contractor	During construction	
Siltation	To minimize siltation and protect water quality	Minimal impact on receiving waters	1. Stockpiling of earth fill shall be placed away from drainage systems and water bodies and covered with suitable material during the rainy season 2. Spoils and other material shall not be stored where natural drainage will be disrupted.	Water quality parameters	Contractor	During construction	Minimal
Work Camp Operation and Location	To ensure that the operation of work camps does not adversely impact the surrounding environment and residents in the area.	Work camps are operated in accordance with DPWH requirements and sound environmental practices.	1. Identify location of work camps in cooperation with the LGU's. Camps should not be located near existing settlements or near drinking water supply intakes. Cutting of trees shall be avoided and removal of vegetation shall be minimized. 2. Adequate bathrooms, toilets and wash areas shall be provided for employees. Clean and sanitary kitchens, eating areas and sleeping quarters shall be provided. 3. No trees or vegetation should be cut for cooking. Poaching of wildlife and vegetation by workers should be strictly prohibited. 4. A sewage treatment system shall be in place to control sanitary and kitchen effluents. 5. Oil and lubricants (used or spent)	Incidents of non-compliance with DPWH requirements or sound environmental practices.	DPWH and LGUs for site selection and permitting; Contractor and Engineer.	Activity 1 before construction; Activity 2 to 8 During construction; Activity 9 to 11 after construction.	All items shall be at the Contractor's own expense

Issue	Objective	Target	Activity/Mitigation Measure	Indicator	Responsible Party	Timing	Cost
			<p>should be stored in covered, concrete-lined structures. Spent oil and lubricants shall be removed from the site by the Contractor in full compliance with the national and local regulations on hazardous waste. Oil waste must not be burned.</p> <p>6. Fuel storage tanks should be surrounded by concrete secondary containment with a capacity exceeding that of the tanks.</p> <p>7. Hazardous materials and wastes shall be stored on impervious ground under cover. The area shall be constructed as a spill tray to avoid spread of accidental spills. Safe ventilation of storage of volatile chemicals shall be provided. Access to areas containing hazardous substances shall be restricted and controlled.</p> <p>8. Solid waste shall be managed according to the national and local regulations. As a rule solid waste must not be dumped, buried or burned at or near the project site, but shall be disposed of to the nearest sanitary landfill or site having and complying with the necessary permits.</p> <p>9. The Contractor shall organize and maintain a waste separation, collection and transport system.</p> <p>10. The Contractor shall document that all liquid and solid hazardous and non-hazardous wastes are separated, collected and disposed according to the given requirements and regulations.</p> <p>11. At conclusion of the project, all wreckage, rubbish, or temporary works</p>				

Issue	Objective	Target	Activity/Mitigation Measure	Indicator	Responsible Party	Timing	Cost
			<p>that are no longer required shall be removed or given to local residents. All temporary structures, including office buildings, shelters and latrines, shall be removed to prevent encroachment within the road right-of-way. The site shall be restored to near natural, safe and stable conditions.</p> <p>12. Exposed areas shall be planted with suitable vegetation.</p> <p>13. The Engineer shall report in writing that the camp has been vacated and restored to pre-project conditions.</p>				
Health and Sanitation	To maintain sanitary conditions at the worksite	<p>No incidences of illnesses due to poor sanitation</p> <p>Adequate number of sanitary facilities</p> <p>No improper disposal of domestic waste</p>	<ol style="list-style-type: none"> 1. Install enough toilets, bathrooms and wash areas for workers and visitors. 2. Adopt system for garbage collection and treat the solid wastes. 	<p>Number of sanitary facilities</p> <p>Presence of a sewage treatment system</p> <p>Presence or absence of domestic waste at places other than at garbage bins or designated collection areas.</p> <p>Number of illnesses due to poor sanitation</p>	Contractor	During construction	The cost of complying with the requirements shall be at the Contractor's own expense and should be included in the day work rates for labor.
Occupational safety.	To ensure the safety of workers.	<p>Zero accidents at the site</p> <p>Readiness and rapid response to</p>	<ol style="list-style-type: none"> 1. Identify a safety officer who will provide guidance on safety and monitor compliance with guidelines 2. Provide adequate warning signs in risky areas. 	<p>Number of accidents</p> <p>Rate of compliance with</p>	Contractor.	During construction	<p>Provide makeshift bridge to detour the passing vehicles</p> <p>The cost of</p>

Issue	Objective	Target	Activity/Mitigation Measure	Indicator	Responsible Party	Timing	Cost
		accidents	<p>3. Provide workers with hard hats, gloves, safety shoes, hearing protection, eye protection and other personal protective equipment (PPE).</p> <p>4. The Contractor shall instruct his workers in health and safety matters, and require the workers to use the provided safety equipment.</p> <p>5. Establish all relevant safety measures as required by law and good engineering practices.</p>	<p>PPE use</p> <p>Presence of warning signs</p>			complying with the requirements shall be at the Contractor's own expense and should be included in the day work rates for labor.
Recruitment of labor for the construction works.	To ensure that the local communities will benefit from the project.	As a minimum, 70% of the unskilled labor and 30% of the skilled labor should be drawn from the local population	<p>1. Contractors should be advised of the DPWH requirement on local hiring.</p> <p>2. Prior to construction, an inventory of locally available skills should be conducted. The list of willing and able workers should be provided to the contractor.</p> <p>3. Food, office supplies, construction materials and services should be provided by local businesses whenever possible.</p> <p>4. In water deficient areas, the Contractor shall haul water from a source outside the area.</p> <p>5. After construction, all structures, unused materials, reusable scrap and other materials should be offered to the local community prior to disposal. This should not include hazardous materials.</p>	<p>Percentage of unskilled and skilled local people in the work force</p> <p>Amount of money paid to local suppliers and service providers</p>	Contractor	Activities 1 and 2 before construction; Activities 3 and 4 during construction; Activity 5 after construction.	The cost of complying with the requirements shall be at the Contractor's own expense and should be included in the day work rates for labor.

Appendix 22
Standard Environmental Monitoring Plan (EMoP) Template (a)

Parameter	Method and Scope	Location	Frequency	Responsible Party	Reference	Cost ©
Water quality: Color, turbidity, dissolved oxygen, BOD, Total dissolved and suspended solids	in situ (with water quality analyzer) and grab sampling	4-6 stations in water bodies crossing the project site (b)	Monthly	MMT	DENR Administrative Order No. 34 (1990)	
Water quality: Odor, color	Sensory	Receiving waters	Weekly	Contractor		
Air quality: Total suspended particulates (TSP), sulfur dioxide (SO ₂), nitrogen dioxide (NO ₂)	1999 Philippine Clean Air Act	Selected population centers near project site(b)	Monthly	MMT	1999 Philippine Clean Air Act	
Air quality: dust, visibility, watering of bare areas	Visual inspection	Bare areas	Daily to weekly during dry periods	Contractor	1999 Philippine Clean Air Act	
Noise and disturbance	Noise meter	Same as air quality sampling stations	Monthly	MMT	1978 NPCC Rules and Regulations	
	Sensory, complaints from residents	Closest homes	Weekly	Contractor		
Hiring of local workers	Inspection of records	Project site	Hiring periods; start of project stages	Contractor, MMT	D.O.	
Worker health and safety	Site inspection	Project site, workers' camp	Daily to weekly	Contractor	DOLE guidelines	Nil
Waste management	Site inspection	Project site, workers' camp and sensitive areas	Daily	Contractor	Solid Waste Act	Nil

Parameter	Method and Scope	Location	Frequency	Responsible Party	Reference	Cost ©
Hazardous materials handling	Visual inspection	Depot, fuel and material storage sites	Weekly	Contractor	RA 6969	Nil

Notes:

- (a) This EmoP should be revised as necessary to suit a project. Revisions should consider the scale of a project, the types of activities to be conducted, and the scoping requirements. This EmoP assumes project construction only.
- (b) Where possible, the EmoP should refer to specific locations identified in the EIS.
- (c) Fill in latest estimate of annual total for all stations.

Appendix 23
Screening Form Template
PROCEDURAL EVALUATION
(SCREENING PHASE)

Name of Proponent: _____

Address: _____

Name of Proposed Project: _____

Proposed Location: _____

EIS Preparer: _____

Date Submitted for Screening: _____

“MUST” Criteria	Yes	No	Remarks
COMMUNICATION OF RESULTS			
a) Table of Contents			
b) Presentation of Executive Summary in EIS which should include the following:			
• Brief description of the project Including Project Cost			
• Brief description of the data gathering: scope, duration/period, team, methodology (indicate whether data are primary or secondary)			
• Brief description of the project environment (focus on main conclusions and their basis)			
• Tabulated summary and discussion of major impacts, main mitigating measures, main components of the Environmental Management Plan			
• Tabulated summary of the Environmental Monitoring Plan			
c) Scoping Report			
• Validation Letter from EMB			
d) Process Documentation Summary			
e) Summary of Proof of Social Acceptability			
1.0 PROJECT DESCRIPTION			
1.1 Basic Project Information Statement of the official name of the project, address, telephone/fax number and project			

“MUST” Criteria	Yes	No	Remarks
officer responsible/liable for the EIS			
1.2 Project Location			
1.2.1 Identification of barangay, municipality/city, provincial and regional location of the project			
1.2.2 Presentation of maps of the following scale: national -- 1:250,000; regional -- 1:100,000; provincial -- 1:50,000; land use map -- 1:50,000; vicinity map / location map -- 1:10,000; showing title, legend, scale, project location and political boundaries; delineation of areas of primary and secondary impact areas			
1.3 Project Rationale			
1.4 Alternatives			
1.5 Description of Project Phases			
1.5.1 Pre-Operational / Construction Phase			
1.5.2 Operational Phase			
1.5.3 Abandonment Phase			
2.0 BASELINE ENVIRONMENTAL CONDITION/ASSESSMENT			
2.1 Land			
2.2 Water			
2.3 Air			
2.4 People			
2.5 Future Environmental Conditions Without the Project			
2.6 Future Environmental Conditions with the Project			
3.0 IMPACT and RISK ASSESSMENT (if required)			
3.1 Impact Identification			
3.2 Impact Prediction and Evaluation			
3.3 Impact Mitigation/Enhancement Plan			
3.4 Unavoidable and Residual Impacts (if any)			
4.0 ENVIRONMENTAL MANAGEMENT/MONITORING PLAN			
4.1 Mitigation/Enhancement Measures/Plan with Cost Estimate			
4.1.1 Construction Contractor’s Program			
4.1.2 Social Development Program			
4.1.3 Contingency Response Plan			
4.1.4 Abandonment Plan			
4.2 Environmental Monitoring Plan			
4.3 Institutional Plan			
4.4 Information Education Communication Plan			
Bibliography			

“MUST” Criteria	Yes	No	Remarks
Attachments or Annexes:			
a) Presentation of List of EIS Preparers with specified field of expertise			
b) Submission of original Sworn Accountability Statements of key EIS Consultants			
c) Submission of original Sworn Accountability Statements of EIS Proponent			
d) Summary of Proof of Social Acceptability			
<ul style="list-style-type: none"> • Municipal/Barangay resolution endorsing the project 			
<ul style="list-style-type: none"> • Endorsement letter of local NGOs/POs 			
<ul style="list-style-type: none"> • Signed contract between proponent and contractor(s) incorporating the mitigation and enhancement measures in the scope of work (if applicable) 			
<ul style="list-style-type: none"> • Draft Integrated MOA on Multi-partite monitoring team and Environmental Guarantee and Monitoring Funds (indicating proposed amounts and attach breakdown of estimated costs) 			
e) Scoping Report <ul style="list-style-type: none"> • Process Documentation Report or minutes of public consultations • Brief Description of Role of Stakeholders in EIA Study 			
f) Other Maps (scale of 1:60,000) and Figures (where applicable)			
Land and Project-Related Maps			
<ul style="list-style-type: none"> • Physical Plan/Site Development Map showing project components 			
<ul style="list-style-type: none"> • Process Flow Chart 			
<ul style="list-style-type: none"> • Topographic Map 			
<ul style="list-style-type: none"> • Slope Map 			
<ul style="list-style-type: none"> • Soil Erosion Map 			
<ul style="list-style-type: none"> • Soils and Land Management Unit Map 			
<ul style="list-style-type: none"> • Soil Fertility Map 			
<ul style="list-style-type: none"> • Land Use and Vegetation Map 			
<ul style="list-style-type: none"> • Laboratory Results of Soil Sample Analysis 			
Hazard and Geologic-Related Maps, Figures and other Annexes			
<ul style="list-style-type: none"> • Regional/General Geological Map 			
<ul style="list-style-type: none"> • Geological Cross-Sections 			

“MUST” Criteria	Yes	No	Remarks
• Sequence Stratigraphic Column of Rock Units			
• Geomorphological Map			
• g factor Contour Map for Rocks			
• g factor Contour Map for Medium Soils			
• Seismicity Map			
• Differential Settling Hazard Map			
• Natural Hazard Map			
• Flood Frequency and Rating Curves			
• Bathymetric and Morphostructural Map			
• Results of Petrographic and Mineragraphic Analyses			
• Results of Geochemical Analyses of Rock Samples			
Meteorological and Oceanographic Maps, Figures and Tables			
• Monthly Average Rainfall of the Area			
• Climatological Normals/Extremes			
• Wind Rose Diagrams			
• Frequency of Tropical Cyclones			
• Predicted Tides			
• 24-Hour Tidal Cycles			
• Rainfall Means, Standard Deviation and Amount for a Monthly Period equaled or exceeded at given probability levels			
• Characteristics of the Surface Current Flowing			
• Surface Current System			
<i>Hydrologic Maps, Figures and Tables</i>			
• Regional Hydrogeologic Map			
• Streamflow Measurements			
• Mean Monthly Flow Data			
• Flood Peaks and Volumes			
• Summary of Spring and Well Inventory			
• Water Supply and Demand Projections			
• Stormwater Flow Estimates			
Water Quality Assessment (pH, Temp, BOD, COD, SS, Color, Oil and Grease, Heavy Metals, etc.)			
• Physico-Chemical Characteristics of Wells and Springs			
• Physico-Chemical Characteristics of Inland Surface Waters			
• Physico-Chemical Characteristics of			

“MUST” Criteria	Yes	No	Remarks
Coastal Waters			
• Bacteriological Characteristics of Wells and Springs			
• Bacteriological Characteristics of Inland Surface Waters			
• Bacteriological Characteristics of Coastal Waters			
• Sampling Site Map			
<i>Air/Noise Quality Assessment</i>			
• Ambient Air Quality (TSP, SO _x , NO _x , PM10, etc.) 24-Hour Sampling			
• Noise Levels			
• Sampling Station Map			
• Air Dispersion Diagrams/Isophlet			
<i>Vegetation, Wildlife and Insect Profile</i>			
• Flora and Fauna Species Inventory or Survey			
• Summary of Endemicity/Conservation Status			
• Summary of Abundance, Frequency and Distribution			
• Site Observation Map			
• Transect Walk			
• Forest Stand and Stock Tables			
Coastal and Marine Environment Assessment			
• Densities of Seagrasses			
• Densities of Seaweeds			
• Above-ground biomass of Seagrasses			
• Population of Planktonic and Benthic Algae			
• Benthic Fauna Population or Density of Benthic Organisms			
• Abundance and Distribution of Hard/Soft Coral Genera			
• List of Fish Species/Estimated Biomass			
• Ranks and Proportion of Commercially & Non-commercially Important Indicator Species			
• Seabottom Cover Map showing Coral & Seagrass Beds			
• Sampling Site Map			
Socio-Economic & Cultural Environment			
• Settlement Map or Population			

“MUST” Criteria	Yes	No	Remarks
Distribution Map			
• Relocation Site Map			
• Population to be Directly Affected by the Project			
• Population by Barangay			
• Population Growth Rate			
• Number of Households and Household Size by Barangay			
• Land Area and Population Density by Barangay			
• Population by Sex Composition			
• Literacy of Household Population			
• Household Population by Highest Educational Attainment			
• Household Population by Employment Status			
• Main Sources of Income			
• Household Profile based on results of the Survey			
• Public Perception Survey			
• Women/IPs/Vulnerable Groups			
Human Health			
• Morbidity and Mortality Rates (Infants and Adults) from Direct Impact Areas			
• 5-Year Trend in Morbidity and Mortality			
• Notifiable Diseases in the Area including Endemic Diseases			
• Local Health Resources (Government and Private)			
• Environmental Health and Sanitation Profile: water supply, human excreta management, waste management and disposal systems and food hygiene			
• Identification of Health Hazards in each stage of the development project			
OTHER PERMITS or CLEARANCES			
• Land Title/Proof of Land Jurisdiction/ Occupancy Acquisition/Ownership			
• DAR Conversion Permit/DAR Exemption			
• DA Certificate of Viability for Conversion			
• PAWB Endorsement			
• Zoning Viability/Locational Clearance			

"MUST" Criteria	Yes	No	Remarks
• NWRB Water Use Permit/ Certificate of Water Availability			
• SEC Registration			
• Financial Statement for the last 5 years			
• MOA for Review Fund			
• Diskette/Video/Photographs			

ACTION TAKEN: (Please check to indicate corresponding action taken)

EIS Document accepted, please submit _____ copies

EIS Document not accepted

O.R. No. _____

Date _____

 (Signature over printed name)
SCREENING OFFICER
EIA Division, EMB
SCREENING OFFICE

NOTED BY:

 (Signature over printed name)

 DATE



Appendix 24
DENR ENFORM-1

DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

Region: _____

I. Name Proponent : _____

II. Address : _____

III. Project Name or Title : _____

IV. Project Location : (Attach location/vicinity map showing major landmarks of the site and adjacent areas)

Barangay : _____

Municipality : _____

Province : _____

V. Description of Project:

(Attach additional sheets, if necessary)

I hereby certify that the above information is true to my knowledge and I shall be held liable if found to be untrue.

Date Filed

Signature of Proponent or
Authorized Representative

Appendix 25

TEMPLATE TERMS OF REFERENCE FOR PROPERTY APPRAISAL SERVICES BY GFI/IPA

These Terms of Reference (TOR) shall serve as the basic guidelines for the provision to the DPWH Implementing Office (IO) of the services of a Government Financial Institution (GFI) or an Independent Property Appraiser (IPA) in determining the appropriate price of properties to be offered by the IO to the owners of the properties which are required as right-of-way (ROW) of an infrastructure project and which will be acquired through negotiated sale pursuant to the provisions of Section 6 of the Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 10752 (Right-of-Way Act):

1. Background:

- a. *Insert a brief description and map of the infrastructure project for which the ROW is required.*
- b. *Insert the Parcellary Survey Report for the project, indicating the properties affected by the ROW.*

2. Objectives of the Services [Include all that apply]:

- a. To determine the fair market value of the land, the replacement cost of structures/improvements, and the fair market value of crops and trees in the properties described above as affected by the ROW requirement of the project
- b. To recommend the appropriate price offer for negotiated sale of the affected properties based on the above.
- c. To provide technical assistance, if necessary, to the IO on the negotiated sale proceedings, and in administrative and judicial processes for other modes of ROW acquisition as needed, including the attendance therein of concerned GFI/IPA technical personnel.

3. Desired Outputs -The GFI/IPA is expected to deliver to the IO an Appraisal Report that contains the following *[Include all that apply]*:

- a. Basis of valuation, which shall be consistent with the standards and specifications provided in Section 4 of this TOR.
- b. Technical details and physical characteristics of the Properties affected by the ROW.
- c. Estimated market value of the land under consideration.
- d. Estimated replacement cost of structures and improvements therein.
- e. Estimated market value of crops and trees therein.
- f. Recommended total price offer for negotiated sale for the properties affected.

- g. Other reports/advisories needed in the negotiation proceedings.

The Appraisal Report must be signed by a Real Estate Appraiser duly licensed by the Professional Regulation Commission (PRC) and registered with the Professional Regulatory Board of Real Estate Service (PRBRES) pursuant to RA 9646 (Real Estate Service Act of the Philippines, 2009).

- 4. **Standards and Specifications** – In providing the services and delivering the desired outputs, the GFI/IPA shall use the Philippine Valuation Standards (PVS) and observe the following standards and specifications listed under Section 7 of RA 10752:

- a. The classification and use for which the property is suited.

This shall be based on, among other things, the latest approved land use plan and/or zoning ordinance, if any, of the city or municipality concerned.

- b. The development cost for improving the land.

This shall be based on, among other things, the records and estimates of the City or Municipal Assessor concerned, GFI or IPA for similar or comparable lands.

- c. The value declared by the owners.

This shall be based on the value shown in the owners' latest Tax Declaration Certificates or Sworn Statements.

- d. The current selling price of similar lands in the vicinity.

This shall be based on, among other things, the latest records on Deeds of Sale for similar lands in the office of the Register of Deeds concerned.

- e. The reasonable disturbance compensation for the removal and/or demolition of certain improvements on the land and for the value of improvements thereon.

This shall consider, among other things, the replacement cost of improvements at current market prices as provided in Section 6.6 of this IRR.

- f. The size, shape or location, tax declaration and zonal valuation of the land.

These shall be based on, among other things, the latest records on Deeds of Sale in the Register of Deeds, tax declaration by the City or Municipal assessor, zonal valuation of the BIR for comparable properties.

- g. The price of the land as manifested in the ocular findings, oral as well as documentary evidence presented.

- h. Such facts and events so as to enable the affected property owners to have sufficient funds to acquire similarly situated lands of approximate areas as those required from them by the government, and thereby rehabilitate themselves as early as possible.

5. **Duration of Services and Timetable for Delivery of Outputs and Payment of Fees** – The GFI/IPA shall perform the services and deliver the said outputs to the IO within *[insert number of calendar days]* days from its receipt of the IO’s Notice to Proceed for the Memorandum of Agreement *[in the case of a GFI]* or Contract Agreement *[in the case of an IPA]* for these services, and according to the following schedule *[Note: Entries below are illustrative examples only]*):

Phases	Timeline	Deliverables	Schedule of Payment of Fee
Pre-Project Start-up	1 st Week	Planning Framework <ul style="list-style-type: none"> - Gathering of documents: Project Layout/ Survey Plans, Parcellary Plans, Title and Tax Declaration per lot, etc - Conferences/meetings - Confirmation of Proposal - Consolidation and review of documents 	
Pre-Site Visit	2 nd Week	Site Familiarization <ul style="list-style-type: none"> - Meetings with Barangay Officials - Establishment of Field Office - Pre-Site Inspection - Securing Other References (Tax Map/ Tax Declaration) from the Assessors 	
	End of 2 nd Week	Submission of Inception Report to IO – including initial observations and program of activities	15% of Total Fee
On-Site Investigation and Analysis	3 rd & 4 th Weeks	Property Identification and Site Analysis <ul style="list-style-type: none"> - Identification of each property on ground versus plans submitted, including its location, accessibility, terrain, developments and improvements thereon. - Definition of physical features of improvements and their conditions and measurements. - Counts of considerable trees within each affected lot and other structures on site. - Investigation, queries and validation of current prices of lots and sold properties in the project vicinity. - Canvas of current construction costs - materials, labor, equipment, and indirect costs- in the locality. 	
On Site Validation of Ownership	5 th Week	Documentation of Properties Affected <ul style="list-style-type: none"> -Securing or verification of documents (Titles) with Registry of Deeds and other agencies concerned 	
Off Site Evaluation and Drafting of Appraisal Report	6 th & 7 th Weeks	Write-ups and Preparation of Draft Final Appraisal Report <ul style="list-style-type: none"> - Consolidation and analysis of gathered data and information. - Establishing benchmarks of valuation and calculations of market values and replacement costs per property - Composition and printing of Draft Report - Reproduction of gathered documents for attachments. - Compilation of write-ups and attachments for submission. 	
	End of 7 th Week	Submission of Draft Final Appraisal Report to IO – including estimated market values of lots, crops and trees, and replacement costs of structures and improvements	50% of Total Fee
Finalization	8 th and 9 th	Preparation of Revised Final Appraisal Report	

Phases	Timeline	Deliverables	Schedule of Payment of Fee
of Appraisal Report	Weeks	- Preparation of Revised Draft Report considering comments of IO. - Refinements of detailed data and supporting documents - Reproduction of Final Reports – 6 copies	
	End of 9 th Week	Submission of Revised Final Appraisal Report to IO - including estimated market values of lots, crops and trees, and replacement costs of structures and improvements	35% of Total Fee

6. *[If IO is engaging a GFI]* **Qualification of GFI** – The GFI must meet the following criteria to qualify for the consulting services:
- a. The GFI has the mandate to deliver the property appraisal services required by the IO.
 - b. The GFI has the absorptive capacity to perform the required appraisal services, i.e., it has adequate personnel and resources to carry out the services in accordance with this TOR, after considering the requirements of its existing workload and commitments.
 - c. The GFI must actually undertake the required appraisal services by administration using its own in-house manpower and resources.
 - d. The GFI must assign a Real Estate Appraiser duly licensed by the PRC and registered with the PRBRES pursuant to RA 9646.
7. *[If IO is engaging an IPA]* **Qualification of IPA**- The IPA must meet the following criteria to qualify for the consulting services:
- a. The IPA must be in the list of the Bangko Sentral ng Pilipinas (BSP) or a professional association of appraisers recognized by the BSP, provided, that an IPA not yet included in the list shall not be barred from joining the procurement for such services; and provided further that, prior to award of the contract, such IPA shall be required to submit a proof that they are already included in the list.
 - b. The IPA must comply with the experience and other eligibility requirements provided in RA 9184 and its IRR, including the registration and license required for a Real Estate Appraiser.

Appendix 26

Format of Approved Budget for the Contract (ABC) for GFI/IPA Appraisal Services

Note: Entries are examples only

Name and Location of Project: Construction of XYZ Road, x km, XXXXXX City

Brief Description of Services: Appraisal, including mapping and valuation of assets affected by the Right-of-Way of the Project in accordance with the Terms of Reference (TOR).

Work Items:

- I. Field survey and inventory of all assets - land, structures/improvements/, and crops/trees - affected by the Project.
- II. Assessment and valuation of all affected assets using acceptable guidelines and regulations in accordance with the TOR.
- III. Mapping and preparation of database of assets
- IV. Research on market values of land, replacement costs of structures/improvement at current prices, and market values of crops/trees.
- V. Preparation of reports

Cost Items:

I. Manpower

	<u>No.</u>	<u>Man-Days</u>	<u>Rate/Day</u>	<u>Total Amount</u>	<u>Base</u>
Project Leader/Appraiser	1	60	xxxxxx	xxxxxx	Quezon City
GIS Mapper/Cartographer	1	60	xxxxxx	xxxxxx	Quezon City
Researcher	1	30	xxxxxx	xxxxxx	Tacloban
Survey Coordinator/Encoder	2	60	xxxxxx	xxxxxx	Tacloban
Field Guide	1	60	xxxxxx	xxxxxx	Tacloban
Total				xxxxxx	

II. Equipment and Materials

Vehicle rental
 Survey Instruments - GPS, camera, etc.
 Supplies for Reports, including maps

III. Transportation and Accommodations

Air fare as applicable
 Accommodation rental
 Per diems as applicable

IV. Other Items

Appendix 27

FORM OF MEMORANDUM OF AGREEMENT WITH GFI FOR PROPERTY APPRAISAL SERVICES

KNOW ALL MEN BY THESE PRESENTS:

This MEMORANDUM OF AGREEMENT, hereinafter called the “MOA,” made this _____ day of _____ *month*, _____ *year*, by and between:

The DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS, a National Government Agency, represented herein by _____, duly authorized for this purpose, with main office address at _____, and hereinafter referred to as the “DPWH;”

-and-

_____, a Government Financial Institution, represented herein by _____, duly authorized for this purpose, with main office address at _____, and hereinafter referred to as the “GFI;”

WITNESSETH:

WHEREAS, the DPWH desires that a Government Financial Institution provide Real Property Appraisal Services, hereinafter called the “Services,” in accordance with the attached Terms of Reference (TOR), to be used as a basis for the acquisition of Right-of-Way (ROW) for the infrastructure project entitled _____; and

WHEREAS, the DPWH has accepted the bid of the GFI for the execution of the Services in consideration of a Total Fee of _____ Philippine Pesos (PhP _____).

NOW, THEREFORE, for and consideration of the foregoing premises, the Parties hereto agree as follows:

1. The following documents shall be attached, deemed to form, and be read and construed as part of this MOA, to wit:
 - a. TOR
 - b. Request for Proposal
 - c. GFI’s Technical and Financial Proposals
 - d. Notice of Award and GFI’s conforme thereto

2. In consideration of the Total Fee mentioned above to be paid by the DPWH to the GFI, the IPA hereby covenants with the DPWH to execute and complete the Services and remedy any defects therein in conformity with the provisions of this MOA in all respects.

3. The DPWH hereby covenants to pay the GFI in consideration of the execution and completion of the Services, the abovementioned Total Fee at the times and in the manner prescribed in the TOR.

IN WITNESS WHEREOF, the Parties hereto set their respective hands on the day, month and year first above written.

DPWH:

GFI:

Represented by:

Represented by:

Witnessed by:

Republic of the Philippines)
PROVINCE of _____) s.s.

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in _____ personally appeared _____, representing the DPWH, with Government ID No. _____ issued at _____ on _____, and _____, representing the GFI, with Government ID No. _____, issued at _____ on _____, known to me and to me known to be the same persons who executed the foregoing MOA and acknowledged to me that the same is their free and voluntary act and deed.

This MOA consists of two pages, including this page on which this acknowledgement is written, duly signed by the authorized representatives of the DPWH and the GFI and their witnesses on the spaces provided for their signatures on each and every page thereof.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal this ____, day of _____, 20__ at _____.

Notary Public
Until December 31, 20____
PTR No. _____
Issued on _____ at _____

Doc. No. : _____
Page No. : _____
Book No. : _____
Series of 20_____

Appendix 28

FORM OF CONTRACT AGREEMENT WITH IPA FOR PROPERTY APPRAISAL SERVICES

KNOW ALL MEN BY THESE PRESENTS:

This CONTRACT AGREEMENT, made this _____ day of month, year, by and between:

The DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS, a National Government Agency, represented herein by _____, duly authorized for this purpose, with main office address at _____, and hereinafter referred to as the "DPWH;"

-and-

_____, an Independent Property Appraiser, which is a single proprietorship/partnership/corporation/joint venture organized and existing under and by virtue of laws of the Republic of the Philippines, represented herein by _____, duly authorized for this purpose, with main office address at _____, and hereinafter referred to as the "IPA;"

WITNESSETH:

WHEREAS, the DPWH desires that an Independent Property Appraiser provide Real Property Appraisal Services, hereinafter called the "Services," in accordance with the attached Terms of Reference (TOR), to be used as a basis for the acquisition of Right-of-Way (ROW) for the infrastructure project entitled _____; and

WHEREAS, the DPWH has accepted the bid of the IPA for the execution of the Services in consideration of a Total Fee of _____ Philippine Pesos (PhP _____).

NOW, THEREFORE, for and consideration of the foregoing premises, the Parties hereto agree as follows:

1. The following documents shall be attached, deemed to form, and be read and construed as part of this Agreement, to wit:
 - a. Terms of Reference (TOR)
 - b. Request for Proposal
 - c. IPA's Technical and Financial Proposals
 - d. Notice of Award of Contract and IPA's conforme thereto
2. In consideration of the Total Fee mentioned above to be paid by the DPWH to the IPA, the IPA hereby covenants with the DPWH to execute and complete the Services and remedy any defects therein in conformity with the provisions of this CONTRACT AGREEMENT in all respects.

- 3. The DPWH hereby covenants to pay the IPA in consideration of the execution and completion of the Services, the abovementioned Total Fee at the times and in the manner prescribed by the TOR.

IN WITNESS WHEREOF, the Parties hereto set their respective hands on the day, month and year first above written.

DPWH:

IPA:

Represented by:

Represented by:

Witnessed by:

Republic of the Philippines)
PROVINCE of _____) s.s.

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in _____ personally appeared _____, representing the DPWH, with Government ID No. _____ issued at _____ on _____, and _____, representing the IPA, with Government ID No. _____, issued at _____ on _____, known to me and to me known to be the same persons who executed the foregoing CONTRACT AGREEMENT and acknowledged to me that the same is their free and voluntary act and deed.

This CONTRACT AGREEMENT consists of two pages, including this page on which this acknowledgement is written, duly signed by the authorized representatives of the DPWH and the IPA and their witnesses on the spaces provided for their signatures on each and every page thereof.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal this ____, day of _____, 20__ at _____.

Notary Public
Until December 31, 20____
PTR No. _____
Issued on _____ at _____

Doc. No. : _____
Page No. : _____
Book No. : _____
Series of 20 _____

Appendix 29

DEED OF DONATION OF REAL PROPERTY

KNOW ALL MEN BY THESE PRESENTS:

This Deed of Donation, made and executed by and between:

Name of Property Owner], Filipino, of legal age, single (or married to _____), and a resident at _____, hereinafter called the “DONOR;”

in favor of

the Republic of the Philippines, represented herein by Name of Representative, Representative’s Position, of Representative’s Office, duly authorized by the Secretary of the Department of Public Works and Highways, hereinafter called the “DONEE;”

WITNESSETH:

That the DONOR is the owner in fee simple of a certain parcel of land (with the building or house and improvements thereon, if there are any), hereinafter called the “Property,” situated at Barangay _____, Municipality of _____, Province of _____, Philippines, covered by Transfer (or Original) Certificate of Title No. _____ of the Registry of Deeds, needed by the Government for the right-of-way of the Name of Project, and which Property is more particularly described as follows:

[Technical Description of the Property]

That, for and in consideration of the improvement to be made by the DONEE in the premises, and as an act of cooperation, liberality, and generosity, the DONOR hereby voluntarily and unconditionally transfers and conveys, by way of DONATION, unto the DONEE, its executors and/or administrators, all his (her) rights, title, and interests on the Property, with all the improvements found thereon, free from all liens and encumbrances;

That the DONOR hereby states, for the purpose of giving full effect and validity to this donation, that he (or she) has reserved for himself (or herself) in full ownership (or in usufruct), sufficient property which is necessary and adequate to support him (or her) in a manner appropriate to his (or her) needs and in consonance with his (or her) standing in the community;

That the DONOR further states, that this donation is not made with the purpose of defrauding his (or her) creditors, having reserved to himself (or herself) enough and sufficient property to answer for his debts and meet his just obligations contracted prior to this date;

That the DONEE hereby receives and accepts this donation made in his favor by the DONOR, and hereby expresses his appreciation and gratitude for the generosity and civic mindedness of the DONOR.

IN WITNESS WHEREOF, the DONOR and the DONEE have hereunto affixed their signatures this ___ day of _____, 20__ at _____.

DONOR:

[Signature]

[Name]

Accepted by DONEE:

[Signature of Representative]

[Name of Representative]

[Position and Office]

Signed in the presence of:

Republic of the Philippines)

PROVINCE of _____) s.s.

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in _____ personally appeared _____, DONOR, with Government ID No. _____, issued at _____ on _____, and _____, representing the Republic of the Philippines, DONEE, with Government ID No. _____ issued at _____ on _____, and _____, known to me and to me known to be the same persons who executed the foregoing Deed of Donation, and acknowledged to me that the same is their free and voluntary act and deed.

This Deed of Donation consists of three (3) pages, including this page on which this Acknowledgement is written, duly signed by the DONOR and the DONEE and their witnesses on the spaces provided for their signatures on each and every page thereof.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal this ____, day of _____, 20__ at _____.

Notary Public

Until December 31, 20__

PTR No. _____

Issued on _____ at _____

Doc. No. : _____

Page No. : _____

Book No. : _____

Series of 20_____

Appendix 30

AGREEMENT TO DEMOLISH AND REMOVE IMPROVEMENTS (ADRI)

KNOW ALL MEN BY THESE PRESENTS:

This Agreement, made and executed by and between:

the Republic of the Philippines, represented herein by *[Name of Representative]*, *[Representative's Position]*, of *[Representative's Office]*, duly authorized by the Secretary of the Department of Public Works and Highways, hereinafter called the FIRST PARTY,

and

[Name of Property Owner], Filipino, of legal age, single (or married to _____), and a resident at _____, hereinafter called the SECOND PARTY;

WITNESSETH:

WHEREAS, the FIRST PARTY will implement the *[name of Project]*, which will *[partially/ totally]* affect the following improvements of the SECOND PARTY which are within the defined right-of-way (ROW) of the Project:

Description of Improvement	Size Affected
<i>e.g., House, two storeys, made of concrete and wood</i>	<i>e.g., 120 sq. m of floor area</i>
<i>e.g., Concrete Hollow Block (CHB) wall, 2 m high</i>	<i>e.g., 100 m</i>

WHEREAS, the SECOND PARTY is the true, lawful, and absolute owner in fee simple of the abovementioned improvements, as evidenced by Tax Declaration No. _____, a photocopy of which is attached and made an integral part hereof;

WHEREAS, the Parties have entered into a Deed of Absolute Sale (DAS), a copy of which is attached and made an integral part hereof, which Deed provides the following, among others:

- a. For and in consideration of the Total Price indicated in the said DAS, to be paid by the FIRST PARTY to the SECOND PARTY in accordance with the schedule provided in the DAS, the SECOND PARTY hereby sells, transfers, and conveys to the FIRST PARTY the improvements listed above;
- b. The FIRST PARTY shall pay the said Total Price to the SECOND PARTY in accordance with the following schedule:
 - (1) First payment - to be made upon the execution of the DAS – equivalent to seventy percent (70%) of the said Total Price, minus the corresponding Capital Gains Tax and any unpaid Real Property Taxes of the SECOND PARTY as hereinafter provided.

- (2) Second and final payment - to be made (a) at the time of the transfer of the Title to the land in the name of the Republic of the Philippines, in case the land is wholly affected or (b) at the time of the annotation of the DAS on the Title to the land, in case the land is partially affected, provided that the land is already completely cleared of the said improvements, as certified by the Head of the Implementing Agency for the Project - equivalent to the remaining thirty percent (30%) of the said Total Price, minus the corresponding Capital Gains Tax and any unpaid Real Property Taxes of the SECOND PARTY as hereinafter provided.

NOW THEREFORE, for and in consideration of the foregoing premises, the Parties hereby agree on the following:

- a. The SECOND PARTY shall completely demolish and remove the improvements listed above within _____ days from receipt of the first payment mentioned above.
- b. If the SECOND PARTY chooses to retain the salvaged materials of the improvements, no salvage value shall be deducted from the final payment.

IN WITNESS WHEREOF, the parties hereunto have hereto affixed their signatures this ___ day of _____, 20__ at _____.

FIRST PARTY:

SECOND PARTY:

REPUBLIC OF THE PHILIPPINES

PROPERTY OWNER

By:

[Signature of Representative]
[Name of Representative]
[Position and Office]

[Signature]
[Name]

Signed in the presence of:

Republic of the Philippines)
PROVINCE of _____) s.s.

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in _____ personally appeared _____, representing the Republic of the Philippines (FIRST PARTY), with Government ID No. _____ issued at _____ on _____, and _____, Property Owner (SECOND PARTY), with Government ID No. _____, issued at _____ on _____, known to me and to me known to be the same persons who executed the foregoing Agreement for Demolition and

DPWH ROW Procedural Manual

Removal of Improvements (ADRI) and acknowledged to me that the same is their free and voluntary act and deed.

This Agreement consists of three pages, including this page on which this acknowledgement is written, duly signed by the FIRST PARTY's duly authorized representative and the SECOND PARTY and their witnesses on the spaces provided for their signatures on each and every page thereof.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal this ____, day of _____, 20__ at _____.

Notary Public
Until December 31, 20____
PTR No. _____
Issued on _____ at _____

Doc. No. : _____
Page No. : _____
Book No. : _____
Series of 20_____

Appendix 31

DEED OF EXCHANGE

KNOW ALL MEN BY THESE PRESENTS:

This Deed of Absolute Sale, made and executed by and between:

the Republic of the Philippines, represented herein by *[Name of Representative]*, *[Representative's Position]*, of *[Representative's Office]*, duly authorized by the Secretary of the Department of Public Works and Highways, hereinafter called the FIRST PARTY,

and

[Name of Property Owner], Filipino, of legal age, single (or married to _____), and a resident at _____, hereinafter called the SECOND PARTY;

WITNESSETH:

WHEREAS, the FIRST PARTY is the absolute owner in fee simple of that certain parcel of land (and improvements thereon, if there are any) situated at Barangay _____, Municipality of _____, Province of _____, Philippines, containing an area of _____ square meters, more or less, covered by Transfer (or Original) Certificate of Title No. _____ of the Registry of Deeds, more particularly described as follows:

[Technical Description of the Property]

WHEREAS, the SECOND PARTY is the absolute owner in fee simple of that certain parcel of land (and improvements thereon, if there are any) situated at Barangay _____, Municipality of _____, Province of _____, Philippines, which will be affected by *[Name of Project]*, and identified as Lot No. _____ containing an area of _____ square meters, more or less, and covered by Transfer (or Original) Certificate of Title No. _____ of the Registry of Deeds, more particularly described as follows:

[Technical Description of the Property]

WHEREAS, the two Parties are willing and agreeable to exchange their respective properties as described above; and

WHEREAS, the proposed exchange is to the mutual advantage of the two Parties, considering that their respective properties are deemed to be of equal values;

NOW, THEREFORE, for and in consideration of the foregoing premises and pursuant to the provisions of Republic Act No. 926, the Parties hereto mutually agree as follows:

1. The FIRST PARTY does by these presents transfer and convey by way of exchange unto the SECOND PARTY, his (or her/their) heirs, executors, and assigns, all the rights and appurtenances thereunto belonging or in anywise appertaining to the SECOND PARTY,

free from all liens, charges, or encumbrances whatsoever, its property herein described, subject, however, to existing public roads and public utility easements, and further agrees to shoulder the expenses relative to the registration of this instrument;

- 2. The SECOND PARTY, in consideration of the transfer made to him (or her/them) by the FIRST PARTY, does by these presents hereby transfer and convey by way of exchange unto the FIRST PARTY, its successors, administrators, and assigns, his (or her, or their) property herein described.

IN WITNESS WHEREOF, the parties hereto have hereunto affixed their signatures as follows:

FIRST PARTY:

SECOND PARTY:

REPUBLIC OF THE PHILIPPINES

PROPERTY OWNER

By:

[Signature of Representative]
[Name of Representative]
[Position and Office]

[Signature]
[Name]

Signed in the presence of:

APPROVED:

By Authority of the President:

Office of the President of the Philippines

Republic of the Philippines)
PROVINCE of _____) s.s.

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in _____ personally appeared _____, representing the Republic of the Philippines (FIRST PARTY), with Government ID No. _____ issued at _____ on _____, and _____, Property Owner (SECOND PARTY), with Government ID No. _____, issued at _____ on _____, known to me and to me known to be the same persons who executed the foregoing Deed of Exchange and acknowledged to me that the same is their free and voluntary act and deed.

DPWH ROW Procedural Manual

This Deed of Exchange consists of four pages, including this page on which this acknowledgement is written, duly signed by the FIRST PARTY's duly authorized representative and the SECOND PARTY and their witnesses on the spaces provided for their signatures on each and every page thereof.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal this ____, day of _____, 20__ at _____.

Notary Public
Until December 31, 20____
PTR No. _____
Issued on _____ at _____

Doc. No. : _____
Page No. : _____
Book No. : _____
Series of 20_____

Appendix 32

AGREEMENT FOR RIGHT-OF-WAY EASEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Agreement for Road Right-Of-Way Easement, made and executed by and between:

the Republic of the Philippines, represented herein by [Name of Representative], [Representative's Position], of [Representative's Office], duly authorized by the Secretary of the Department of Public Works and Highways, hereinafter called the FIRST PARTY,

and

[Name of Property Owner], Filipino, of legal age, single (or married to _____), and a resident at _____, hereinafter called the SECOND PARTY;

WITNESSETH:

WHEREAS, the FIRST PARTY will implement the [name of Road Project], hereinafter called the Project;

WHEREAS, the Project will pass over and affect a _____ square-meter portion of the Property of the SECOND PARTY, a certain parcel of land including the structures, improvements, crops and trees therein, situated at Barangay _____, City/Municipality of _____, Province of _____, acquired by him (or her/them) through _____, bounded by the following:

On the North, by the property of _____,
On the East, by the property of _____,
On the South, by the property of _____,
On the West, by the property of _____,

[if the land is registered] containing an area of _____ square meters, more or less, registered with the Registry of Deeds of _____ as Lot No. _____, Block No. _____, Plan No. _____ under Transfer (or Original) Certificate of Title No. _____ in the name of _____;

[if the land is not registered] containing an area of _____ square meters, more or less, declared in said municipality under Tax Declaration No. _____ (page no. _____, for the year _____, copy attached), with an assessed value of Pesos _____ (PhP _____), in the name of _____, who is (or was, whichever is applicable) its present (or former) owner, and with the following person(s) presently in possession (or occupation) as lessee (or mortgagee, etc., as applicable):

NOW THEREFORE, for and in consideration of the construction and maintenance of said road by the FIRST PARTY, and of the payment to the SECOND PARTY of the sum of Pesos

_____ (PhP_____), (at PhP_____ per square meter) as compensation or liquidated damages for the use and occupancy of said land and as full payment for the portion thereof, with the road right-of-way as finally determined, and of the other stipulations herein contained, the Parties hereto agree as follows:

1. The SECOND PARTY hereby approves and consents to the implementation of the Project over and through his (or her/their) land herein described and specified, and grants and cedes unto the FIRST PARTY a perpetual easement of right-of-way of _____ square meters in width over and through said land for the Project road, giving unto the FIRST PARTY the right to enter therein and to make such surveys as may be necessary to determine and locate the line and course of Project road and to undertake the related construction and maintenance works for it. The FIRST PARTY shall exercise exclusive rights within and over the area embraced by the boundary lines of said road right-of-way, as shown in the following sketch, until released in writing by and in its discretion:

[Sketch]

Area of portion included in the road right-of-way: _____ square meters

2. The FIRST PARTY agrees to remove, at its own expense, all fences, house, (*mention other structures as necessary*), and similar improvements situated within the _____ square meters road right-of-way, and to rebuild the same outside the boundary lines of said road right-of-way in, at least, as good as the conditions they were before being removed, or to make due and appropriate compensation therefor, including fruit-bearing trees and growing crops, as agreed upon by the parties thereto, but not to exceed the rate fixed by the Municipal (or City) Assessor as established by Executive Order No. 1035, series or 1985.
3. In the event it becomes necessary or advisable to alter or change the course of said Project road (realignment), the FIRST PARTY shall have the right to utilize such other portions (or the remaining portions) of the land and improvements thereon belonging to the SECOND PARTY, as may be necessary for that purpose, subject to the same rights, privileges, and compensation as set out in the preceding paragraphs hereof and upon the terms and conditions herein.
4. If the SECOND PARTY has no other land for the realignment, and the area required and described in the first paragraph is no longer needed by the FIRST PARTY after it has made payment to the SECOND PARTY, the SECOND PARTY has the option to repossess the area upon refund of the payment made by the FIRST PARTY.
5. If the SECOND PARTY fails to return or refund the amount he (or she/they) has received from the FIRST PARTY within two (2) years after receipt of the FIRST PARTY's written notice of its abandonment of the area and its demand for the refund or return of the amount it has paid therefor, ownership over the abandoned area shall automatically vest on the FIRST PARTY.

IN WITNESS WHEREOF, the parties hereunto have hereto affixed their signatures this ____ day of _____, 20__ at _____.

FIRST PARTY:

SECOND PARTY:

REPUBLIC OF THE PHILIPPINES

PROPERTY OWNER

By:

[Signature of Representative]
[Name of Representative]
[Position and Office]

[Signature]
[Name]

Signed in the presence of:

Republic of the Philippines)
PROVINCE of _____) s.s.

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in _____ personally appeared _____, representing the Republic of the Philippines (FIRST PARTY), with Government ID No. _____ issued at _____ on _____, and _____, Property Owner (SECOND PARTY), with Government ID No. _____, issued at _____ on _____, known to me and to me known to be the same persons who executed the foregoing Agreement for Road Right-Of-Way Easement and acknowledged to me that the same is their free and voluntary act and deed.

This Agreement for Road Right-Of-Way Easement consists of four pages, including this page on which this acknowledgement is written, duly signed by the FIRST PARTY's duly authorized representative and the SECOND PARTY and their witnesses on the spaces provided for their signatures on each and every page thereof.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal this ____, day of _____, 20__ at _____.

Notary Public
Until December 31, 20____
PTR No. _____
Issued on _____ at _____

Doc. No. : _____
Page No. : _____
Book No. : _____
Series of 20_____

Appendix 33

PERMIT TO ENTER

Date: _____

I, _____, of legal age and single/married, with residence address at _____, as the registered owner of a parcel of land situated in Barangay _____, City/Municipality of _____, Province of _____, the title thereto being evidenced by Original Certificate of Title/Transfer Certificate of Title/EP/CLOA/Tax Declaration No. _____, issued by the Assessor's Office of _____, hereby irrevocably, unconditionally and absolutely authorize, permit, and allow the Republic of the Philippines, acting by and through the Department of Public Works and Highways (DPWH), its successors' and assigns, contractors and subcontractors, and agents and representatives, unimpeded entry and unlimited access to the said parcel of land and to conduct and undertake surveying, clearing and removal of structures, improvements, crops, trees, and other items therein, soil tests and other engineering investigations, design, pre-construction and actual construction activities as well as other activities needed for or related to the design and implementation of the DPWH Project entitled _____.

Name and Signature of Landowner

Attested by:

DPWH ROW Engineer

Appendix 34

DEED OF ABSOLUTE SALE FOR LAND, STRUCTURES/IMPROVEMENTS, AND CROPS/TREES (Capital Asset)

KNOW ALL MEN BY THESE PRESENTS:

This Deed of Absolute Sale, made and executed by and between:

the Republic of the Philippines, through the Department of Public Works and Highways, duly represented herein by its *[Representative's Position]*, *[Name of Representative]*, hereinafter called the FIRST PARTY,

and

[Name of Property Owner], Filipino, of legal age, single (or married to _____), and a resident at _____, hereinafter called the SECOND PARTY;

WITNESSETH:

WHEREAS, the FIRST PARTY will implement the *[name of Project]*, hereinafter called the Project;

WHEREAS, the Project will affect a _____ square-meter portion of the Property of the SECOND PARTY, a certain parcel of land including the structures, improvements, crops and trees therein, situated at Barangay _____, City/Municipality of _____, Province of _____, Philippines (herein referred to as the Affected Property), and more particularly described as follows:

[Technical description of the affected portion of the Property covered by this Deed]

WHEREAS, the SECOND PARTY, being the true, lawful, and absolute owner in fee simple of the Affected Property herein described, covered by Transfer (or Original) Certificate of Title No. _____ of the Registry of Deeds, a photocopy of which is attached and made an integral part hereof, hereby concede(s) to absolutely and irrevocably sell, transfer, and convey to the FIRST PARTY the said _____ square-meter Affected Property, including the structures, improvements, crops and trees therein, such improvements being covered by Tax Declaration No. ____ in the name of the SECOND PARTY, a photocopy of which is attached and made an integral part hereof; and

WHEREAS, the FIRST PARTY hereby agrees to buy the said Affected Property, including the structures, improvements, crops and trees therein, at the Total Price and under the terms and conditions set forth hereinafter;

NOW, THEREFORE, pursuant to Republic Act No. 10752 (Right-of-Way Act), for and in consideration of the Total Price of Philippine Pesos _____ (PhP_____), exclusive of Value Added Tax, which Total Price shall be paid by the FIRST PARTY to the SECOND PARTY in accordance with the schedule provided below, the

SECOND PARTY hereby sells, transfers, and conveys to the FIRST PARTY the said _____ square-meter Affected Property described herein, including the structures, improvements, crops and trees therein, free and clear of all liens and encumbrances, or claims whatsoever, except those already annotated and appearing at the back of the Certificate of Title upon execution of this Deed, and is, and shall continue to be, not subject to any claim, set-off, or defense which will prevent the FIRST PARTY from obtaining absolute ownership in fee simple over the said affected portion of the Property and full possession of the same.

The said consideration or Total Price of Philippine Pesos _____ (PhP _____) is the sum of the following components:

- a. Price of the Affected Land: Philippine Pesos _____ (PhP _____).
- b. Price of the Affected Structures and Improvements: Philippine Pesos _____ (PhP _____).
- c. Price of the Affected Crops and Trees: Philippine Pesos _____ (PhP _____).

The FIRST PARTY shall pay the said consideration or Total Price to the SECOND PARTY in accordance with the following schedule:

- a. First payment --- to be made upon the execution of this Deed --- covering the sum of the following amounts, less any unpaid Real Property Taxes on the Affected Property that are due as of the end of the quarter covering this Deed of Absolute Sale, as hereinafter provided:
 - (1) Fifty percent (50%) of the abovementioned Price of the Affected Land, or Philippine Pesos _____ (PhP _____).
 - (2) Seventy percent (70%) of the abovementioned Price of the Affected Structures and Improvements, or Philippine Pesos _____ (PhP _____).
 - (3) Seventy percent (70%) of the abovementioned Price of the Affected Crops and Trees, or Philippine Pesos _____ (PhP _____).
- b. Second and final payment --- to be made (a) at the time of the transfer of the Title in the name of the Republic of the Philippines, in case the land is wholly affected or (b) at the time of the annotation of this Deed on the Title, in case the land is partially affected, provided that the land is already completely cleared of structures, improvements, crops and trees, as certified by the Head of the Implementing Agency (IA) for the Project --- in the following amounts, less any unpaid Real Property Taxes, as hereinafter provided:
 - (1) Remaining fifty percent (50%) of the abovementioned Price of the Affected Land, or Philippine Pesos _____ (PhP _____).
 - (2) Remaining thirty percent (30%) of the abovementioned Price of the Affected Structures and Improvements, or Philippine Pesos _____ (PhP _____).
 - (3) Remaining thirty percent (30%) of the abovementioned Price of the Affected Crops and Trees, or Philippine Pesos _____ (PhP _____).

Pursuant to R.A. 10752, the FIRST PARTY shall remit to the Bureau of Internal Revenue (BIR), for the account of the SECOND PARTY, the Capital Gains Tax due on the sale of the Affected

Land, to be funded from appropriate funds of the FIRST PARTY outside the said consideration or Total Price of the Affected Land.

The FIRST PARTY shall remit to the Local Government Unit concerned any unpaid Real Property Taxes of the SECOND PARTY, as deducted from the said amount of consideration or Total Price.

The FIRST PARTY shall pay the corresponding Documentary Stamp Tax to the BIR, Transfer Tax to the Provincial/City Treasurer's Office, and Registration Fees to the Register of Deeds, to be funded from appropriate funds of the FIRST PARTY outside the said amount of consideration or Total Price.

The FIRST PARTY shall undertake the survey of the Property for the purpose of separating and annotating the purchased portion from the main lot, and shall bear the expenses that shall be incurred therein.

The SECOND PARTY warrants that the Property is not involved in any pending or threatened litigation or case brought before a court or any administrative body. Moreover, the SECOND PARTY undertakes to defend, at his own cost and without recourse to the FIRST PARTY, title to the Property subject of this Deed, from any and all claims not annotated on his Certificate of Title.

Upon the signing of this Deed of Absolute Sale, the FIRST PARTY has the right to immediately enter the said Affected Property and implement the Project.

Upon making the first payment to the SECOND PARTY as provided above, and upon due notice to the SECOND PARTY, the FIRST PARTY has the right to demolish and remove the said structures, improvements, crops and trees within the affected portion of the Property.

Upon receipt of full payment of the abovementioned consideration or Total Price, the SECOND PARTY is lawfully and perpetually seized from any and all his/her rights, titles, and interests over the said affected portion of the Property.

IN WITNESS WHEREOF, the FIRST and SECOND PARTIES have hereunto affixed their signatures this ___ day of _____, 20__ at _____.

FIRST PARTY:

SECOND PARTY:

REPUBLIC OF THE PHILIPPINES

PROPERTY OWNER

By:

[Signature of Representative]
[Name of Representative]
[Position and Office]

[Signature]
[Name]

Signed in the presence of:

Republic of the Philippines)
PROVINCE of _____) s.s.

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in _____ personally appeared _____, representing the Republic of the Philippines (FIRST PARTY), with Government ID No. _____ issued at _____ on _____, and _____, Property Owner (SECOND PARTY)'s duly authorized representative, with Government ID No. _____, issued at _____ on _____, known to me and to me known to be the same persons who executed the foregoing Deed of Absolute Sale and acknowledged to me that the same is their free and voluntary act and deed.

This Deed of Absolute Sale consists of five pages, including this page on which this acknowledgement is written, duly signed by the FIRST PARTY's duly authorized representative, the SECOND PARTY('s duly authorized representative), and their witnesses on the spaces provided for their signatures on each and every page thereof.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal this ____, day of _____, 20__ at _____.

Notary Public
Until December 31, 20____
PTR No. _____
Issued on _____ at _____

Doc. No. : _____
Page No. : _____
Book No. : _____
Series of 20_____

Appendix 35

DEED OF ABSOLUTE SALE FOR LAND, STRUCTURES/IMPROVEMENTS, AND CROPS/TREES (Ordinary Asset)

KNOW ALL MEN BY THESE PRESENTS:

This Deed of Absolute Sale, made and executed by and between:

the Republic of the Philippines, through the Department of Public Works and Highways, duly represented herein by its [Representative's Position], [Name of Representative], hereinafter called the FIRST PARTY,
and

[Name of Property Owner], Filipino, of legal age, single (or married to _____), and a resident at _____, hereinafter called the SECOND PARTY;

WITNESSETH:

WHEREAS, the FIRST PARTY will implement the [name of Project], hereinafter called the Project;

WHEREAS, the Project will affect a _____ square-meter portion of the Property of the SECOND PARTY, a certain parcel of land including the structures, improvements, crops and trees therein, situated at Barangay _____, City/Municipality of _____, Province of _____, Philippines (herein referred to as the Affected Property), and more particularly described as follows:

[Technical description of the affected portion of the Property covered by this Deed]

WHEREAS, the SECOND PARTY, being the true, lawful, and absolute owner in fee simple of the Affected Property herein described, covered by Transfer (or Original) Certificate of Title No. _____ of the Registry of Deeds, a photocopy of which is attached and made an integral part hereof, hereby concede(s) to absolutely and irrevocably sell, transfer, and convey to the FIRST PARTY the said _____ square-meter Affected Property, including the structures, improvements, crops and trees therein, such improvements being covered by Tax Declaration No. ____ in the name of the SECOND PARTY, a photocopy of which is attached and made an integral part hereof; and

WHEREAS, the FIRST PARTY hereby agrees to buy the said Affected Property, including the structures, improvements, crops and trees therein, at the Total Price and under the terms and conditions set forth hereinafter;

NOW, THEREFORE, pursuant to Republic Act No. 10752 (Right-of-Way Act), for and in consideration of the Total Price of Philippine Pesos _____ (PhP _____), exclusive of Value Added Tax, which Total Price shall be paid by the FIRST PARTY to the SECOND PARTY in accordance with the schedule provided below, the SECOND PARTY hereby sells, transfers, and conveys to the FIRST PARTY the said _____ square-meter Affected Property described herein, including the structures, improvements, crops

and trees therein, free and clear of all liens and encumbrances, or claims whatsoever, except those already annotated and appearing at the back of the Certificate of Title upon execution of this Deed, and is, and shall continue to be, not subject to any claim, set-off, or defense which will prevent the FIRST PARTY from obtaining absolute ownership in fee simple over the said affected portion of the Property and full possession of the same.

The said consideration or Total Price of Philippine Pesos _____ (PhP _____) is the sum of the following components:

- a. Price of the Affected Land: Philippine Pesos _____ (PhP _____).
- b. Price of the Affected Structures and Improvements: Philippine Pesos _____ (PhP _____).
- c. Price of the Affected Crops and Trees: Philippine Pesos _____ (PhP _____).

The FIRST PARTY shall pay the said consideration or Total Price to the SECOND PARTY in accordance with the following schedule:

- a. First payment --- to be made upon the execution of this Deed --- covering the sum of the following amounts, less any unpaid Real Property Taxes on the Affected Property that are due as of the end of the quarter covering this Deed of Absolute Sale, as hereinafter provided:
 - (4) Fifty percent (50%) of the abovementioned Price of the Affected Land, or Philippine Pesos _____ (PhP _____).
 - (5) Seventy percent (70%) of the abovementioned Price of the Affected Structures and Improvements, or Philippine Pesos _____ (PhP _____).
 - (6) Seventy percent (70%) of the abovementioned Price of the Affected Crops and Trees, or Philippine Pesos _____ (PhP _____).
- b. Second and final payment --- to be made (a) at the time of the transfer of the Title in the name of the Republic of the Philippines, in case the land is wholly affected or (b) at the time of the annotation of this Deed on the Title, in case the land is partially affected, provided that the land is already completely cleared of structures, improvements, crops and trees, as certified by the Head of the Implementing Agency (IA) for the Project --- in the following amounts, less any unpaid Real Property Taxes, as hereinafter provided:
 - (1) Remaining fifty percent (50%) of the abovementioned Price of the Affected Land, or Philippine Pesos _____ (PhP _____).
 - (2) Remaining thirty percent (30%) of the abovementioned Price of the Affected Structures and Improvements, or Philippine Pesos _____ (PhP _____).
 - (3) Remaining thirty percent (30%) of the abovementioned Price of the Affected Crops and Trees, or Philippine Pesos _____ (PhP _____).

Pursuant to R.A. 10752, the FIRST PARTY shall remit to the Bureau of Internal Revenue (BIR), for the account of the SECOND PARTY, the Value Added Tax and Expanded Withholding Tax due on the sale of the Affected Land, to be funded from appropriate funds of the FIRST PARTY outside the said consideration or Total Price of the Affected Land.

The FIRST PARTY shall remit to the Local Government Unit concerned any unpaid Real Property Taxes of the SECOND PARTY, as deducted from the said amount of consideration or Total Price.

The FIRST PARTY shall pay the corresponding Documentary Stamp Tax to the BIR, Transfer Tax to the Provincial/City Treasurer's Office, and Registration Fees to the Register of Deeds, to be funded from appropriate funds of the FIRST PARTY outside the said amount of consideration or Total Price.

The FIRST PARTY shall undertake the survey of the Property for the purpose of separating and annotating the purchased portion from the main lot, and shall bear the expenses that shall be incurred therein.

The SECOND PARTY warrants that the Property is not involved in any pending or threatened litigation or case brought before a court or any administrative body. Moreover, the SECOND PARTY undertakes to defend, at his own cost and without recourse to the FIRST PARTY, title to the Property subject of this Deed, from any and all claims not annotated on his Certificate of Title.

Upon the signing of this Deed of Absolute Sale, the FIRST PARTY has the right to immediately enter the said Affected Property and implement the Project, without due notice to the SECOND PARTY.

Upon making the first payment to the SECOND PARTY as provided above, the FIRST PARTY has the right to demolish and remove the said structures, improvements, crops and trees within the affected portion of the Property.

Upon receipt of full payment of the abovementioned consideration or Total Price, the SECOND PARTY is lawfully and perpetually seized from any and all his/her rights, titles, and interests over the said affected portion of the Property.

IN WITNESS WHEREOF, the FIRST and SECOND PARTIES have hereunto affixed their signatures this ___ day of _____, 20__ at _____.

FIRST PARTY:

SECOND PARTY:

REPUBLIC OF THE PHILIPPINES

PROPERTY OWNER

By:

[Signature of Representative]
[Name of Representative]
[Position and Office]

[Signature]
[Name]

Signed in the presence of:

Republic of the Philippines)
PROVINCE of _____) s.s.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in _____ personally appeared _____, representing the Republic of the Philippines (FIRST PARTY), with Government ID No. _____ issued at _____ on _____, and _____, Property Owner (SECOND PARTY)'s duly authorized representative, with Government ID No. _____, issued at _____ on _____, known to me and to me known to be the same persons who executed the foregoing Deed of Absolute Sale and acknowledged to me that the same is their free and voluntary act and deed.

This Deed of Absolute Sale consists of four pages, including this page on which this acknowledgement is written, duly signed by the FIRST PARTY's duly authorized representative, the SECOND PARTY(s duly authorized representative), and their witnesses on the spaces provided for their signatures on each and every page thereof.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal this ____, day of _____, 20__ at _____.

Notary Public
Until December 31, 20____
PTR No. _____
Issued on _____ at _____

Doc. No. : _____
Page No. : _____
Book No. : _____
Series of 20_____

Appendix 36

**EXTRA JUDICIAL SETTLEMENT OF ESTATE
WITH DEED OF ABSOLUTE SALE**

KNOW ALL MEN BY THESE PRESENTS:

THIS EXTRAJUDICIAL SETTLEMENT OF ESTATE WITH DEED OF ABSOLUTE SALE, made and executed by:

(NAME OF HEIR), of legal age, Filipino, single/married to _____, and resident of _____;

(NAME OF HEIR), of legal age, Filipino, single/married to _____, and resident of _____; and

(NAME OF HEIR), of legal age, Filipino, single/married to _____, and resident of _____;

(Herein represented by (Name of Representative) or FIRST PARTY)

and

the Republic of the Philippines, through the Department of Public Works and Highways, duly represented herein by its [Representative's Position], [Name of Representative], hereinafter referred to as the SECOND PARTY;

W I T N E S S E T H, that:

WHEREAS (NAME OF PROPERTY OWNER) (the "Decedent") died on _____ in _____, Philippines;

WHEREAS (NAME OF HEIR), (NAME OF HEIR), (NAME OF HEIR) are the legitimate children of the (PROPERTY OWNER), and his/her only surviving heirs;

WHEREAS (NAME OF PROPERTY OWNER) died intestate and without leaving any debts whatsoever;

WHEREAS (NAME OF PROPERTY OWNER) died leaving a parcel of land located at _____, covered by OCT/TCT No. _____ of the Registry of Deeds of _____, a copy of which is attached and made an integral part hereof, hereinafter referred to as the PROPERTY, more particularly described as follows:

TCT NO. _____

[Technical description]

WHEREAS, the SECOND PARTY will implement the [name of Project], hereinafter called the Project, which will affect a _____ square-meter portion of the PROPERTY, hereinafter called the AFFECTED LAND, and more particularly described as follows:

[Technical description of the Affected Land under this Deed]

WHEREAS, the FIRST PARTY, being the true, lawful, and absolute owner in fee simple of the PROPERTY herein described, hereby agree and concede to absolutely and irrevocably sell, transfer, and convey to the SECOND PARTY the said _____ square-meter AFFECTED LAND;

WHEREAS, the SECOND PARTY hereby agrees to buy the said AFFECTED LAND at the Total Price and under the terms and conditions set forth hereinafter;

NOW, THEREFORE, pursuant to Republic Act No. 10752 (Right-of-Way Act), for and in consideration of the Total Price of the Affected Land of Philippine Pesos _____ (PhP _____), to be paid by the SECOND PARTY to the FIRST PARTY in accordance with the schedule provided below, the FIRST PARTY hereby sells, transfers, and conveys to the SECOND PARTY the said AFFECTED LAND described herein, free and clear of all liens and encumbrances, or claims whatsoever, except those already annotated and appearing at the back of the Certificate of Title upon the execution of this Deed, and is, and shall continue to be, not subject to any claim, set-off, or defense which will prevent the SECOND PARTY from obtaining absolute ownership in fee simple over the said Affected Land and full possession of the same;

The SECOND PARTY shall pay the said Total Price of the AFFECTED LAND to the FIRST PARTY in accordance with the following schedule:

- a. First payment --- to be made upon the execution of this Deed --- equivalent to fifty percent (50%) of the said Total Price of the Affected Land, or Philippine Pesos _____ (PhP _____), less any unpaid Real Property Taxes on the Affected Land that are due as of the end of the quarter covering this Deed of Absolute Sale, as well as Estate Tax due from the HEIRS/FIRST PARTY.
- b. Second and final payment --- to be made (a) at the time of the transfer of the title in the name of the Republic of the Philippines, in case the land is wholly affected, or (b) at the time of the annotation of this Deed on the title, in case the land is partially affected, less any unpaid Real Property Tax, provided that the land is already completely cleared of structures, improvements, crops and trees, as certified by the Head of the Implementing Agency (IA) for the Project --- equivalent to the remaining fifty percent (50%) of the said Total Price of the Affected Land, or Philippine Pesos _____ (PhP _____), less any unpaid Real Property Taxes.

Pursuant to RA 10752, the SECOND PARTY shall remit to the Bureau of Internal Revenue (BIR), for the account of the FIRST PARTY, the Capital Gains Tax due on the sale of the

AFFECTED LAND, to be funded from appropriate funds of the SECOND PARTY outside the said consideration or Total Price of the AFFECTED LAND.

The SECOND PARTY shall remit to the BIR the Estate Taxes due from the FIRST PARTY, as deducted from the said consideration or Total Price of the AFFECTED LAND.

The SECOND PARTY shall remit to the Local Government Unit concerned any unpaid Real Property Taxes on the PROPERTY, as deducted from the said consideration or Total Price of the AFFECTED LAND.

The SECOND PARTY shall pay the corresponding Documentary Stamp Tax to the BIR, Transfer Tax to the Provincial/City Treasurer's Office, and Registration Fees to the Register of Deeds, to be funded from appropriate funds of the SECOND PARTY outside the said consideration or Total Price of the AFFECTED LAND.

The SECOND PARTY shall undertake the survey of the PROPERTY for the purpose of separating and annotating the purchased portion from the main lot, and shall bear the expenses that shall be incurred therein.

The FIRST PARTY warrants that the said PROPERTY is not involved in any pending or threatened litigation or case brought before a court or any administrative body. Moreover, the FIRST PARTY undertakes to defend, at his own cost and without recourse to the SECOND PARTY, title to the Property subject of this Deed, from any and all claims not annotated on his Certificate of Title.

Upon the signing of this Deed of Absolute Sale, the SECOND PARTY has the right to immediately enter the said AFFECTED LAND and implement the Project.

Upon receipt of full payment of the abovementioned consideration or Price of the Affected Land, the FIRST PARTY is lawfully and perpetually seized from any and all his/her rights, titles, and interests over the said AFFECTED LAND.

Notwithstanding the foregoing, the PARTIES understand that this EXTRAJUDICIAL SETTLEMENT WITH DEED OF ABSOLUTE SALE is subject to the liabilities imposed by the provisions of RULE 74, sec. 4 of the Rules of Court regarding the rights of any person, heir or creditor who might have been deprived of his or her lawful participation in the estate of the said deceased and who may appear within a period of TWO (2) years from the time of settlement and distribution of the Decedent's estate.

Meantime, pursuant to Sec. 1, Rule 74 of the Revised Rules of Court of the Philippines, the HEIRS agree to divide, as they do hereby divide and adjudicate, the proceeds of the sale of the AFFECTED LAND, as well as divide among themselves, the remaining unsold portion of the PROPERTY in the following manner:

- (Name of Heir) – share
- (Name of Heir) - share
- (Name of Heir) - share

The PARTIES hereby affirm that they have executed this instrument out of their own free will without force, intimidation or violence upon their person, and that they have hereby received their just and proper share and have no more claim or demand against each other in connection with the adjudication of the above-described real property;

WITNESS OUR HAND this _____ at the City of _____, Philippines.

FIRST PARTY/HEIRS:

SECOND PARTY:

REPUBLIC OF THE PHILIPPINES

By:

[Signature of Representative]
[Name of Representative]
[Position and Office]

Signed in the presence of:

Republic of the Philippines)
PROVINCE of _____) s.s.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in _____ personally appeared:

Name Government ID
(Name of Representative of the FIRST PARTY
The SECOND PARTY

known to me and to me known to be the same persons who executed the foregoing Extrajudicial Settlement of Estate with Deed of Absolute Sale, and acknowledged to me that the same is their free and voluntary act and deed.

This Extrajudicial Settlement of Estate with Deed of Absolute Sale consists of four pages, including this page on which this acknowledgement is written, duly signed by the FIRST PARTY, the duly authorized representative of the SECOND PARTY, and their witnesses, on the spaces provided for their signatures on each and every page thereof.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal this ____, day
of _____, 20__ at _____.

Notary Public
Until December 31, 20____
PTR No. _____
Issued on _____ at _____

Doc. No. : _____
Page No. : _____
Book No. : _____
Series of 20 _____

Appendix 37

DEED OF ABSOLUTE SALE FOR LAND ONLY (Capital Asset)

KNOW ALL MEN BY THESE PRESENTS:

This Deed of Absolute Sale, made and executed by and between:

the Republic of the Philippines, through the Department of Public Works and Highways, duly represented herein by its [Representative's Position], [Name of Representative], hereinafter called the FIRST PARTY,

and

[Name of Property Owner], Filipino, of legal age, single (or married to _____), and a resident at _____, hereinafter called the SECOND PARTY;

WITNESSETH:

WHEREAS, the FIRST PARTY will implement the [name of Project], hereinafter called the Project;

WHEREAS, the Project will affect a _____ square-meter portion of the Property of the SECOND PARTY, a certain parcel of land, situated at Barangay _____, City/Municipality of _____, Province of _____, Philippines, hereinafter called the "Affected Land" and more particularly described as follows:

[Technical description of the Affected Land under this Deed]

WHEREAS, the SECOND PARTY, being the true, lawful, and absolute owner in fee simple of the Property herein described, covered by Transfer (or Original) Certificate of Title No. _____ of the Registry of Deeds, a photocopy of which is attached and made an integral part hereof, hereby concede(s) to absolutely and irrevocably sell, transfer, and convey to the FIRST PARTY the said _____ square-meter Affected Land; and

WHEREAS, the FIRST PARTY hereby agrees to buy the said Affected Land at the Total Price and under the terms and conditions set forth hereinafter;

NOW, THEREFORE, pursuant to Republic Act No. 10752 (Right-of-Way Act), for and in consideration of the Total Price of the Affected Land of Philippine Pesos _____ (PhP_____), to be paid by the FIRST PARTY to the SECOND PARTY in accordance with the schedule provided below, the SECOND PARTY hereby sells, transfers, and conveys to the FIRST PARTY the said Affected Land described herein, free and clear of all liens and encumbrances, or claims whatsoever,

except those already annotated and appearing at the back of the Certificate of Title upon the execution of this Deed, and is, and shall continue to be, not subject to any claim, set-off, or defense which will prevent the FIRST PARTY from obtaining absolute ownership in fee simple over the said Affected Land and full possession of the same;

The FIRST PARTY shall pay the said Total Price of the Affected Land to the SECOND PARTY in accordance with the following schedule:

- a. First payment --- to be made upon the execution of this Deed --- equivalent to fifty percent (50%) of the said Total Price of the Affected Land, or Philippine Pesos _____ (PhP _____), less any unpaid Real Property Taxes on the Affected Land that are due as of the end of the quarter covering this Deed of Absolute Sale.
- b. Second and final payment --- to be made (a) at the time of the transfer of the title in the name of the Republic of the Philippines, in case the land is wholly affected, or (b) at the time of the annotation of this Deed on the title, in case the land is partially affected, provided that the land is already completely cleared of structures, improvements, crops and trees, as certified by the Head of the Implementing Agency (IA) for the Project --- equivalent to the remaining fifty percent (50%) of the said Total Price of the Affected Land, or Philippine Pesos _____ (PhP _____), less any unpaid Real Property Taxes.

Pursuant to R.A. 10752, the FIRST PARTY shall remit to the Bureau of Internal Revenue (BIR), for the account of the SECOND PARTY, the Capital Gains Tax due on the sale of the Affected Land, to be funded from appropriate funds of the FIRST PARTY outside the said consideration or Total Price of the Affected Land.

The FIRST PARTY shall remit to the Local Government Unit concerned any unpaid Real Property Taxes of the SECOND PARTY, as deducted from the said consideration or Total Price of the Affected Land.

The FIRST PARTY shall pay the corresponding Documentary Stamp Tax to the BIR, Transfer Tax to the Provincial/City Treasurer's Office, and Registration Fees to the Register of Deeds, to be funded from appropriate funds of the FIRST PARTY outside the said consideration or Total Price of the Affected Land.

The FIRST PARTY shall undertake the survey of the Property for the purpose of separating and annotating the purchased portion from the main lot, and shall bear the expenses that shall be incurred therein.

The SECOND PARTY warrants that the said Property is not involved in any pending or threatened litigation or case brought before a court or any administrative body. Moreover, the SECOND PARTY undertakes to defend, at his own cost and without recourse to the FIRST PARTY, title to the Property subject of this Deed, from any and all claims not annotated on his Certificate of Title.

Upon the signing of this Deed of Absolute Sale, the FIRST PARTY has the right to immediately enter the said Affected Land and implement the Project without due notice to the SECOND PARTY.

Upon receipt of full payment of the abovementioned consideration or Price of the Affected Land, the SECOND PARTY is lawfully and perpetually seized from any and all his/her rights, titles, and interests over the said Affected Land.

IN WITNESS WHEREOF, the FIRST and SECOND PARTIES have hereunto affixed their signatures this ___ day of _____, 20__ at _____.

FIRST PARTY:

SECOND PARTY:

REPUBLIC OF THE PHILIPPINES

PROPERTY OWNER

By:

[Signature of Representative]
[Name of Representative]
[Position and Office]

[Signature]
[Name]

Signed in the presence of:

Republic of the Philippines)
PROVINCE of _____) s.s.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in _____ personally appeared _____, representing the Republic of the Philippines (FIRST PARTY), with Government ID No. _____ issued at _____ on _____, and _____, Property Owner (SECOND PARTY) ('s duly authorized representative), with Government ID No. _____, issued at _____ on _____, known to me and to me known to be the same persons who executed the foregoing Deed of Absolute Sale and acknowledged to me that the same is their free and voluntary act and deed.

This Deed of Absolute Sale consists of four pages, including this page on which this acknowledgement is written, duly signed by the FIRST PARTY's duly authorized representative, the SECOND PARTY('s duly authorized representative), and their witnesses, on the spaces provided for their signatures on each and every page thereof.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal this ____, day of _____, 20__ at _____.

Notary Public
Until December 31, 20____
PTR No. _____
Issued on _____ at _____

Doc. No. : _____
Page No. : _____
Book No. : _____
Series of 20 _____

Appendix 38

DEED OF ABSOLUTE SALE FOR LAND ONLY (Ordinary Asset)

KNOW ALL MEN BY THESE PRESENTS:

This Deed of Absolute Sale, made and executed by and between:

the Republic of the Philippines, through the Department of Public Works and Highways, duly represented herein by its [Representative's Position], [Name of Representative], hereinafter called the FIRST PARTY,

and

[Name of Property Owner], Filipino, of legal age, single (or married to _____), and a resident at _____, hereinafter called the SECOND PARTY;

WITNESSETH:

WHEREAS, the FIRST PARTY will implement the [name of Project], hereinafter called the Project;

WHEREAS, the Project will affect a _____ square-meter portion of the Property of the SECOND PARTY, a certain parcel of land, situated at Barangay _____, City/Municipality of _____, Province of _____, Philippines, hereinafter called the "Affected Land" and more particularly described as follows:

[Technical description of the Affected Land under this Deed]

WHEREAS, the SECOND PARTY, being the true, lawful, and absolute owner in fee simple of the Property herein described, covered by Transfer (or Original) Certificate of Title No. _____ of the Registry of Deeds, a photocopy of which is attached and made an integral part hereof, hereby concede(s) to absolutely and irrevocably sell, transfer, and convey to the FIRST PARTY the said _____ square-meter Affected Land; and

WHEREAS, the FIRST PARTY hereby agrees to buy the said Affected Land at the Total Price and under the terms and conditions set forth hereinafter;

NOW, THEREFORE, pursuant to Republic Act No. 10752 (Right-of-Way Act), for and in consideration of the Total Price of the Affected Land of Philippine Pesos _____ (PhP _____), exclusive of Value Added Tax, to be paid by the FIRST PARTY to the SECOND PARTY in accordance with the schedule provided below, the SECOND PARTY hereby sells, transfers, and conveys to the FIRST PARTY the said Affected Land described herein, free and clear of all liens and

encumbrances, or claims whatsoever, except those already annotated and appearing at the back of the Certificate of Title upon the execution of this Deed, and is, and shall continue to be, not subject to any claim, set-off, or defense which will prevent the FIRST PARTY from obtaining absolute ownership in fee simple over the said Affected Land and full possession of the same;

The FIRST PARTY shall pay the said Total Price of the Affected Land to the SECOND PARTY in accordance with the following schedule:

- a. First payment --- to be made upon the execution of this Deed --- equivalent to fifty percent (50%) of the said Total Price of the Affected Land, or Philippine Pesos _____ (PhP _____), less any unpaid Real Property Taxes on the Affected Land that are due as of the end of the quarter covering this Deed of Absolute Sale.
- b. Second and final payment --- to be made (a) at the time of the transfer of the title in the name of the Republic of the Philippines, in case the land is wholly affected, or (b) at the time of the annotation of this Deed on the title, in case the land is partially affected, less any unpaid Real Property Taxes provided that the land is already completely cleared of structures, improvements, crops and trees, as certified by the Head of the Implementing Agency (IA) for the Project --- equivalent to the remaining fifty percent (50%) of the said Total Price of the Affected Land, or Philippine Pesos _____ (PhP _____), less the Expanded Withholding Tax, which is for the account of the SECOND PARTY, and less any unpaid Real Property Taxes.

The FIRST PARTY shall remit to the BIR, for the account of the SECOND PARTY, the corresponding Value Added Tax and Expanded Withholding Tax on the sale of the Affected Land.

The FIRST PARTY shall remit to the Local Government Unit concerned any unpaid Real Property Taxes of the SECOND PARTY, as deducted from the said consideration or Total Price of the Affected Land.

The FIRST PARTY shall pay the corresponding Documentary Stamp Tax to the BIR, corresponding Transfer Tax to the Provincial/City Treasurer's Office, and Registration Fees to the Register of Deeds, to be funded from appropriate funds of the FIRST PARTY outside the said consideration or Total Price of the Affected Land.

The FIRST PARTY shall undertake the survey of the Property for the purpose of separating and annotating the purchased portion from the main lot, and shall bear the expenses that shall be incurred therein.

The SECOND PARTY warrants that the said Property is not involved in any pending or threatened litigation or case brought before a court or any administrative body. Moreover, the SECOND PARTY undertakes to defend, at his own cost and without recourse to the FIRST PARTY, title to the Property subject of this Deed, from any and all claims not annotated on his Certificate of Title.

Upon the signing of this Deed of Absolute Sale, the FIRST PARTY has the right to immediately enter the said Affected Land and implement the Project without due notice to the SECOND PARTY.

Upon receipt of full payment of the abovementioned consideration or Price of the Affected Land, the SECOND PARTY is lawfully and perpetually seized from any and all his/her rights, titles, and interests over the said Affected Land.

IN WITNESS WHEREOF, the FIRST and SECOND PARTIES have hereunto affixed their signatures this ___ day of _____, 20__ at _____.

FIRST PARTY:

SECOND PARTY:

REPUBLIC OF THE PHILIPPINES

PROPERTY OWNER

By:

[Signature of Representative]
[Name of Representative]
[Position and Office]

[Signature]
[Name]

Signed in the presence of:

Republic of the Philippines)
PROVINCE of _____) s.s.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in _____ personally appeared _____, representing the Republic of the Philippines (FIRST PARTY), with Government ID No. _____ issued at _____ on _____, and _____, Property Owner (SECOND PARTY) ('s duly authorized representative), with Government ID No. _____, issued at _____ on _____, known to me and to me known to be the same persons who executed the foregoing Deed of Absolute Sale and acknowledged to me that the same is their free and voluntary act and deed.

This Deed of Absolute Sale consists of four pages, including this page on which this acknowledgement is written, duly signed by the FIRST PARTY's duly authorized representative, the SECOND PARTY('s duly authorized representative), and their witnesses, on the spaces provided for their signatures on each and every page thereof.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal this ____, day
of _____, 20__ at _____.

Notary Public
Until December 31, 20____
PTR No. _____
Issued on _____ at _____

Doc. No. : _____
Page No. : _____
Book No. : _____
Series of 20 _____

Appendix 39

**AGREEMENT TO DEMOLISH, REMOVE, AND RECONSTRUCT IMPROVEMENTS
(ADRR)**

KNOW ALL MEN BY THESE PRESENTS:

This Agreement, made and executed by and between:

the Republic of the Philippines, represented herein by [Name of Representative], [Representative's Position], of [Representative's Office], duly authorized by the Secretary of the Department of Public Works and Highways, hereinafter called the FIRST PARTY,

and

[Name of Property Owner], Filipino, of legal age, single (or married to _____), and a resident at _____, hereinafter called the SECOND PARTY;

WITNESSETH:

WHEREAS, the FIRST PARTY will implement the [name of Project], which will [partially/ totally] affect the following improvements of the SECOND PARTY which are within the defined right-of-way (ROW) of the Project:

Description of Improvement	Size Affected
<i>e.g., House, two storeys, made of concrete and wood</i>	<i>e.g., 120 sq. m of floor area</i>
<i>e.g., Concrete Hollow Block (CHB) wall, 2 m high</i>	<i>e.g., 100 m</i>

WHEREAS, the SECOND PARTY is the true, lawful, and absolute owner in fee simple of the abovementioned improvements, as evidenced by Tax Declaration No. _____, a photocopy of which is attached and made an integral part hereof;

WHEREAS, the SECOND PARTY hereby consents and binds himself (or herself/themselves) to demolish, remove, transfer, and reconstruct the above-listed improvements outside the road right-of-way of the abovementioned Project;

WHEREAS, the SECOND PARTY agrees that the basis for the determination of just compensation for the property acquired shall be governed by the provisions of Republic Act 10752 and its Implementing Rules and Regulations; and

WHEREAS, the Parties have entered into a Deed of Absolute Sale (DAS), a copy of which is attached and made an integral part hereof, which Deed provides the following, among others:

- a. For and in consideration of the Total Price indicated in the said DAS, to be paid by the FIRST PARTY to the SECOND PARTY in accordance with the schedule provided in the DAS, the SECOND PARTY hereby sells, transfers, and conveys to the FIRST PARTY the improvements listed above;
- b. The FIRST PARTY shall pay the said Total Price to the SECOND PARTY in accordance with the following schedule:
 - (1) First payment - to be made upon the execution of the DAS – equivalent to seventy percent (70%) of the said Total Price, minus the corresponding Capital Gains Tax and any unpaid Real Property Taxes of the SECOND PARTY as hereinafter provided.
 - (1) Second and final payment - to be made (a) at the time of the transfer of the Title to the land in the name of the Republic of the Philippines, in case the land is wholly affected or (b) at the time of the annotation of the DAS on the Title to the land, in case the land is partially affected, provided that the land is already completely cleared of the said improvements, as certified by the Head of the Implementing Agency for the Project - equivalent to the remaining thirty percent (30%) of the said Total Price, minus the corresponding Capital Gains Tax and any unpaid Real Property Taxes of the SECOND PARTY as hereinafter provided.

NOW THEREFORE, for and in consideration of the foregoing premises, the Parties hereby agree on the following:

- a. The SECOND PARTY shall demolish and completely remove the abovelisted improvements, within _____ days from receipt of the first payment mentioned above.
- b. The SECOND PARTY may, at his/her own expense, reconstruct the improvements or parts thereof outside the said ROW, subject to existing laws and regulations.
- c. If the SECOND PARTY chooses to retain the salvaged materials of the improvements, no salvage value shall be deducted from the final payment.

IN WITNESS WHEREOF, the parties hereunto have hereto affixed their signatures this ___ day of _____, 20__ at _____.

FIRST PARTY:

SECOND PARTY:

REPUBLIC OF THE PHILIPPINES

PROPERTY OWNER

By:

[Signature of Representative]
[Name of Representative]
[Position and Office]

[Signature]
[Name]

Signed in the presence of:

Republic of the Philippines)
PROVINCE of _____) s.s.

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in _____ personally appeared _____, representing the Republic of the Philippines (FIRST PARTY), with Government ID No. _____ issued at _____ on _____, and _____, Property Owner (SECOND PARTY), with Government ID No. _____, issued at _____ on _____, known to me and to me known to be the same persons who executed the foregoing Agreement for Demolition and Removal of Improvements (ADRI) and acknowledged to me that the same is their free and voluntary act and deed.

This Agreement consists of three pages, including this page on which this acknowledgement is written, duly signed by the FIRST PARTY's duly authorized representative and the SECOND PARTY and their witnesses on the spaces provided for their signatures on each and every page thereof.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal this ____, day of _____, 20__ at _____.

Notary Public
Until December 31, 20____
PTR No. _____
Issued on _____ at _____

Doc. No. : _____
Page No. : _____
Book No. : _____
Series of 20_____

Appendix 40

**QUIT CLAIM DEED
FOR UNPATENTED LANDS**

KNOW ALL MEN BY THESE PRESENTS:

I, _____, of legal age, single (or married to _____), and a resident at _____, do hereby declare and state the following:

- I am a homestead (lease, or sale, whichever is applicable) applicant for a piece of land situated at Barangay _____, Municipality of _____, Province of _____, covered by Application No. _____, and assessed at _____ Philippine Pesos _____ (PhP _____) under Tax Declaration No. _____, more particularly described as follows:

Bounded on the North by: _____
 Bounded on the East by: _____
 Bounded on the South by: _____
 Bounded on the West by: _____
 Bounded on the North by: _____
 Containing an area of _____

- The Republic of the Philippines, through the Department of Public Works and Highways (DPWH), will implement the [Name of Road Project], which will require a portion of the land above described and its improvements for the road right-of-way.
- Pursuant to the above-mentioned Project, I do hereby waive all my rights, now or in the future, over all parts of the land above described which may form part of the sixty (60)-meter wide road right-of-way, as provided for under Executive Order No. 113, series of 1955, which establishes the classification of roads and prescribes, among other things, the width of all public roads in the country, except for any improvements found thereon.
- I shall not claim or demand any payment for the use of any portion of the land I am applying for by the Government for the purpose above mentioned, except for damages to the improvements that will be affected by the sixty (60)-meter wide road right-of-way.
- By virtue of this Quit Claim Deed, the DPWH District Engineer, or his duly authorized representative, may enter the premises of the abovementioned land for the purpose of implementing the said Project, remove such improvements thereon as the implementation of the Project shall require, immediately upon payment of the just and true value of the improvements.

IN WITNESS WHEREOF, the FIRST and SECOND PARTIES have hereunto affixed their signatures this ___ day of _____, 20__ at _____.

[Signature of Applicant]
[Name of Applicant]

Signed in the presence of:

Republic of the Philippines)
PROVINCE of _____) s.s.

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in _____ personally appeared _____, with Government ID No. _____, issued at _____ on _____, known to me and to me known to be the same person who executed the foregoing Quit Claim Deed and acknowledged to me that the same is his (or her) free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal this ____, day of _____, 20__ at _____.

Notary Public
Until December 31, 20____
PTR No. _____
Issued on _____ at _____

Doc. No. : _____
Page No. : _____
Book No. : _____
Series of 20 _____

Appendix 41

QUIT CLAIM DEED FOR LANDS ACQUIRED UNDER THE PUBLIC LAND LAW

KNOW ALL MEN BY THESE PRESENTS:

I, _____, of legal age, single (or married to _____), and a resident at _____, do hereby declare and state the following:

1. I am the owner of a certain parcel of land (with the building or house and improvements thereon, if there are any) situated at Barangay _____, Municipality of _____, Province of _____, Philippines, known as Lot No. _____, FP (F, or H) No. _____, containing an area of _____ square meters, and covered by Original (or Transfer) Certificate of Title No. _____ of the Registry of Deeds.
2. The Republic of the Philippines, through the Department of Public Works and Highways (DPWH), will implement the *[Name of Road Project]*, which will require a portion of the land above described and its improvements for the road right-of-way.
3. Pursuant to the abovementioned Project, I do hereby waive all my rights, now or in the future, over the portion of land above described which may form part of the twenty (20)- / sixty (60)-meter road right-of-way, as provided for under Section 112 of Commonwealth Act No. 141 and Presidential Decree 635 as amended, prescribing that “Said land shall further be subject to right-of-way not exceeding twenty (20) / sixty (60) meters in width for public highways...”, except for any improvements which may be found thereon, particularly described hereunder:

[Description of the Affected Area]

4. I shall not claim or demand any payment for the use of the portion of the land by the Government for the purpose abovementioned, except for damages to the improvements that will be affected by the 20 / 60-meter wide road right-of-way;
5. By virtue of this Quit Claim Deed, the DPWH District Engineer, or his duly authorized representative, may enter the premises of the abovementioned property for the purpose of implementing the said Project, remove such improvements thereon as the implementation of the Project shall require, immediately upon payment of the just and true value of the improvements.

IN WITNESS WHEREOF, the FIRST and SECOND PARTIES have hereunto affixed their signatures this ____ day of _____, 20__ at _____.

[Signature]

[Name]

Signed in the presence of:

Republic of the Philippines)
PROVINCE of _____) s.s.

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in _____ personally appeared _____, with Government ID No. _____, issued at _____ on _____, known to me and to me known to be the same person who executed the foregoing Quit Claim Deed and acknowledged to me that the same is his (or her) free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal this ____, day of _____, 20__ at _____.

Notary Public
Until December 31, 20____
PTR No. _____
Issued on _____ at _____

Doc. No. : _____
Page No. : _____
Book No. : _____
Series of 20 _____

Appendix 42

ROW Completion Report Outline

- 1. EXECUTIVE SUMMARY**
- 2. INTRODUCTION**
 - 2.1 Background and Objective
 - 2.2 Limitations of the Report
- 3. PROJECT DESCRIPTION**
 - 3.1 Location and Condition of the Infrastructure
 - 3.2 Project Classification (i.e., local or foreign assisted, greater or less than P300M)
 - 3.3 ROW Limits (Describe existing, if any, and newly acquired, in terms of size and location)
- 4. DISCUSSION OF ROW ACQUISITION PROCESS FLOW**
 - 4.1 ECC Application - provide brief chronology of courses of action undertaken)
 - 4.2 Proceedings of Public Consultation Meetings with the LGUs - proceedings used in the preparation of the RAP Report may be used here
 - 4.3 Parcellary Survey Results - provide brief discussion and summary of results; include the Parcellary Survey ROW Land Data (template in Appendix F)
 - 4.3 Resettlement Action Plan Preparation - provide brief chronology of procedures undertaken. Include the following information (matrix type)
 - 4.3.1 Number and Names of barangays to be traversed/affected
 - 4.3.2 Types of land use (agricultural, residential, commercial, etc.)
 - 4.3.3 Number and Type (concrete, wood, light materials) of Structures to be affected
 - 4.3.4 Type of Plantations (mango, coconut, banana, etc.), if any
 - 4.3.5 Compensation and Entitlements (actual payments for land and improvements such as structures, crops and trees, and other entitlements in accordance with the LAPRAP prepared)
 - 4.3.6 Implementation Schedule and Budget (actual)
- 5. MODE OF ACQUISITION** (Specify mode and provide comprehensive description of the procedures undertaken to complete ROW process)
- 6. PROBLEMS ENCOUNTERED**
 - 6.1 Problem Identification – specify types of problems encountered in the ROW acquisition process, whether these are in terms of property ownership, informal settlers with no relocation sites, lack of budget, etc.
 - 6.2 Steps Undertaken – describe steps undertaken to address the problems identified in Section 6.1.
 - 6.3 Status of the Problem – describe the result of each step undertaken in the previous section and the corresponding outcome
- 7. RECOMMENDATIONS**
 - 7.1 General – Include suggestions and comments on how the improved ROW process can be further enhanced, citing field experiences encountered
 - 7.1 For Specific Problems Encountered – suggest measures that can be undertaken, but are beyond the authority of the Implementing Agency

ATTACHMENTS:

1. ROW Plan
2. ECC
3. Parcellary Survey Report
4. RAP
5. Permit to Cut from the DENR (if any)
6. Copy of TCTs in the name of the Republic of the Philippines
7. ADRI and Certificate of Completion of Clearing of Structures and Other Improvements (including utilities)
8. Court Proceedings and Decisions (if property was expropriated)

Appendix 43

Republika ng Pilipinas
KAGAWARAN NG PAGAWAIN AT LANSANGANG PAMBAYAN
TANGGAPAN NG KALIHIM
Maynila

Jan 03, 2003

DEPARTMENT ORDER

NO. 5

Series of 2003

SUBJECT: CREATION OF THE INFRASTRUCTURE RIGHT OF WAY AND RESETTLEMENT PROJECT MANAGEMENT OFFICE (PMO) AND THE IMPLEMENTATION OF THE IMPROVED ROW PROCESS

In line with the Department's objective to implement a streamlined Infrastructure Right of Way (IROW) process designed to enable the Department to identify, acquire, and manage right-of-way (ROW) efficiently and in a timely manner for the implementation of infrastructure projects, the improved IROW process is hereby adopted for strict compliance in accordance with the IROW Procedural Manual and the schedule herein provided. The IROW and Resettlement Project Management Office (PMO) is also hereby created to manage the ROW process within the Department.

I. Infrastructure Right Of Way Policies

The application of the improved process shall be in accordance with, but not limited to the following policies:

1. It shall be applicable to all foreign-assisted and locally funded projects.
2. The Implementing Office (IO) shall ensure that IROW costs are always included in project budgets.
3. The IO shall formulate a ROW Action Plan during the project identification stage. The Action Plan shall contain the estimated budget for all ROW costs including inflation and contingencies, schedule of implementation, and the areas to be acquired.
4. The IO shall provide an estimated cost breakdown of each project to the ROW and Resettlement PMO and the CFMS prior to any disbursement of funds. The first priority of the budget for a project shall be all costs prior to construction.
5. If ROW costs differ from the approved ROW budget after detailed design has been finalized, a budget adjustment shall be approved.
6. Feasibility Studies shall be conducted for all projects. The level of detail for these studies will vary, depending on the type, size, and complexity of the project.
7. The Environmental Compliance Certificate (ECC) shall be secured before the detailed design for all projects. However, for projects costing over P300 million, the ECC shall be secured before National Economic and Development Authority (NEDA) / Infrastructure (ICC) approval.
8. Parcellary Surveys shall be conducted for all projects in accordance with DO 187 series 2002.
9. A Land Acquisition Plan and Resettlement Action Plan (LAP RAP) shall be prepared for all projects using a standardized compensation package as defined in the ROW Procedural Manual.

10. The determination of Project Affected Persons (PAPs) and improvements shall be based on the cutoff date, which is the start of the census of PAPs and tagging for improvements.
11. The first mode of acquisition shall be to request donation from the property owner.
12. If the property owner does not donate the property, then negotiations for purchase of land and improvements, shall follow based on the provisions of Republic Act 8974 and its IRR. Hence, the first offer shall be the current BIR zonal value for land, and replacement cost for improvements (there shall be no salvage value). If the first offer is not accepted, the value of the second offer shall be based on the Resolution of the appropriate Appraisal Committee subject to the approval of the Implementing Office (IO). If the IO does not agree with the Appraisal Committee's Resolution, then the IO shall engage the services of an Independent Land Appraiser to determine the value. The value of the second offer shall be the lower of the two values. In case the property owner refuses the second offer, the IO initiates expropriation proceedings.
13. It is the responsibility of the IO to obtain and validate all necessary documents for ROW claims.
14. ROW claims shall be screened, fully verified and validated, and the supporting documents authenticated in accordance with the checklist in the ROW Procedural Manual prior to payment.
15. Legal Staff in the respective Regional Office shall review Deeds of Absolute Sale up to PhP 5 Million. Legal Service in the Central Office shall review Deeds of Absolute Sale over PhP 5 Million.
16. Approvals of the appropriate activities in the ROW process are specified in the ROW Procedural Manual. Approval of the Deed of Absolute Sale is hereby established as follows:
 - District Engineer up to PhP 3 Million
 - Regional Director up to PhP 5 Million
 - Project Director up to PhP 5 Million
 - Assistant Secretary up to PhP 10 Million
 - Undersecretary up to PhP 15 Million
 - Secretary - any amount
17. Valid claims for all lands, structures and other improvements will be paid in full in accordance with government rules and regulations. The IO shall pay all taxes and encumbrances of the property up to the amount in the Deed of Absolute Sale, and shall then deduct the amount of the capital gains tax and encumbrances from the payment due to the property owner.
18. The ROW and Resettlement PMO shall monitor the releases and disbursement of ROW funds made by the IOs.
19. All IOs shall properly liquidate all ROW disbursements and submit quarterly reports of payments made for all claims to the ROW and Resettlement PMO.
20. All ROW must be fully acquired and cleared before the issuance of the Notice of Award for the project.

21. IO shall properly file all documents pertaining to the acquisition of ROW and shall effect the transfer of titles or other tenurial instruments in the name of the Republic of the Philippines within three months from the perfection of the Deed of Absolute Sale, or in the case of expropriation, from the date of full payment.

22. District Offices shall be responsible and accountable for the proper management of all ROW and ensure that encroachments, structures, and informal settlers are not allowed within the ROW limits. All District Engineers through the respective Regional Director, shall submit monthly reports of the status of ROW to the ROW and Resettlement PMO.

23. In the event that a utility company does not comply with the IO notification to relocate the utility within the specified time period, the IO shall issue a final notice to the utility company with a time period specified. If the utility company still does not comply with the final notice, the IO shall clear the utility and bill the utility company accordingly.

24. All utilities must be fully cleared from the ROW before the issuance of the Notice of Award for the project.

25. The use of ROW for facilities and utilities shall be in accordance with DPWH guidelines and will be strictly enforced by the respective District Office.

26. The IO shall prepare the final as-built ROW Plan upon completion of the project, for submission to the IROW and Resettlement PMO.

II. Infrastructure Right Of Way Process and Procedures

The improved ROW process covers the project cycle from planning through management after acquisition stage. The IROW Procedural Manual provides the workflows that specify the activities in the process, and the detailed procedures that shall be followed by all IOs. The IROW Procedural Manual can be obtained from the IROW and Resettlement PMO.

III. Creation of the IROW and Resettlement PMO

A Project Management Office (PMO) for Infrastructure Right of Way (IROW) and Resettlement is hereby created under the USEC for Maintenance, Equipment, and Design to supervise the full implementation of the improved process. The Project Director for the IROW and Resettlement PMO shall be the Project Director of PMO - Action Office for Resettlement of Squatter Families (AORSF). The IROW and Resettlement PMO shall be created by merging the PMO - Action Office for Resettlement of Squatter Families (AORSF) and the PMO - Manggahan Floodway. Further, the non-legal staff of Site Acquisition and Law Enforcement Division (SALED) involved in site-acquisition shall be detailed to the IROW and Resettlement PMO. In addition, other appropriate staff needed from other offices within the Department, as determined by the IROW and Resettlement PMO Project Director, shall hereby be detailed to the IROW and Resettlement PMO.

The role of the SALED, Legal Service, in the Right of Way process shall only be to provide advice on legal matters as requested by the IROW and Resettlement PMO and/or Implementing Offices and to review Deeds of Absolute Sale over PhP 5 Million. The Legal Service shall also be responsible for representing the Department in expropriation cases, or legal staff from the concerned Regional Office.

The Environmental Impact Assessment Project Office shall provide environmental and social assessment support to the IROW and Resettlement PMO and the 10. It shall also continue to act as the Internal Monitoring Agent (IMA) who will monitor the implementation of LAPRAPs. The function of preparation and implementation of LAPRAPs shall be the responsibility of the 10.

The ROW PMO shall have the following roles and responsibilities:

1. Prepare the Action Plan for the full implementation of the new process within two months after the signing of this Order and monitor the progress of implementation.
2. Organize the PMO in accordance with its tasks within three months after the signing of this order
3. Continue with the existing functions of AORSF and Manggahan Floodway.
4. Organize regional and district office counterparts for the implementation of the improved process within three months after the signing of this Order in those offices. The appropriate Department Orders shall be prepared for the Secretary's approval.
5. Prepare and implement, a training program to provide the skills and strengthen the capabilities of all staff in IO involved with the IROW with the assistance of the Administrative and Manpower Management Service (AMMS), within three months after the signing of this Order
6. Assist all 10 in the implementation of the improved ROW policies, process, and procedures.
7. Supervise the improved ROW process in all IO.
8. Coordinate with the BIR, Appraisal Committees, and other appropriate agencies for updating of valuations.
9. Coordinate with the appropriate government agencies and the private sector, particularly the utility companies, among others, to ensure the successful implementation of the improved ROW process.
10. Consolidate and validate the monthly ROW monitoring reports for submission to the Secretary through the USEC for Maintenance, Equipment, and Design.
11. Consolidate and validate the summaries of payments made by the 10 and submit a report to the Secretary through the USEC for Maintenance, Equipment, and Design.
12. Prepare other guidelines needed to clarify issues that may arise from the implementation of the improved process.
13. Implement the computerized ROW Management System once it has been developed or purchased.

14. Ensure the proper recordkeeping of all relevant documents and the archiving of titles with the National Archives. The IROW and Resettlement PMO shall also keep copies of all relevant documents and titles.

15. Prepare quarterly accomplishment reports for submission to the Secretary through the USEC for Maintenance, Equipment, and Design.

16. Perform other duties as may be assigned by the Secretary and / or the USEC for Maintenance, Equipment, and Design.

The IROW and Resettlement PMO and the counterpart offices in the regions and districts shall have the appropriate funds for their day-to-day operations which can be sourced from operating budgets, project funds, and other available subject to the usual government accounting and auditing rules and regulations. The ROW and Resettlement PMO is hereby authorized to utilize all necessary and appropriate offices within the Department in carrying out the improve ROW process.

IV. Implementation Strategy

1. The improved IROW process will be initially implemented in the Regional and District Offices, including Sub-Districts, in both Region III and the National Capital Region effective January 1, 2003. Then it will be implemented in the Central Office and all the other Regions and Districts starting January 1, 2004.

2. The application of the improved process to current projects shall be subject to the criteria as contained in Annex A.

3. All new projects, and any existing projects that meet the criteria in Annex A, shall follow the provisions of this Department Order.

V. Penalty Clause

Any violation of these policies and procedures shall subject the erring employee or official to immediate sanctions that shall include suspension and/or dismissal in accordance with the Civil Service rules and regulations and other pertinent laws and regulations.

This Order shall take effect immediately and supersede all previous Department Orders and other issuances or any provision thereof that are inconsistent herewith.

(Sgd) **SIMEON A. DATUMANONG**
Secretary

Appendix 44

Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
Manila

Jul 07, 2014

DEPARTMENT ORDER)
)
)
NO. 73)
Series of 2014

**SUBJECT: PROHIBITED USES WITHIN THE
RIGHT-OF-WAY OF NATIONAL
ROADS**

The presence of fallen electrical and other utility poles, tangled/twisted transmission/distribution and other lines of cable, communication and other utility service providers; and felled trees along national roads as a result of natural and man-made calamities create imminent danger to lives and properties and hamper speedy relief operations, prompt delivery of basic goods and services and the immediate restoration of damaged public infrastructure facilities.

In view hereof, and pursuant to the provisions of Section 23 of Presidential Decree (PD) No. 17, also known as the Revised Philippine Highway Act, as amended, declaring as unlawful for any person to usurp any portion of the right-of-way, to convert any part of any public highway, bridge, wharf or trail to his own private use or to obstruct the same in any manner; and the provisions of the National Building Code of the Philippines (PD No. 1096) and its Implementing Rules and Regulations, and in the interest of public safety and convenience and of the common good, all Regional/District Engineering Offices are hereby directed to immediately remove or cause the removal of all obstructions and prohibited uses within the right-of-way (ROW) of all national roads within their respective jurisdictions and henceforth prohibit the presence/occurrence of the following structures, objects and such other similar items and activities along our national roads as well as strictly disallow the building, erection, construction, planting, and fabrication of the same, thus:

1. All kinds of temporary and permanent structures, such as buildings, houses, shanties, stores, shops, stalls, sheds, canopies, billboards, signages, advertisements, fences, walls, railings, basketball courts, barangay halls, garbage receptacles, and the like;
2. Posts and towers, of Electric Cooperatives and Major Electric Power Distributors; distribution lines; posts for cables of phones and mobile service providers;
3. Driveways and ramps occupying or protruding to the sidewalk;
4. Trees, shrubs, and plant boxes;
5. Humps, whether permanent or temporary;
6. Dumping and storage of construction materials, such as sand, gravel, cement, lumber, and steel bars, earth spoils, waste materials, debris, embankment, heaps and the like;
7. Vehicles and equipment, including junked items that are parked, occupying or protruding to the sidewalk or shoulder;
8. Vending, repair of vehicles, and other businesses within the sidewalk and other parts of ROW;
9. Disposal of household/commercial/industrial wastewater and sewage into the sidewalk, curb and gutter, and carriageway;
10. Raising of animals or allowing them to roam within the ROW;

11. Washing and drying of clothes, crops, and similar items;

Should clearing operations for road widening; improvement and/or rehabilitation are to be conducted, no compensation shall therefore be paid and allowed on the removal of these obstructions.

It is further directed that in cases where Applicants from Utility Agencies (collectively, Electric Cooperatives and Major Electric Power Distributors, Phones, Mobile, and Cable Service providers and the like) and its respective contractors shall request the construction, building and/or erection of posts and towers for their distribution lines, subject Applicants should therefore be advised that they should not commence the acquisition of their own right-of-way to fulfill their specific mandate. Note further that in the context of this Order, the ROW shall include the carriageway, curb and gutter, sidewalks, shoulders, canals and other portions within the defined right-of-way.

On obstructions, the following tabulated formats under Annexes “A”, “B”, and “C” hereof shall be used by the Regional/District Engineering Offices with these duly filled-up formats to be submitted to this Office (copy furnished the Bureau of Maintenance, this Department) every end of the 1st and 2nd semesters of the year:

- 1) Annex “A”: Inventory of Obstructions within the /Right-of-Way of National Roads;
- 2) Annex “B”: Due notices to the concerned persons and entities of the noted obstructions and prohibited user and directing the voluntary removal of the same;
- 3) Annex “C”: Status Report on the Removal of Obstructions.

This Department Order shall take effect immediately and shall supersede the following Departmental issuances:

- 1) DO No. 29 s. 2012: Removal of Illegal Structure and Obstructions within Right-of-Way of National Roads;
- 2) DO No. 15 s. 2000: Tree Planting along National Roads;
- 3) D) No. 38 s. 2006: Amendment of Department Order No. 15, series of 2000, Re: Tree Planting along National Roads;
- 4) DO No. 52, s. 2003: Removal of Obstructions and Prohibited Uses within the Right-of-Way of National Roads

(Sgd) ROGELIO L. SINGSON
Secretary

Appendix 45

THE DEPARTMENT OF INTERIOR AND LOCAL GOVERNMENT
and
THE HOUSING AND URBAN DEVELOPMENT COORDINATING COUNCIL

**IMPLEMENTING RULES AND REGULATIONS TO ENSURE THE OBSERVANCE OF PROPER
AND HUMANE RELOCATION AND RESETTLEMENT PROCEDURES MANDATED BY THE
URBAN DEVELOPMENT AND HOUSING ACT OF 1992**

Pursuant to Article XII, Section 44 entitled "Moratorium on Eviction and Demolition" and Article VII, Section 28, entitled "Eviction and Demolition of Squatters" of Republic Act No. 7279, otherwise known as the "Urban Development and Housing Act of 1992," the following Implementing Rules and Regulations are hereby promulgated and adopted:

SECTION 1. DEFINITION OF TERMS. -- For the purpose of these implementing Rules and Regulations, the terms or words and phrases used herein shall mean or be understood as follows:

- a) **ADEQUATE CONSULTATION:** Refers to "consultation" as defined by Sec. 3 (d) of the Act.
- b) **AFFECTED PERSONS OR ENTITIES:** Refers to the actual occupants of all structures within the premises subject for clearing.
- c) **AVAILABLE FUNDING:** Refers to the money available, sufficient and disbursible for the commencement and usability of a government infrastructure project as formally certified by the appropriate government agency.
- d) **CONSENT:** In the context of Sec. 28 (5) of the Act, "consent" refers to the written agreement by a family or a group of families to a particular course of action. The consent cannot be assumed to cover families, though these may be numbered in a minority, who have not expressed their agreement in writing.
- e) **COURT ORDER:** Refers to a writ of demolition issued by a court of competent jurisdiction.
- f) **DANGER AREAS:** Refer to areas which, when occupied for residential purposes, actually pose a danger to the life and safety and property of either the concerned residents or of the general community. The danger is due to an unavoidable source of probable harm to human life or well-being.
- g) **DEMOLITION:** Refers to the dismantling by the LGU, or any legally authorized agency of government of all structures within the premises subject for clearing.
- h) **DULY AUTHORIZED REPRESENTATIVE OF THE LOCAL GOVERNMENT UNIT (LGU):** Refers to the Mayor or his duly authorized and properly identified representative, who shall act on his behalf to supervise and monitor the proper conduct of the demolition, or, if warranted, to stop the demolition.
- i) **DULY DESIGNATED REPRESENTATIVE OF FAMILIES:** Refers to the member of the community or of the concerned entity or organization who is authorized by the individual or head of the family as evidenced by an appropriate document to speak and make decisions on their behalf.
- j) **EVICTION:** Refers to the removal of persons and their belongings from a subject building/structure or area, or both, in accordance with law.
- k) **GOVERNMENT INFRASTRUCTURE PROJECT:** Refers to a project initiated by government whose purpose is to introduce, enhance, or add to the local or national infrastructure, i.e., the interrelated web of roads, highways, public buildings, socialized housing projects, public utilities, flood control projects, and the like.
- l) **HEAVY EQUIPMENT:** Refers to tools/equipment such as bulldozers, payloaders, cranes, wrecking balls, the use of which will heavily damage, if not destroy, buildings/ structures made of light materials.
- m) **PERMANENT RELOCATION:** Refers to a socialized housing area characterized by the presence of basic services as defined by Sec. 21 of the Act, where relocatees are brought for permanent resettlement.
- n) **TEMPORARY RELOCATION:** Refers to a site accessible to major roads with potable water to which relocatees are brought pending determination by the LGU in coordination with NHA of a permanent relocation site. Should a permanent relocation site not be determined within one (1) year,

the temporary relocation becomes a socialized housing area. However, if the families are transferred to a temporary site, subsequent relocation must only be to a permanent resettlement site.

SECTION 2. SCOPE OF APPLICATION. - These Rules and Regulations shall apply to demolitions allowed under Sec. 28 of the Act, to wit:

a) When persons or entities occupy danger areas such as esteros, railroad tracks, garbage dumps, riverbanks, shorelines, waterways, and other public places such as sidewalks, roads, parks, and playgrounds;

b) When government Infrastructure projects with available funding are about to be implemented:

c) When there is a court order for eviction or demolition.

These Implementing Rules and Regulations shall not apply to those squatters who constructed their structures after March 28, 1992, the effectivity date of RA 7279.

SECTION 3. GUIDELINES FOR IMPLEMENTATION. - The following procedures and guidelines on relocation operation shall be strictly observed by the Local Government Unit (LGU) or government agency authorized to demolish.

1. PRE-RELOCATION PHASE

a. Identification of Resettlement Site: Negotiations and arrangements are finalized between the proponent LGU or government agency authorized to demolish and the recipient LGU on the resettlement site and their corresponding roles and responsibilities.

Pre-Census

1.0 Completion of Data Requirements: The LGU or government agency authorized to demolish shall ensure that the following documents are readily available prior to any conduct of demolition:

1.1 Certified Xerox Copy of Title

1.2 Tax Declaration or Tax Receipt

1.3 Location Plan or Vicinity Map showing the boundary and illegal constructions

1.4 Pictures of the area (before operation)

1.5 Certification from LGU or other concerned agency that the area is included in the list of danger areas and subject for clearing, if applicable

1.6 Certification from LGU or concerned agency that the area is the site of an infrastructure project with available funding which shall commence within sixty (60) days after clearing of the said area, if applicable.

1.7 Copy of a Writ of Demolition, if the clearing of the area is decided by the Court

1.8 Development plan of the property

2.0 Community Relations Operation: The LGU or concerned agency shall undertake the following:

2.1 Establish communication and rapport with recognized resident community leaders;

2.2 Meet the affected families to explain the following:

2.2.1 the government's shelter program for the low and marginal income families including squatters;

2.2.2 the need to relocate families from danger areas and infrastructure project sites, or a writ of demolition, if applicable

2.2.3 procedures and guidelines on relocation and resettlement; and

2.2.4 objectives and schedule of the census and tagging operation.

2.3 Introduce the project team and census enumerators to the Barangay Chairman and community leaders. The LGU or concerned government agency may request the National Housing Authority to provide technical assistance in the conduct of pre-relocation activities.

c. Census:

1.0 Physical Survey: Using the location and vicinity map, title and technical description submitted, the LGU shall determine the physical boundary of the land to be cleared of squatters.

2.0 Tagging: The LGU shall attach the tag card with the corresponding number to every structure for identification, inventory, and control of illegal construction. The LGU shall encourage participation of community leaders in this undertaking.

3.0 Mapping and Household Listing: In coordination with the community leaders, the LGU shall prepare a preliminary listing of the names of owners/households of the affected houses/structures. A structural map shall be prepared and used to locate the structures and identify the names of the structure owners/households. During the relocation operation, every dismantled structure shall be cross-out from the structural map to prevent the possibility of new or disqualified families from claiming residency on cleared lots.

4.0 Actual Census: The LGU or concerned agency shall conduct house-to-house census to determine the actual number of occupants/households and their possible resettlement options, e.g., "Balik Probinsiya." The LGU shall engage the assistance of community leaders in the conduct of the census. Should the affected families resist the census, the household listing of families shall suffice. Incidence of census refusal shall be noted and attested in writing by the community leaders.

5.0 Census Data Evaluation/Processing and Masterlist Preparation: After the completion of census, the LGU or concerned agency shall evaluate the data gathered and determine qualified families for resettlement assistance based on approved criteria for beneficiary selection.

Subsequently, an initial masterlist of affected families shall be prepared by the proponent LGU and forwarded to the recipient LGU or to the NHA for review and pre-qualification. A final masterlist shall then be prepared by the duly authorized officials, a copy of which shall be posted in conspicuous places in the area.

6.0 Processing of Census Claims: A Census Committee, composition of which shall be determined by the parties involved, shall be created to investigate and evaluate all census claims and recommend appropriate action to the LGU or concerned agency.

Census claims, which involve cases such as "out-during census" and "misstatement of census data," shall be considered before the issuance of notice of demolition. Claimants shall be duly notified of the results of their census appeals.

All qualified and disqualified families shall be individually informed. A copy of the approved final masterlist shall be posted in public places.

7.0 Information Drive on Resettlement Site: The LGU and/or the government agency authorized to demolish shall meet the qualified families for resettlement to discuss the following, among others:

7.1 facilities and services in the resettlement projects; and

7.2 obligations and responsibilities of the affected families.

Issuance of 30-Day Notice:

1.0 A written notice shall be issued to the affected persons or entities by the LGU or government agency authorized to demolish together with the representative of the Presidential Commission for the Urban Poor. It shall be served to and received by the addressee personally. Should the concerned person refuse to acknowledge the notice, the same shall be affixed conspicuously to the addressee's dwelling.

2.0 Posters no smaller than 2'x3' are displayed conspicuously in the community such as public markets, barangay hall, plaza and the like.

3.0 The written notices and the posters must state the reason for the demolition. Should the reason be "implementation of government infrastructure project," the notice should state the importance of

the project, that it has available funds therefore, and the date of project implementation.

4.0 The actual date of demolition must not be earlier than thirty (30) days but not later than ninety (90) days after the notice has been issued. It shall not be conducted on Saturdays and Sundays and legal holidays, unless the affected families consent otherwise. It shall be undertaken from 8:00 a.m. to 3:00 p.m.

5.0 Should the announced demolition not take place within ninety (90) days, notice lapses, and a new notice must be served if demolition still needs to be undertaken.

e. Consultation Proper:

1.0 The LGU or government agency authorized to demolish shall preside over the consultation meetings to be attended by the barangay chairman, the affected families and the landowners or their duly designated representatives. Officials or representatives of concerned agencies and NGOs shall also be invited. The following shall be discussed:

1.1 the necessity of the demolition;

1.2 available options other than resettlement;

1.3 possible relocation sites - to include modes of payment, tenure, facilities and services thereat;

1.4 advantages of voluntary dismantling;

1.5 dismantling and resettlement procedures;

1.6 submission of requirements (family pictures, marriage contract, etc.)

1.7 school accommodation of children;

1.8 roles of agencies involved, such as but not limited to the Department of Social Welfare and Development (DSWD), the Philippine National Police (PNP), the Department of Education, Culture and Sports (DECS), the Department of Public Works and Highways (DPWH), the National Housing Authority (NHA), the Presidential Commission for the Urban Poor (PGUP), the Commission for Human Rights (CHR), and other concerned agencies; and

1.9 other problems and issues to ensure a peaceful and orderly relocation operation.

2.0 In every consultation meeting, attendance is recorded. If majority of the affected families are present, the meeting shall proceed; otherwise, another meeting shall have to be called and rescheduled within five (5) days therefrom. If still the majority of the residents are again not present, the consultation requirement for this particular case is considered satisfied.

3.0 The LGU or concerned government agency summarizes the points of agreement and disagreement arrive at through the formal consultations, and provides copies to participating agencies/entities for their signature. Should any party refuse to sign the agreement, the same shall be posted conspicuously in the area.

4.0 Schedules of the next meetings shall be set; including two (2) feedback meetings within twenty (20) days from the issuance of the notice of demolition and one (1) final meeting before the actual demolition

Inter-Agency Meetings/Coordination: The LGU or government agency authorized to demolish shall convene an inter-agency meeting to discuss the details of the actual relocation operation and to ensure the support and assistance of the participating agencies.

The following requirements, among others, shall be ensured:

1.0 Resettlement Site - LGU or other authorized government agency

2.0 Relocation/Demolition Team - LGU or other authorized government agency

3.0 Other logistical requirements, such as trucks, tents, first aid and communication facilities - LGU or other authorized agency

4.0 Security - PNP

5.0 Balik Probinsiya - DSWD

6.0 Medical Assistance - Department of Health

7.0 Relocation Documentation - LGU or other authorized government agency

g. Completion of Relocation Documents/ Requirements: The LGU or government agency authorized to demolish shall ensure the completion of the following relocation documents/requirements by the affected families:

1.0 Family Picture;

2.0 Marriage Contract or Affidavit of Co-habitation

3.0 Other Identification Papers

h. Voluntary Relocation and Resettlement: To encourage voluntary relocation, resettlement lots, transportation and manpower assistance and other services shall be extended in advance to the volunteer families.

II. RELOCATION PHASE

a. Preparations before the Dismantling of Structures:

1.0 Confirmation of Actual Date of Relocation: The proponent LGU or government agency authorized to demolish shall issue notices of actual relocation to the affected families and shall furnish a copy of the rolling schedule, three (3) days before relocation, to the recipient LGU or the NHA.

2.0 Ensuring Availability of Resources and Necessary Documents: The LGU or government agency authorized to demolish shall review the documents and check the availability of resources/services as committed by the participating agencies.

b. Dismantling of Structures/Movement of Families:

1.0 During the actual relocation, the LGU or government agency authorized to demolish shall:

1.1 Provide the necessary identification to all staff and crew involved in the operation.

1.2 Ensure that members of the PNP who are in proper uniform occupy the first line of law enforcement and civil disturbance control, and do not participate in the physical dismantling of any structure.

1.3 Ensure that the electricity of the affected area has been shut off.

1.4 Give the order to commence, or to stop or suspend the demolition especially during inclement weather.

1.5 Ensure that the dismantling of structure shall be executed as carefully as possible for the maximum recovery of materials which could be reused by families to rebuild their structures in the resettlement project, and that heavy equipments are not use except for structures which are permanent and of concrete materials.

1.6 Encourage and motivate families to voluntarily and peacefully dismantle their structures and whenever requested by the families, assign manpower to assist families in the dismantling.

1.7 Ensure that all structures covered by the letter-advice shall be dismantled without exception based on the rolling schedule, and that only structures schedule for the day shall be dismantled.

1.8. Ensure that no staff or official participant in the demolition engages in looting, accepts bribes, employs unnecessary force or violence, and that violators are charged administratively or criminally.

1.9 Record the names and number of families and structures affected by the relocation and resettlement.

2.0 Representatives from other concerned agencies, such as the Presidential Commission for the Urban Poor and the Commission on Human Rights shall also be present in the area to monitor and observe the actual operations.

c. Issuance of Entry Passes: The LGU or authorized government agency shall ensure that all entry passes are prepared with the corresponding family pictures. The LGU or authorized agency shall prevent the tampering or illegal transfer of such entry

d. Loading and Transporting: The LGU or government agency authorized to demolish shall ensure that:

1.0 Transportation vehicles shall have the necessary sign board displayed in front of the windshields for proper Identification and shall proceed to the area before the start of actual dismantling operations.

2.0 Before departure, the documents of the families shall be checked and their belongings properly loaded. The safety and comfort of the families particularly the children shall be ensured. The last trip shall be dispatched not later than 3:00 p.m.

e. Monitoring and Documentation: The LGU or government agency authorized to demolish shall monitor and report on the relocation operation daily and weekly using the prescribed forms.

f. Welcome and Reception: The concerned resettlement project team together with the representatives of the resettlement community shall:

1.0 Welcome and receive the relocated families;

2.0 Provide needed medical services, if necessary.

g. Processing of Documents and Lot Assignment: The resettlement project team shall:

1.0 Review and process the entry passes and other documents of the resettled families;

2.0 Assign lots to the families; and

3.0 Assist the families in accomplishing the required forms.

h. Transfer to Assigned Lot: The resettlement project team shall accompany the resettled families to their assigned lots; and whenever feasible provide manpower assistance/ volunteers to help the resettled families unload their materials and

belongings from the truck and transfer them to their assigned lots.

III. POST RELOCATION PHASE

a. Place of Origin:

1.0 After the relocation operation, the LGU or government agency authorized to demolish shall require the property owner or concerned agencies to clear, secure and undertake development of the property.

2.0 To document the area that has been cleared of squatters, the LGU or government agency authorized to demolish shall take an after-operation picture of the area from the same angle that the before- operation picture has been taken.

3.0 A letter documenting that the area has already been cleared, with the attached pictures of the area before and after the operation shall be issued to the property owner by the LGU or government agency authorized to demolish.

b. Resettlement Site:

1.0 Organized community-based structures shall be strengthened so as to facilitate the delivery of services in the site. The identified leaders with the assistance of the NGOs shall be trained and equipped with proper organizational skills and attitudes necessary to effectively manage the affairs of the community.

2.0 To promote the general well-being of resettled families, adequate social services in health, nutrition, education, responsible parenthood, environmental sanitation, etc. shall be provided in the resettlement sites jointly or under the auspices of cooperating agencies such as, but not limited to the DECS, DOH, DSWD, and NGOs.

3.0 To generate employment and income opportunities for the resettled families, the resettlement project shall act as a conduit for the families to avail of manpower training and livelihood program through sustained networking and resource syndication activities.

SECTION 4. EVICTION AND DEMOLITION PURSUANT TO A COURT ORDER. - In cases of eviction and demolition pursuant to a court order involving underprivileged and homeless citizens, relocation shall be undertaken by the local government unit concerned and the National Housing Authority with the assistance of other government agencies within forty-five (45) days from the service of notice of final judgment by the court, after which period the said order shall be executed: Provided, further, That should relocation not be possible within the same period, financial assistance in the amount equivalent to the prevailing minimum daily wage multiplied by sixty (60) days

shall be extended to the affected families by the local government unit concerned.

SECTION 5. ORGANIZATION. - To ensure the smooth and effective implementation of all relocation and resettlement operations, the LGU or the government agency authorized to demolish shall create a Task Force on Relocation and Resettlement.

a. Primary Responsibility:

The Task Force shall be primarily responsible for ensuring that these Implementing Rules and Regulations on the eviction of families and demolition of structures are adhered to.

b. Structure and Composition:

1.0 The City/Municipal Mayor or the duly-designated representative of the concerned government agency authorized to demolish as Chairman;

2.0 The membership shall include the following:

- 2.1 Legal Services Group
- 2.2 Security Group
- 2.3 Dismantling and Relocation Group
- 2.4 Community Relations Group
- 2.5 Census and Tagging Group
- 2.6 Surveillance Group

3.0 Action Teams shall be created by the Chairman for every relocation and resettlement operation to oversee/undertake actual eviction/relocation of families and dismantling of structures.

4.0 The Action Teams shall be composed of, but not limited to, the following:

- 4.1 City/Municipal Engineer/Building Official
- 4.2 Medical/Health Personnel
- 4.3 Dismantling Crew/Relocation Officer
- 4.4 Social Worker
- 4.5 Barangay Chairman
- 4.6 NGO Representative

SECTION 6. PENALTY CLAUSE. - Any person who violates any provision of the R.A. 7279 shall be imposed the penalty of not more than six (6) years of imprisonment or a fine of not less than five thousand pesos (P5,000) but not more than one hundred thousand pesos (P100,000), or both, at the discretion of the court; Provided, That, if the offender is a corporation, partnership, association or other juridical entity, the penalty shall be imposed on the officer or officers of said corporation, partnership, association or juridical entity who caused the violation.

SECTION 7. VENUE FOR GRIEVANCE. - Complaints of violations of this Implementing Rules and Regulations against local government executives shall be filed and prepared in accordance with Section 61 of the Local Government Code of 1991 (R.A. 7160), through the Department of Interior and Local Government.

Complaints against subordinate officials falling within the administrative jurisdiction of the local chief executives shall be filed with the office of the local chief executive concerned who shall cause to be instituted administrative or judicial proceedings against any subordinate official or employee who may have committed an offense in violation hereof or the Act itself.

Complaints against officials of other national agencies, may be filed with the Office of the President, or the Office of the Ombudsman, as the case may be.

Aggrieved parties may also direct their complaints to and or seek the assistance of the Commission on Human Rights or the Presidential Commission for the Urban Poor.

An aggrieved urban poor organization or person may seek the legal assistance of the Public Attorney's Office of the Department of Justice for violations hereof.

In cases of complaints against any member of the Philippine National Police (PNP), the same shall be lodged with the DILG.

In all instances, the aggrieved party may file his complaint directly with a court of competent jurisdiction pursuant to Section 45 of R.A. 7279.

SECTION 8. SEPARABILITY CLAUSE.- The provisions of this Implementing Rules and Regulations are hereby declared separable, and in the event that any of such provisions are declared null and void, the validity of all other provisions shall not be affected thereby.

SECTION 9. EFFECTIVITY. - This Implementing Rules and Regulations shall take effect immediately after its publication in at least two (2) national newspapers of general circulation.

APPROVED, this 24th day of September, 1992, in the City of Manila.

(Sgd.) ZORAYDA AMELIA C. ALONZO
Chairman
Housing and Urban Development
Coordinating Council

(Sgd.) RAFAEL M. ALUNAN III
Secretary
Department of Interior and
Local Government

Appendix 46

ROW Management and Action Plan (MAP) Report Outline

1. EXECUTIVE SUMMARY

2. INTRODUCTION

- 2.1 Background and Objective
- 2.2 Limitations of the Report

3. PROJECT DESCRIPTION

- 3.1 Type of Infrastructure (road, bridge, dam, etc.)
- 3.2 Technical Description of the Infrastructure (provide concise description of the physical and technical nature of the infrastructure, including the standard units of physical measurements such as area, length, etc.)

4. DISCUSSION OF FIELD WORK

- 4.1 Proceedings of Public Consultation Meetings with the LGUs
- 4.2 Site Investigation
 - 4.2.1 Number and Names of barangays where the encroached ROWS are located. Include a Map/Plan showing the boundaries of the ROW and indicate the encroached portions
 - 4.2.2 Nature of use (agricultural, residential, commercial, institutional, etc.)
 - 4.2.3 Number and Type (concrete, wood, light materials) of Structures to be removed. Include photographs of encroaching structures with captions indicating the exact location of the structure such as lot number, street name, barangay, city/municipality
 - 4.2.4 Type of Plantations (mango, coconut, banana, etc.), if any

5. ACTION PLAN

- 5.1 Actions Taken
- 5.2 Cost Estimates for Clearing of Encroachments in the ROW
- 5.3 Implementation Schedule for Clearing the Encroachments (Include Gantt charts)

6. RECOMMENDATIONS

ATTACHMENTS:

- a. Received copies of all communications (notices, letters, etc.) sent to the encroachers
- b. Proof of coordination with proper authorities such as the LGUs, NHA, etc. such as letters, MOAs, MOUs
- c. Fore “legal” encroachments, copies of proofs of ownership such as OCT, TCT, EP, CLOA, or Tax Declaration

Appendix 47

ROW Monthly Report Outline

- 1. EXECUTIVE SUMMARY**
- 2. INTRODUCTION**
 - 2.1 Background and Objective
 - 2.2 Limitations of the Report
- 3. PROJECT DESCRIPTION**
 - 3.1 Location of the Infrastructure (include exact locations, including stationings)
 - 3.2 ROW Description (include total width of ROW vis-à-vis, width being actually used, if applicable)
- 4. DISCUSSION OF FIELD CONDITIONS**
 - 4.1 Site Investigation
 - 4.1.1 Number and Names of barangays with and without encroachments
If with encroachments:
 - 4.1.2 Types of land uses (of encroaching structures)
 - 4.1.3 Number and Type (concrete, wood, light materials) of Structures encroaching the ROW
 - If Relocation is a favored option:*
 - 4.2 Possible Relocation Sites
 - 4.2.1 Provide Cost Estimates for Land identified as Relocation Site
 - 4.3.2 Provide Cost Estimates for construction of improvements and other public facilities (if needed) at the proposed Relocation Site
- 5. ACTIONS TAKEN** (Provide detailed discussion and chronology of steps undertaken to clear the ROW, including copies of letters, minutes of meetings, cases filed, eviction orders from the proper courts, actual demolition, etc.)
- 6. RECOMMENDATIONS**

Appendix 48



25 MAY 2017

Republic of the Philippines
 DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
 Manila

897, 13.0 PWH
 04-24-2017

DEPARTMENT ORDER)
)
NO. 70)
)
Series of 2017)

SUBJECT: Implementation of the Document Tracking System (DoTS) for Civil Works Projects

In line with the Department's thrust to fast track the completion of projects and to be transparent in its operations, all offices involved in the processing of documents in the procurement and implementation of local and foreign-assisted civil works projects undertaken by Unified Project Management Offices (UPMOs), Bureaus, Regional and District Engineering Offices shall utilize the Document Tracking System (DoTS). The following civil works documents are covered by the system:

1. As-Built Plans
2. Detailed Engineering Design Plans (Preliminary Plans/Final Plans)
3. As-Staked / Revised Plans
4. Specifications
5. Program-of Work (POW)
6. Approved Budget for Contract (ABC)
7. Award and Signing of Contract (Foreign Assisted)
8. Award and Signing of Contract (Locally Funded)
9. Award and Signing of Negotiated Contract
10. Special Allotment Release Order (SARO) for Sub-allotment
11. Verification of Bond Extension
12. Change Order/Extra Work Order
13. Final Variation Order
14. Contract Time Extension/Work Suspension/Work Resumption Order
15. PERT/CPM/PDM
16. Memorandum of Agreement (MOA)/Memorandum of Understanding (MOU)
17. Performance Bond/Surety Bond/Letter of Credit/Bank Guarantee/CARI/Credit Line Certificate
18. IROW Payment
19. IROW Payment with RAP
20. Advance Payment
21. First Payment
22. Interim Progress Payment
23. Progress Billing/Final Payment
24. Release of Retention
25. Price Escalation Payment

Processing cycle starts in the preparation of these documents until the signing of the approving official.

All documents covered shall be registered in the DoTS. Consequently, all requesting offices shall submit their DoTS documents to the designated DoTS Center which shall register the document into the DoTS and forward the same to the concerned processing office. All

Contractors/ROs/DEOs/UPMOs are advised to inform their respective Liaison Officers of this submission procedure and documents without the DoTS header will be returned to the requesting office without action. In the flow of documents from one implementing/processing office to another, the one sending the document is responsible in ensuring that the said document is received by the concerned receiving office.

The processing of documents within the Central Office shall be undertaken by the concerned offices in accordance with the activity and prescribed time contained in Annex A and with the implementing guidelines contained in Annex B.

Regional documents to be processed within the Central Office shall be undertaken by the concerned offices in accordance with the activity and prescribed time contained in Annex C and with the implementing guidelines contained in Annex D.

Documents to be processed within the Regional Office shall observe the prescribed time contained in Annex E and the implementing procedures contained in Annex F.

DEO documents to be processed within the Regional Office shall be undertaken by the concerned offices in accordance with the activity and prescribed time contained in Annex G and with the implementing guidelines contained in Annex H.

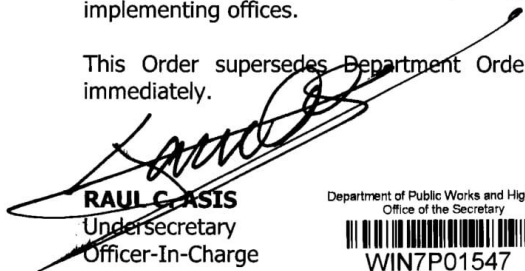
District Engineers shall create a DEO DoTS Center wherein DEO transactions will be registered. District Engineering Offices shall be undertaken by the concerned offices in accordance with the activity and prescribed time contained in Annex I and with the implementing guidelines contained in Annex J.


The checklist of required supporting documents and attachments for the DoTS is contained in Annex K.

The Memorandum dated 19 January 2004 which provides for "Additional Guidelines on the Imposition of Administrative Sanctions on Erring DPWH Officials and Employees Involved in Project Implementation and Processing of Project Documents" (Annex L) shall be strictly observed in the implementation of the DoTS.

The DoTS Evaluation Committee created under Special Order No. 100, Series of 2015, is hereby authorized to make necessary changes in the annexes hereof in coordination with the implementing offices.

This Order supersedes Department Order No. 156, series of 2015 and takes effect immediately.


RAUL C. ASTIS
Undersecretary
Officer-In-Charge

Department of Public Works and Highways
Office of the Secretary

WIN7P01547

11.1.1.1 JPP/BEY

CHECKLIST OF SUPPORTING DOCUMENTS AND ATTACHMENTS FOR DoTS

IROW Payment

- 1. Copy of the page(s) from the Master list of Claimants submitted to DBM or included in appropriation for funding where subject claimant is indicated (highlighted). It should include CTC of the first page, last page (approving), and page(s) containing the name of claimant
- 2. Memorandum to Budget Officer – Request for Obligation Request and Status (ORS)
- 3. Obligation Request and Status (ORS) signed by the Budget Officer
- 4. Memorandum to Accounting Division/Section/Unit – Request for Certificate of Availability of Funds (CAF)
- 5. Duly approved CAF
- 6. Photocopy of two (2) valid identification cards of the following (whichever is applicable):
 - a. Owner / Claimant
 - b. Attorney-in-Fact, if represented by one
 - c. Heirs - in the case of extra judicial settlement
 - d. Authorized Officer of the Corporation
- 7. One page certification duly approved by the Head of Implementing Office of the following:
 - 7.1 That the lot (or improvement) is totally/partially affected by a certain Project identifying the area affected and the year
 - 7.2 That the lot is within the boundaries of the ROW limits per attached parcellary plan and not within the RROW of a converted provincial road
 - 7.3 That there is no other pending claim nor payment made yet on the subject claim/status of payment (Describe the status of payments made and the remaining balance)
 - 7.4 That all supporting documents are COMPLETE, AUTHENTICATED, VALIDATED and are found to be in order
- 8. Parcellary Plan indicating the name of the owner (claimant), lot number, lot area, and the affected area duly signed by Head of Implementing Office (if not available, Certification/Justification by IO)
- 9. Disbursement Voucher – Payment of Properties
- 10. Letter Offer - accepted by the owner (if negotiated) / declined by the owner (if expropriated)
- 11. Tax Identification Number (TIN)
- 12. One set certified true copy of all the documents submitted for Accounting's copy

Additional Supporting Documents for the following

I. Payment of Lots

A. Negotiated Sale – Initial 50%

- 1. Approved Deed of Absolute Sale
- 2. a. **Titled Lot** - Electronic copy of the Lot Title in the name of the Registered Owner/authenticated by the Registry of Deeds / Land Registration Authority (LRA)
- b. **Untitled Lot** - required supporting documents
 - b.1 Original Tax Declaration/Tax Declaration certified by the Assessor's Office
 - b.2 Certification by the Register of Deeds/Land Registration Authority (LRA) of the non-existence of the TC
- 3. Duly approved Subdivision Plan / Technical Description of the Affected Lot
- 4. Attachments of the basis of valuation used (whichever is applicable):
 - 4.1 Applicable Zonal Valuation certified by the BIR
 - 4.2 Resolution on the Appraisal Value by an Official Committee (Assessor's Office)
 - 4.3 Independent Appraisal Report Relative to the Subject Property
 - 4.4 Current Market Value (CMV)
- 5. Tax Declaration of the lot authenticated by the Assessor's Office

I hereby certify that the above supporting documents are complete

Print Name: _____
 Designation: _____
 Date: _____

CHECKLIST OF SUPPORTING DOCUMENTS AND ATTACHMENTS FOR DoTS

IROW Payment

- 6. Reimbursement of the Advance Payment made by Concessionaire
 - 6.1 Letter Request by DPWH to the Concessionaire to make the advance payment
 - 6.2 Acknowledgement Receipt
 - 6.3 Photocopy of the check
 - 6.4 Reimbursement Agreement
 - 6.5 Secretary's Certificate / photocopy of valid ID of the AIF
- 7. Environmental Clearance Certificate (ECC)
- B. Negotiated Sale – Final 50%**
 - 1. Notarized Deed of Absolute Sale
 - 2. **a. Titled Lot** - Electronic copy of the Lot Title in the name of the Registered Owner / authenticated by the Registry of Deeds / Land Registration Authority (LRA)
 - a.1 **Totally Affected:** Lot Title in the name of DPWH / RP
 - a.2 **Partially Affected:** Annotation of Sale to DPWH / RP; or Memorandum of Encumbrances at the back of the Title for portion of lot acquired by the DPWH / TCT of the subdivided lot prior to registration in the name of RP (TCT of the portion affected only)
 - b. Untitled Lot** - required supporting documents
 - b.1 Original Tax Declaration/Tax Declaration certified by the Assessor's Office
 - b.2 Certification by the Register of Deeds/Land Registration Authority (LRA) of the non-existence of the TCT
 - b.3 TCT of the affected portion in the name of Republic of the Philippines
- 3. Duly approved Subdivision Plan / Technical Description of the Affected Lot
- 4. Tax Clearance / Statement of Account with letter request by the claimant for deduction from claim / Tax Exemption
- 5. Tax Declaration of the lot authenticated by the Assessor's Office
- 6. Attachments of the basis of valuation used (whichever is applicable):
 - 6.1 Applicable Zonal Valuation certified by the BIR
 - 6.2 Resolution on the Appraisal Value by an Official Committee (Assessor's Office)
 - 6.3 Independent Appraisal Report Relative to the Subject Property
 - 6.4 Current Market Value (CMV)
- 7. Certified true copy of the paid Disbursement Voucher of the 1st 50% lot payment
- 8. Official Receipts / Proof of Tax Payments made
- 9. Reimbursement of the Advance Payment made by Concessionaire
 - 9.1 Letter Request by DPWH to the Concessionaire to make the advance payment
 - 9.2 Acknowledgement Receipt
 - 9.3 Photocopy of the check
 - 9.4 Reimbursement Agreement
 - 9.5 Secretary's Certificate / photocopy of valid ID of the AIF

I hereby certify that the above supporting documents are complete

Print Name: _____
 Designation: _____
 Date: _____

CHECKLIST OF SUPPORTING DOCUMENTS AND ATTACHMENTS FOR DoTS

IROW Payment

C. Expropriation – Initial Payment based on BIR Zonal Value

- 1. **a. Titled Lot** - Electronic copy of the Lot Title in the name of the Registered Owner / authenticated by the Registry of Deeds / Land Registration Authority (LRA)
- b. Untitled Lot** - required supporting documents
 - b.1 Original Tax Declaration/Tax Declaration certified by the Assessor's Office
 - b.2 Certification by the Register of Deeds/Land Registration Authority (LRA) of the non-existence of the TCT
- 2. Duly approved Subdivision Plan / Technical Description of the Affected Lot
- 3. Copy of the complaint with case number filed by the OSG, received by the Judicial Court under jurisdiction, and duly certified by the Clerk of Court / Duly received Letter Request to OSG to file the Complaint
- 4. Tax Declaration of the lot authenticated by the Assessor's Office
- 5. Applicable Zonal Valuation certified by the BIR
- 6. Reimbursement of the Advance Payment made by Concessionaire
 - 6.1 Letter Request by DPWH to the Concessionaire to make the advance payment
 - 6.2 Acknowledgement Receipt
 - 6.3 Photocopy of the check
 - 6.4 Reimbursement Agreement
 - 6.5 Secretary's Certificate / photocopy of valid ID of the AIF
- 7. Environmental Clearance Certificate (ECC)

D. Expropriation – Just Compensation

- 1. **a. Titled Lot** - Electronic copy of the Lot Title in the name of the Registered Owner / authenticated by the Registry of Deeds / Land Registration Authority (LRA)
 - a.1 **Totally Affected:** Lot Title in the name of DPWH / RP
 - a.2 **Partially Affected:** Annotation of Sale to DPWH / RP; or Memorandum of Encumbrances at the back of the Title for portion of lot acquired by the DPWH / TCT of the subdivided lot prior to registration in the name of RP (TCT of the portion affected only)
- b. Untitled Lot** - required supporting documents
 - b.1 Original Tax Declaration/Tax Declaration certified by the Assessor's Office
 - b.2 Certification by the Register of Deeds/Land Registration Authority (LRA) of the non-existence of the TCT
 - b.3 TCT of the affected portion in the name of Republic of the Philippines
- 2. Duly approved Subdivision Plan / Technical Description of the Affected Lot
- 3. Tax Declaration of the lot authenticated by the Assessor's Office
- 4. Tax Clearance / Statement of Account with letter request by the claimant for deduction from claim / Tax Exemption
- 5. Copy of the complaint with case number filed by the OSG, received by the Judicial Court under jurisdiction, and duly certified by the Clerk of Court / Duly received Letter Request to OSG to file the Complaint
- 6. Court Decision relative to just compensation duly certified by the Court
- 7. Certified true copy of the disbursement voucher regarding the payment of BIR Zonal Value / Court Order stating the payment made on BIR Zonal Value
- 8. Certificate of Finality / Entry of Final Judgment duly certified by the Clerk of Court
- 9. One-page approved summary computation of Just Compensation, including interest, if any
- 10. Photocopy of the Writ of Possession (WOP)
- 11. Official Receipts / Proof of Tax Payments
- 12. Deed of Conveyance

I hereby certify that the above supporting documents are complete

Print Name: _____
 Designation: _____
 Date: _____

CHECKLIST OF SUPPORTING DOCUMENTS AND ATTACHMENTS FOR DoTS

IROW Payment

II. Payment of Improvements

A. Negotiated Sale – Initial 70%

- 1. Approved Agreement to Demolish and Remove Improvement (ADRI)
- 2. Photocopy of Community Tax Certificate and Original Barangay Certification of Residency
- 3. Lot Title and Tax Declaration of the affected Lot where the improvement is built
- 4. Tax Declaration of the improvement, authenticated by the Assessor's Office
 - 4.1 For other improvements, accessory (e.g. such as pavements, terraces, etc.) to the main structure / improvement which are neither represented by a separate Tax Declaration nor indicated in the Tax Declaration of the main structure/improvement, a certification from the IO that such improvement/s are existing
- 5. Structures Mapping
- 6. Sketch Plan
- 7. Summary and detailed computation of Replacement Cost duly approved by the Director of the Implementing Office (IO)
- 8. Pictures before demolition / removal duly certified by Project Engineer
- 9. Waiver of the lot owner on the proceeds of improvement if the lot owner and improvement owner are two (2) different owners with attached photocopy of two (2) valid ID cards of the lot owner
- 10. Original copy of Affidavit of Ownership of Improvements if the owner thereof is different from the owner of lot
- 11. Reimbursement of the Advance Payment made by Concessionaire
 - 11.1 Letter Request by DPWH to the Concessionaire to make the advance payment
 - 11.2 Acknowledgement Receipt
 - 11.3 Photocopy of the check
 - 11.4 Reimbursement Agreement
 - 11.5 Secretary's Certificate / photocopy of valid ID of the AIF

I hereby certify that the above supporting documents are complete

Print Name: _____
Designation: _____
Date: _____

CHECKLIST OF SUPPORTING DOCUMENTS AND ATTACHMENTS FOR DoTS

IROW Payment

B. Negotiated Sale – Final 30%

- 1. Notarized Agreement to Demolish and Remove Improvement (ADRI)
- 2. Photocopy of Community Tax Certificate and Original Barangay Certification of Residency
- 3. Lot Title and Tax Declaration of the affected Lot where the improvement is built
- 4. Tax Declaration of the improvement, authenticated by the Assessor's Office
 - 4.1 For other improvements, accessory (e.g. such as pavements, terraces, etc.) to the main structure / improvement which are neither represented by a separate Tax Declaration nor indicated in the Tax Declaration of the main structure/improvement, a certification from the IO that such improvement/s are existing
- 5. Tax Clearance / Statement of Account (with letter request for deduction) / Tax Exemption
- 6. Structures Mapping
- 7. Sketch Plan
- 8. Summary and detailed computation of Replacement Cost duly approved by the Director of the Implementing Office (IO)
- 9. Pictures during and after demolition / removal duly certified by Project Engineer
- 10. Certificate of total demolition / removal (stating the date when the improvement was demolished)
- 11. Waiver of the lot owner on the proceeds of improvement if the lot owner and improvement owner are two (2) different owners with attached photocopy of two (2) valid ID cards of the lot owner.
- 12. Original copy of Affidavit of Ownership of Improvements if the owner thereof is different from the owner of lot
- 13. Reimbursement of the Advance Payment made by Concessionaire
 - 13.1 Letter Request by DPWH to the Concessionaire to make the advance payment
 - 13.2 Acknowledgement Receipt
 - 13.3 Photocopy of the check
 - 13.4 Reimbursement Agreement
 - 13.5 Secretary's Certificate / photocopy of valid ID of the AIF

I hereby certify that the above supporting documents are complete

Print Name: _____

Designation: _____

Date: _____

CHECKLIST OF SUPPORTING DOCUMENTS AND ATTACHMENTS FOR DoTS

IROW Payment

C. Expropriation – Initial Payment based on Replacement Cost

- 1. Lot Title and Tax Declaration of the affected Lot where the improvement is built
- 2. Tax Declaration of the improvement, authenticated by the Assessor's Office
 - 2.1 For other improvements, accessory (e.g. such as pavements, terraces, etc.) to the main structure / improvement which are neither represented by a separate Tax Declaration nor indicated in the Tax Declaration of the main structure/improvement, a certification from the IO that such improvement/s are existing
- 3. Structures Mapping
- 4. Sketch Plan
- 5. Copy of the complaint with case number filed by the OSG, received by the Judicial Court under jurisdiction, and duly certified by the Clerk of Court / Duly received Letter Request to OSG to file the Complaint
- 6. Pictures of before demolition / removal duly certified by Project Engineer
- 7. Reimbursement of the Advance Payment made by Concessionaire
 - 7.1 Letter Request by DPWH to the Concessionaire to make the advance payment
 - 7.2 Acknowledgement Receipt
 - 7.3 Photocopy of the check
 - 7.4 Reimbursement Agreement
 - 7.5 Secretary's Certificate / photocopy of valid ID of the AIF
- 8. Summary and detailed computation of Replacement cost duly approved by the Director of the Implementing Office (IO)

D. Expropriation – Just Compensation

- 1. Lot Title and Tax Declaration of the affected Lot where the improvement is built
- 2. Tax Declaration of the improvement, authenticated by the Assessor's Office
 - 2.1 For other improvements, accessory (e.g. such as pavements, terraces, etc.) to the main structure / improvement which are neither represented by a separate Tax Declaration nor indicated in the Tax Declaration of the main structure/improvement, a certification from the IO that such improvement/s are existing
- 3. Tax Clearance / Statement of Account (with letter request for deduction) / Tax Exemption
- 4. Copy of the complaint with case number filed by the OSG, received by the Judicial Court under jurisdiction, and duly certified by the Clerk of Court / Duly received Letter Request to OSG to file the Complaint
- 5. Court Decision relative to just compensation duly certified by the Court
- 6. Certified true copy of the disbursement voucher regarding the initial payment made / Court Order stating the initial payment made
- 7. Certificate of Finality / Entry of Final Judgment duly certified by the Clerk of Court
- 8. Certified true copy of the paid voucher of replacement cost
- 9. Writ of Possession
- 10. Official Receipts / Proof of Tax Payments made
- 11. Reimbursement of the Advance Payment made by Concessionaire
 - 11.1 Letter Request by DPWH to the Concessionaire to make the advance payment
 - 11.2 Acknowledgement Receipt
 - 11.3 Photocopy of the check
 - 11.4 Reimbursement Agreement
 - 11.5 Secretary's Certificate / photocopy of valid ID of the AIF
- 12. Notarized Agreement to Demolish and Remove Improvement (ADRI)

I hereby certify that the above supporting documents are complete

Print Name: _____
 Designation: _____
 Date: _____

CHECKLIST OF SUPPORTING DOCUMENTS AND ATTACHMENTS FOR DoTS

IROW Payment

III. Payment of Replacement Costs of Trees and Agricultural Crops

- 1. Notarized Agreement to Remove Improvement (ARI)
- 2. Photocopy of Community Tax Certificate and Original Barangay Certification of Residency
- 3. Lot Title and Tax Declaration of the affected Lot (CTC)
- 4. Valuation of Trees / Crops by DENR / DA
- 5. Mapping Plan
- 6. Permit to Cut from DENR
- 7. Pictures duly certified by the Project Engineer
- 8. Certificate of Removal (from Implementing Office)
- 9. Waiver of the lot owner on the proceeds of improvement if the lot owner and improvement owner are two (2) different owners with attached photocopy of two (2) valid ID cards of the lot owner.
- 10. Certification of Barangay Chairman on the ownership of Trees / Crops
- 11. Reimbursement of the Advance Payment made by Concessionaire
 - 11.1 Letter Request by DPWH to the Concessionaire to make the advance payment
 - 11.2 Acknowledgement Receipt
 - 11.3 Photocopy of the check
 - 11.4 Reimbursement Agreement
 - 11.5 Secretary's Certificate / photocopy of valid ID of the AIF

I hereby certify that the above supporting documents are complete

Print Name: _____
Designation: _____
Date: _____

CHECKLIST OF SUPPORTING DOCUMENTS AND ATTACHMENTS FOR DoTS

IROW Payment

IV. Following are the additional documents requirements to be attached to claim(s) on a case by case basis. This is applicable to all type of IROW Payments

A. When registered owner is deceased:

- 1. Consolidated of properties through Court proceedings or through an extra-judicial settlement process with publication
 - 1.1 Copy of Court Decision-consolidated of ownership or extra-judicial settlement executed by surviving heir(s) (for Negotiation only)
 - 1.2 Copy of Notice of Publication
 - 1.3 Death Certificate of Owner

B. When the affected property is a road lot

- 1. Court Clearance

C. Property of Corporation

- 1. Secretary Certificate duly notarized

D. Representation by an Attorney-In-Fact

- 1. Special Power of Attorney (SPA). If the owner is outside RP, the SPA must be authenticated by Consular Office Concerned
- 2. If expropriation, the assignment of the Attorney-In-Fact (AIF) by virtue of the SPA must be recognized through a Court Order

E. If the land is under administration/guardianship

- 1. Court Approval when the property is under guardianship or administration
- 2. If the land is under administration/guardianship because of a Court Order, get a copy of Court Order

I hereby certify that the above supporting documents are complete

Print Name: _____

Designation: _____

Date: _____

CHECKLIST OF SUPPORTING DOCUMENTS AND ATTACHMENTS FOR DoTS

IROW Payment with RAP

I. To be submitted by the Office concerned (DEOs)

- 1. Listing of PAPs based on the validated RAP for the particular project
- 2. Copy of Entitlement Matrix as reference to the legality of claim
- 3. Picture of the PAP with a background of the affected properties
- 4. Structure map showing the location of the affected property vis-à-vis the road project
- 5. Detailed Measurement Survey of the affected property being the subject of the claim and the Bill of Materials and Cost Estimates
- 6. Notarized Agreement on the estimate of the affected assets and properties
- 7. Notarized Pledge of Undertaking (similar to ADRI) to be signed by the Project Affected Person

I hereby certify that the above supporting documents are complete

Print Name: _____
Designation: _____
Date: _____

II. To be prepared by the Planning Service

- 1. Endorsement letter recommending payment

I hereby certify that the above supporting documents are complete

Print Name: _____
Designation: _____
Date: _____

III. To be prepared by the Implementing Office

- 1. Memorandum to budget – Request for Obligation Request and Status (ORS)
- 2. Memorandum to Accounting – Request for Certificate of Availability of funds (CAF)
- 3. Disbursement Voucher
- 4. RAP concurred by the lending institution for foreign assisted projects and approved RAP for locally funded projects both duly transmitted to COA (Certified true copy)
- 5. One set certified true copy of all the documents submitted for accounting's copy. (Once signed/approved)

I hereby certify that the above supporting documents are complete

Print Name: _____
Designation: _____
Date: _____

IV. To be prepared by the Finance Service/Division/Section

- 1. Obligation Request and Status signed by the Budget Officer

I hereby certify that the above supporting documents are complete

Print Name: _____
Designation: _____
Date: _____

Appendix 49

JOINT CIRCULAR OF THE DEPARTMENT OF ENERGY (DOE) AND THE DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS (DPWH)

NO. _____ SERIES OF 2017

PRESCRIBING THE UNIFORM GUIDELINES AND PROCEDURES FOR THE PROPER PAYMENT OF COMPENSATION AND/OR RECOVERY OF COST IN THE EVENT OF THE NEED TO RELOCATE THE ELECTRIC COOPERATIVE DISTRIBUTION/SUBTRANSMISSION LINES FOR THE PRIMARY PURPOSE OF THE GOVERNMENT

WHEREAS, pursuant to Section 9 of Republic Act (RA) No. 10531, otherwise known as the "National Electrification Administration Reform Act of 2013", section 16(j) of Presidential Decree (PD) No. 269 was duly amended as follows:

"Section 16. *Powers.* A cooperative is hereby vested with all powers necessary or convenient for the accomplishment of its corporate purposes and capable of being delegated by the President or the National Assembly when it comes into existence; and no enumeration of particular powers hereby granted shall be construed to impair any general grant of power herein contained, nor to limit any such grant to a power or powers of the same class as those so enumerated. Such powers shall include, but not be limited to, the power:

(j) To construct, acquire, own, operate and maintain electric subtransmission and distribution lines along, upon, under and across publicly owned lands and public thoroughfares, including, without limitation, all roads, highways, streets, alleys, bridges and causeways. **In the event of the need of such lands and thoroughfares for the primary purpose of the government, the electric cooperative shall be properly compensated;**" (Boldfacing supplied)

WHEREAS, pursuant to Section 16 of RA 10531, the DOE issued Department Memorandum Circular DC-2013-07-0015 otherwise known as the "*Implementing Rules and Regulations (IRR) of RA 10531*";

WHEREAS, under Section 10(a) of the said IRR, the DOE and the DPWH are mandated to issue within one hundred eighty (180) days from the effectivity of the IRR, a joint circular to carry out the proper compensation for Electric Cooperatives (ECs) in the event that its distribution and/or sub-transmission facilities are relocated as a result of a government project;

WHEREAS, pending the issuance of the joint circular, the DOE issued a Department Circular No. DC 2015-06-011 prescribing the "*Interim Uniform Guidelines and Procedures for the Recovery of Just Compensation in the event of Relocation by ECs of their distribution and/or sub-transmission lines as a result of any Government and/or Non-Government Projects*";

WHEREAS, there is a need to issue this Joint Circular as uniform guidelines for the determination of "*proper compensation*" as stated in Section 9 of RA 10531.

NOW THEREFORE, pursuant to Section 10(a) of the IRR of RA 10531, the DOE and the DPWH hereby jointly issue, adopt and promulgate the following:

Section 1. Title - This Joint Circular shall be known as the "*DOE-DPWH Joint Guidelines for Payment of Compensation/Recovery Cost of Electric Cooperatives*".

Section 2. Scope and Application - This Joint Circular shall apply to all existing and/or future facilities and assets owned by ECs directly related to distribution or sub-transmission lines located along, upon, under and across publicly owned lands and public thoroughfares, including, without limitation, all roads, highways, streets, alleys, bridges and causeways, that require relocation as a result of the implementation of a national or government project after the effectivity of RA 10531.

Section 3. Definition of Terms – For purposes of this Joint Circular, the following terms are defined as follows:

- a. **Affected Facility** – a Facility that requires relocation as a result of the implementation of a Government Project;
- b. **DOE** - the Department of Energy, the government agency duly existing and created under RA 7638, as amended;
- c. **DPWH** – the Department of Public Works and Highways, the government agency duly created and existing under Executive Order No. 292 or the 1987 Administrative Code of the Philippines;
- d. **Electric Cooperative (EC)** - an electric distribution utility organized and registered pursuant to PD 269 (as amended);
- e. **Facility** – electric poles, guy supports, wires, insulators and other assets directly related to, or necessary in, the distribution/subtransmission of electricity;
- f. **Implementing Agency (IA)** – any department, bureau, office, commission, authority or agency of the national government, any government-owned or controlled corporation, state college or university, authorized by law or its charter to undertake government projects including LGUs;
- g. **LGU** – a local government unit duly created and existing under RA 7160;
- h. **Government Project** – all national government infrastructure and public service facilities, engineering works and service contracts, including projects undertaken by government-owned and -controlled corporations, all projects covered by RA 6957, otherwise known as the "*Build-Operate-and-Transfer Law*," as amended by RA 7718 entitled "*An Act Authorizing the Financing, Construction, Operation and Maintenance of Infrastructure Projects by Private Sector, and for Other Purposes*," and those that involve private sector participation and necessary activities, such as site acquisition, supply and/or installation of equipment and materials, implementation, construction, completion, operation, maintenance, improvement, repair and rehabilitation, regardless of the source of funding, and all local government infrastructure projects. These projects shall include, but not be limited to the following, all of which are intended for public use or purpose:

- (1) highways, including expressways, roads, bridges, interchanges, overpasses, tunnels, viaducts and related facilities;
 - (2) railways and mass transit facilities;
 - (3) port infrastructures, like piers, wharves, quays, storage handling and ferry services;
 - (4) airports and air navigation facilities;
 - (5) power generation, transmission and distribution facilities;
 - (6) radio/television broadcasting and telecommunications infrastructure;
 - (7) information technology infrastructure;
 - (8) irrigation, flood control and drainage systems;
 - (9) water and debris retention structures and dams;
 - (10) water supply, sanitation, sewerage and waste management facilities;
 - (11) land reclamation, dredging and development;
 - (12) industrial and tourism estates;
 - (13) government school buildings, hospitals, clinics and other buildings and housing projects;
 - (14) public markets and slaughterhouses; and
 - (15) other similar or related infrastructure works and services of the national or local government.
- i. **NEA** – the National Electrification Administration duly created and existing under PD No. 269, as amended;
- j. **NEA Equipment and Materials Price Index** - the most current "Equipment and Materials Price Index" issued by NEA to reflect the current costs of equipment and materials used by ECs. In the absence of an "Equipment and Materials Price Index" this shall refer to a list issued by NEA of electrical equipment and materials with specifications, standards and unit prices duly approved by NEA which is used as a guide or basis for the procurement and construction by ECs of distribution/subtransmission facilities;
- k. **Penalty** - an amount equivalent to the rate of ten percent (10%) of the Relocation Cost per day of delay;
- l. **Proper Compensation** – the amount payable to an EC as compensation for relocating an Affected Facility, determined in accordance with Section 5 of this Joint Circular;

- m. **RA 10531** – the “National Electrification Administration Reform Act of 2013”;
- n. **RA 10752** – RA 10752 otherwise known as “The Right-of-Way Act of 2015”;
- o. **Relocated Facility** – the new Facility which will be installed in replacement of the Affected Facility pursuant to the Relocation Agreement; and
- p. **Right-of-Way** – a part or the entirety of a property, site, or location, with defined physical boundaries, used for a Government Project.

Section 4. Coordination on Projects – From programming and/or planning of a Government Project until an Affected Facility is relocated, the IA shall coordinate with the NEA and ECs to address all ROW concerns related to the Affected Facility such as, but not limited to, claims for compensation and determination of relocation site.

- a) Prior to the preparation of budget for a proposed Government Project, the IA shall inform the EC in writing that its Facility will be affected by a Government Project, copy furnished the DOE and NEA;
- b) Thereafter, the IA and the EC shall designate an authorized representative to conduct, among others, the actual joint survey and assessment of the Facility which may be possibly affected by the Government Project;
- c) Within a period not exceeding thirty (30) calendar days after the joint survey and assessment, the EC shall submit to the IA the proposed program of work for the Affected Facility with a cost estimate duly certified by NEA, and bill of materials thereof;
- d) After the EC submits its program of work, the IA shall determine within ten (10) calendar days the proper compensation based on the formula provided under Section 5 hereof;
- e) After the amount of compensation is determined, the IA and the EC shall execute within fifteen (15) calendar days a Relocation Agreement for the removal of Affected Facility with the following terms and conditions, among others:
 - i. Terms of payment of compensation for the Affected Facility;
 - ii. Details of the Affected Facility and approved relocation site;
 - iii. Project implementation and schedules of activities for the removal of Affected Facility;
 - iv. “Target Date” when the Affected Facility must be removed;
 - v. Remedy in case of default, refusal to relocate, disagreement or dispute;
- f) After the execution of a Relocation Agreement, the IA shall prepare the final program of work for the Government Project which shall include the amount of compensation due to the EC, for budgetary purposes;
- g) At least fifty percent (50%) of the cost of compensation as stated in the agreement must be paid by the IA to the EC prior to the removal of an Affected Facility, and
- h) In case of disagreement or failure of the EC and IA to execute a Relocation Agreement within fifteen (15) calendar days as required under Section 4(e), at least fifty percent (50%) of the cost of compensation computed in accordance with Section 5

may be deposited by the IA to the NEA. After the deposit has been received by the NEA, the IA shall notify the EC in writing of such deposit ("Deposit Notice"). The EC is required to remove the Affected Facility within seven (7) calendar days ("Removal Period") counted from the receipt of the Deposit Notice from the IA. In case the EC fails or refuses to remove the Affected Facility within the Removal Period, the NEA, with the assistance of the IA shall immediately relocate the Affected Facility at the expense of the EC, including the imposition of legal sanction, if any. In case the EC causes, but delays in, the removal of the Affected Facility, Section 6 shall apply.

Section 5. Guidelines for the Determination of Proper Compensation – The IA shall determine and pay the proper compensation to the EC for the cost of the removal of Affected Facility, based on the following formula:

Relocation Cost = Present Value of Relocated Facility, less Depreciation Cost of Affected Facility, plus Dismantling/Removal and Disposal Cost of Affected Facility.

Thus:

$$a = (b-c) + d$$

Where:

a – *Relocation Cost*

b – *Present Value of Relocated Facility*

c – *Depreciation Cost of Affected Facility*

d – *Dismantling/Removal and Disposal Cost of Affected Facility*

Where:

Present Value – is the cost of the Relocated Facility based on the NEA Equipment and Materials Price Index, which include cost of labor and equipment required for the construction/installation of the Relocated Facility.

Depreciation Cost – the equivalent cost of the service life of the Affected Facility, to be determined based on Section 1.7, Chapter III of the Accounting and Cost Allocation Manual (ACAM) for Electric Cooperatives prescribed under ERC Resolution No. 7, Series of 2012.

Cost of Removal/Dismantling and Disposal – cost of labor and equipment required to remove/dismantle the Affected Facility, including, where necessary, cost to transport the Affected Facility to the disposal or storage site.

Section 6. Period to Remove Affected Facility – The EC is obliged to promptly remove its Affected Facility from the right-of-way required for a Government Project by removing the same within the period stated in the Relocation Agreement. Unless the failure to relocate the Affected Facility is not caused by the willful or negligent act(s) of the EC, the IA shall deduct an amount equivalent to the rate of ten percent (10%) of the Relocation Cost for the first day of delay. Thereafter, the rate shall be ten percent (10%) of the remaining balance of the Relocation Cost per day of delay until the Affected Facility is relocated.

Section 7. Refusal to Remove Facilities – In case the EC fails, without justifiable cause, to remove the Affected Facility after ten (10) days counted from the Target Date indicated in the

Relocation Agreement, the NEA, with the assistance of the IA shall immediately relocate the Affected Facility at the expense of the EC, including the imposition of legal sanction, if any.

Section 8. Interruption Cost – The IA shall not be liable for any cost caused by the interruption, disruption, and/or disturbance of electric distribution by an EC to its consumer(s) by reason of the removal and/or relocation of the Affected Facility.

Section 9. Acquisition of Private Property – If the property where the Affected Facility is situated in the government’s right-of-way, the EC shall bear the expenses for the acquisition of a private property necessary for the relocation of the Relocated Facility.

If the Affected Facility is situated in a private property necessary for the government project, the IA shall pay for the land in accordance with the provisions of RA 10752.

Section 10. Improvements in New EC’s Facilities – Any variance from the technical components of the Relocated Facility from the Affected Facility shall be borne by the EC concerned, except if the improvement is a necessary consequence/effect of the relocation.

Section 11. Exemption from Government Fees – In relocating an Affected Facility, whether within a government or private property, the IA, DOE and NEA shall exempt the EC from payment of prescribed fees, if any, subject to submission of bonds when applicable.

Section 12. Allowable use of Government’s Right-of-Way – After the effectivity of this Joint Circular, the EC may use government property for the construction, erection and implementation of distribution and/or subtransmission lines within the limits allowed by law, subject to proper coordination with the appropriate government agency.

Section 13. Clearing of Facilities from Existing Government Projects – Within one (1) year from the effectivity of this Joint Circular, the NEA and EC shall cause the removal and relocation of any improperly located facility in the government’s right-of-way (Obstructing Facility), subject to payment of compensation provided in this Joint Circular.

After the lapse of the prescribed one-year period, the NEA shall demand from the concerned EC to relocate an Obstructing Facility at its own expense. Otherwise, the NEA, with the assistance of the DPWH, shall relocate the Obstructing Facility at the expense of the EC, including the imposition of legal sanction, if any.

The NEA shall cause the appropriations of funds needed to cover the expenses for the accomplishment of activities provided for by the preceding paragraph.

Section 14. Easement in favor of the Government - ECs shall strictly observe and maintain the easements in favor of the government provided in Section 40 of the Public Land Act, Section 16 of the Forestry Code of the Philippines and Article 51 of the Water Code of the Philippines. Should the EC, its successors or assignee fail, refuse or neglect to maintain the easement stated therein, the NEA shall cause the removal/relocation of facilities which encumber government easements in the same manner set forth in Section 7 of this Joint Circular.

Section 15. Applicability of RA 10752 and its IRR – The provisions of RA 10752 and its IRR shall be applicable in cases not covered by this Joint Circular.

Section 16. Subjectivity to Other Laws – The above rules and regulations shall be subject to all pertinent laws, DPWH and DOE guidelines and issuances, and to COA rules and regulations.

Section 17. Separability Clause – Should any provision of this Joint Circular or any part hereof be declared invalid, the remaining provisions, insofar as they are separable from the invalid ones, shall be in full force and effect notwithstanding the invalidity of other provisions.

Section 18. Repealing Clause – All circulars and issuances not consistent with this Joint Circular shall be modified and repealed accordingly.

All pending claims pursuant to DOE Department Circular No. DC 2015-06-011 shall be resolved in accordance with the provisions of this Joint Circular.

Section 19. Effectivity and Publication – This Joint Circular shall be effective upon its publication in two (2) newspapers of general circulation and shall remain in effect until revoked.

Issued on _____, City of _____, Philippines.

DEPARTMENT OF ENERGY

By:

ALFONSO G. CUSI
Secretary

**DEPARTMENT OF PUBLIC WORKS
AND HIGHWAYS**

By:

MARK A. VILLAR
Secretary