

PHILIPPINE RECLAMATION AUTHORITY (PRA)
[formerly Public Estates Authority (PEA)]
ADMINISTRATIVE ORDER NO. 2008-3

**SUBJECT: RULES AND PROCEDURES FOR THE PROCESSING OF
APPLICATIONS FOR TITLING OF COMPLETED
UNAUTHORIZED OR ILLEGAL RECLAMATION THROUGH PRA**

Pursuant to Presidential Decree No. 3-A, (Section 1), dated January 11, 1973 and Executive Order No. 525, (Section 1), dated February 14, 1979 in relation to PRA's powers and functions under Presidential Decree No. 1084 [Section 5 (p)] and Executive Order No. 525 [Section 2 (b)] as well as Executive Order No. 380 dated October 26, 2004, which among others, transformed the Public Estates Authority (PEA) into the Philippine Reclamation Authority (PRA), the following Rules and Procedures for the processing of applications for the titling of completed unauthorized or illegal reclamation are hereby promulgated.

Section 1. Rationale

It is the policy of the Government to promote a balanced and harmonious development in the countryside by attracting local and foreign investors in infrastructure development involving reclamation component, e.g. ports, mixed commercial/industrial development, eco-tourism development, schools and/or simple residential expansion. As a country imbued with a long coastline, these developments and investments provide the much needed boost of employment generation and multiple economic activities with far reaching impact in the locality and the country in general. As a government instrumentality, the PRA is mandated to support these activities by providing a window of opportunity for a long lasting security of investment and ownership of the reclaimed land as component of a bigger project by ensuring that titles of these properties will be properly secured to the clear advantage of the government and pursuant to existing laws, rules and regulations.

Section 2. Coverage

These rules and procedures shall cover all completed unauthorized or illegal reclamation throughout the country which were or are being undertaken prior to the effectivity of this Administrative Order (A.O.).

Section 3. Definition of Unauthorized or Illegal Reclamation

Unauthorized or illegal Reclamation shall refer to those reclamation projects which have been undertaken and completed by private parties and / or government agencies / entities which are not authorized to reclaim under existing laws, without the required permit from PRA (or PEA) and approval by the President of the Philippines.

Section 4. Guidelines

- 1) The reclaimed area shall be forfeited in favor of PRA for and in behalf of the National Government by securing the Title thereto in the name of the Republic of the Philippines (RP) or PRA subject to reimbursement by the RP/PRA of the actual cost incurred in undertaking the reclamation.
- 2) At the option of PRA and subject to the legal qualifications of the parties concerned, the reimbursement may be (a) in the form of reclaimed land; (b) from the proceeds of the sale of the reclaimed land; or (c) lease of the reclaimed land over an equivalent time.
- 3) In case of reimbursement in the form of reclaimed land,
 - (a) Only applicants qualified under the Constitution and existing laws may avail of this form of reimbursement.
 - (b) The applicant / reclaimer (i. e., party responsible in undertaking the reclamation) shall submit to PRA, for validation, the actual expenses incurred together with all the supporting documents thereof.
 - (c) The actual cost validated and agreed to by PRA shall be the amount to be reimbursed with equivalent reclaimed land. The value of the reclaimed land, for the purpose of computing the area shall be based on the current appraisal value of the illegally reclaimed land, to be determined by an independent appraiser/s to be hired by PRA for the said purpose.
 - (d) The remaining areas of the reclaimed land shall be retained by RP/PRA as its own, which in no case shall be less than thirty percent (30 %) of the total area of the reclaimed land

- 4) In case of reimbursement by means of the proceeds from the sale of the reclaimed lands,
 - (a) The sale shall be done by PRA through public bidding and subject to constitutional limitations and accounting and auditing rules and regulations.
 - (b) The base selling price of the land shall be its appraisal value at the time of bidding.
 - (c) The appraisal values shall be determined by independent appraisers to be hired by PRA for the purpose.
 - (d) The applicant / reclaimer of the reclaimed lands being sold if qualified under the Constitution and other existing laws may participate in the bidding.
 - (e) The applicant / reclaimer shall be reimbursed of the actual costs incurred from the proceeds of the sale. No such reimbursement shall exceed the sales proceeds and in all cases, the PRA shall retain the sales proceeds equal to not less than thirty percent (30%) of the current appraisal value of the land subject of sale.
- 5) In case of reimbursement through lease of reclaimed land over a period time, the applicant / reclaimer, if qualified under the Constitution and existing laws, shall be given preference to use the reclaimed land subject to payment of lease rentals which shall be applied against the amount of reimbursement.
- 6) In all the foregoing cases, the applicant / reclaimer shall pay a penalty fee of ten percent (10%) of the reclamation cost plus VAT.
- 7) These guidelines shall be without prejudice to those persons whose rights have been violated due to the reclamation and for which those parties responsible for the reclamation shall be held accountable and liable for any claims or damages arising therefrom.

Section 5. Procedures (Flowchart – Annex 1)

- 1) The owner/ reclaimer/ developer shall apply with PRA for the registration of its completed reclamation project.
- 2) Upon filing of the application for registration, the applicant shall pay the following fees:
 - Filing Fee – P500 per hectare but not less than P20, 000 plus VAT to be paid upon filing of the application.
 - Processing Fee – P1, 000 per hectare but not less than P100, 000 plus VAT
- 3) The application for registration shall be accompanied by the following:
 - a. historical facts about the reclamation;
 - b. project description or feasibility study, as applicable;
 - c. as-built plans and actual cost of the reclamation;
 - d. site development or master development plan / land use plan;
 - e. Clearance/s or Permits, if any, from any government agency like DENR for Environmental Compliance Certificate (ECC), and others;
 - f. Preliminary Survey Plan and Final Survey Plan and Returns after undertaking joint verification survey with PRA;
 - g. Other documents which may be required in the process of PRA's evaluation.
- 4) Submission of all documents and / or compliance with all requirements must be done by the applicant/s within a maximum period of ninety (90) calendar days from date of receipt of the application for registration by PRA. If justified, the period of submission / compliance may be extended as may be determined by PRA.
- 5) PRA undertakes review / evaluation and conducts joint verification survey with the applicant.

- 6) Applicant submits to PRA the survey returns and final survey plan, which shall be in the name of PRA. and upon PRA approval of the project, pays the Penalty Fee equivalent to 10% of the approved reclamation cost plus VAT.
- 7) After evaluation and upon full compliance with requirements, PRA approves the reclamation and recommends the project for approval of the Board.
- 8) Upon endorsement of PRA, DENR (Land Management Services) approves the final survey plan and technical descriptions and transmits the same to PRA and endorses the issuances of presidential proclamation by the President covering the subject Reclaimed Land based on the approved Final Survey Plan and Site Development Plan or Master Development Plan / Land Use Plan, as the case may be. In the case of Master Development Plan, the lot allocations as therein provided shall be the basis for recommending the issuances of the presidential proclamation which will declare which areas are alienable and open for disposition and which areas are devoted for public use, public service or the development of the national wealth.
- 9) Upon issuance of the presidential proclamation, PRA requests the DENR to issue the corresponding Special Patents, and through the Register of Deeds (RD) and Land Registration Authority (LRA), the Original Certificate of Titles (OCT) as follows:
 - a) Those reclaimed areas allocated for roads, open spaces or for public use or purpose or the development of the national wealth shall be titled in the name of the Republic of the Philippines;
 - b) Those reclaimed areas, which are declared alienable or disposable, shall be titled in the name of PRA.
- 10) The process for the disposition / conveyance of reclaimed lands shall start only after the President of the Philippines shall have issued the required proclamation. Subsequently, the reimbursement of the costs incurred by the applicant / reclaimer shall be done in accordance with Section 5 (2) hereof.

Section 7. Separability Clause

If any part of these rules and procedures shall be held to be unconstitutional or invalid, other parts hereof which are not affected shall continue to be in full force and effect.

Section 8. Effectivity

These Guidelines and Procedures shall take effect fifteen (15) days following its complete publication in two (2) newspapers of general circulation, fifteen (15) days from the date of filing with the University of the Philippines Law Center whichever is later as provided under Book VII, Chapter 2, Section 4 of the Executive Order No. 292 or the Administrative Code of 1987.

PHILIPPINE RECLAMATION AUTHORITY

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