

NINETEENTH CONGRESS OF THE  
REPUBLIC OF THE PHILIPPINES  
*Third Regular Session*

)  
)  
)



24 AUG -7 P2:36

**SENATE**  
**S. No. 2769**

RECEIVED BY:

---

Introduced by Senator MARK A. VILLAR

---

**AN ACT**  
**PROVIDING ADDITIONAL GUIDELINES IN THE ACQUISITION OF RIGHT-OF-WAY, SITE, OR LOCATION FOR NATIONAL GOVERNMENT INFRASTRUCTURE PROJECTS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 10752, OTHERWISE KNOWN AS "THE RIGHT-OF-WAY ACT"**

**EXPLANATORY NOTE**

In 2015, Republic Act No. 9993, otherwise known as "The Right-of-Way Act" (ROW Act), breathed life to the constitutional mandate that private property shall not be taken for public use without just compensation. The ROW Act aims to 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.

Considered as a game changer in facilitating ROW-related processes for government infrastructure projects, the Department of Public Works and Highways (DPWH) issued several Department Orders based on the ROW Act which, among other things, served as a working guide on the rules, procedures, and formats to be used by its different offices involved in ROW acquisition, settlement of claims, expropriation cases and properties covered by ancestral domain. As a result, several high impact "Build, Build, Build" infrastructure projects, such as the Metro Manila Skyway Stage 3, NLEX Harbor Link Segment 10 and NLEX-SLEX Connector Road.

Nevertheless, the current law overlooked some critical aspects which caused some delays in the implementation of government infrastructure projects and is unresponsive to the needs of implementing agencies. Specifically, the law requires

that determination of appropriate price offer, the implementing agency may engage the services of a government financial institution (GFI) with adequate experience in property appraisal, or an independent property appraiser accredited by the Bangko Sentral ng Pilipinas (BSP). Such is problematic since this is not a core function of the BSP.

This bill aims to address the gaps in the present law and to adopt the measures employed by DPWH on ROW acquisition. The measure seeks to institutionalize Right-of-Way Action Plan (RAP) to minimize issues such as proper identification of eligible persons to be compensated during actual ROW acquisition, hence, facilitate project execution. In addition, the bill provides for a prescription of outstanding claims for ROW payments.

Further, there will be a simplified and expedited process in determining the appropriate price offer by removing BSP accreditation requirement of independent property appraisers (IPA) or GFI. Finally, the provisions of Republic Act No. 12002, otherwise known as the "Real Property Valuation and Assessment Reform Act" (RPVARA), will now be incorporated in the law.

Immediate passage of this bill is earnestly sought.



**MARK A. VILLAR**

NINETEENTH CONGRESS OF THE  
REPUBLIC OF THE PHILIPPINES  
*Third Regular Session*

SENATE  
S. No. 2769



Introduced by Senator MARK A. VILLAR

**AN ACT  
PROVIDING ADDITIONAL GUIDELINES IN THE ACQUISITION OF RIGHT-  
OF-WAY, SITE, OR LOCATION FOR NATIONAL GOVERNMENT  
INFRASTRUCTURE PROJECTS, AMENDING FOR THE PURPOSE REPUBLIC  
ACT NO. 10752, OTHERWISE KNOWN AS "THE RIGHT-OF-WAY ACT"**

*Be it enacted by the Senate and House of Representatives of the Philippines in  
Congress assembled:*

**Sec. 1.** Section 4 of Republic Act No. 10752 is hereby amended to read as  
follows:

**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 for by law.

**SEC. 5. *PREPARATION OF RIGHT-OF-WAY ACTION PLAN*. - PRIOR TO  
THE ACQUISITION OF PROPERTIES TO BE USED AS RIGHT-OF-WAY FOR AN  
INFRASTRUCTURE PROJECT, THE IMPLEMENTING AGENCY SHALL  
PREPARE A RIGHT-OF-WAY ACTION PLAN (RAP). THE RAP SHALL CONTAIN  
THE FOLLOWING:**

**(A) CENSUS AND PROFILE OF AFFECTED PERSONS.**

**(B) INVENTORY OF AFFECTED ASSETS.**

**(C) ESTIMATED RIGHT-OF-WAY COSTS, INCLUDING COMPENSATION  
FOR AFFECTED LAND, STRUCTURES AND IMPROVEMENTS, CROPS AND  
TREES, AND OTHER ENTITLEMENTS TO PROJECT-AFFECTED PERSONS.**

**(D) SCHEDULE OF IMPLEMENTATION.**

**(E) INSTITUTIONAL ARRANGEMENTS.**

**(F) PROOF OF STAKEHOLDER CONSULTATIONS.**



1       **SEC. 6. LANDS GRANTED UNDER COMMONWEALTH ACT NO. 141 AND**  
2       **REPUBLIC ACT NO. 10023.** - In case of lands granted through Commonwealth Act  
3       No. 141, as amended, otherwise known as "The Public Land Act," **AND REPUBLIC**  
4       **ACT NO. 10023, OTHERWISE KNOWN AS "THE RESIDENTIAL FREE PATENT**  
5       **ACT,"** the implementing agency shall:

6       (a) Follow the other modes of acquisition enumerated in this Act, if the landowner  
7       is not the original patent holder and any previous acquisition of said land is not through  
8       a gratuitous title; or

9       **(B) FOLLOW THE MODES OF ACQUISITION PROVIDED FOR IN THIS**  
10      **ACT, IF THE LANDOWNER IS THE ORIGINAL PATENT HOLDER OR HAS**  
11      **ACQUIRED THE LAND FROM THE ORIGINAL PATENT HOLDER THROUGH A**  
12      **GRATUITOUS TITLE, AND HAS ACTUALLY CONTINUOUSLY OCCUPIED**  
13      **AND MADE PRODUCTIVE USE OF AT LEAST TWENTY PERCENT (20%) OF**  
14      **THE LAND FOR THE LAST TWENTY (20) YEARS; OR**

15      ~~(b)~~**(C)** Follow the provisions under Commonwealth Act 141, as amended,  
16      regarding acquisition of right-of-way on patent lands, if the landowner is the original  
17      patent holder or the acquisition of the land from the original patent holder is through  
18      a gratuitous title; **OR**

19      ~~(c)~~**(D) FOLLOW THE MODES OF ACQUISITION PROVIDED FOR IN THIS**  
20      **ACT, IF THE LANDOWNER HAS A VALID TITLE UNDER R.A. No. 10023.** The  
21      implementing agency may utilize donation or similar mode of acquisition if the  
22      landowner is a government-owned or government-controlled corporation.

23      **SEC. 7. SUBTERRANEAN PROPERTIES.** - When it is necessary to build,  
24      construct, or install on the subsurface or subterranean portion of private and  
25      government-owned lands owned, occupied or leased by other persons, such  
26      infrastructure as subways, tunnels, underpasses, waterways, floodways, or utility  
27      facilities as part of the government's infrastructure and development project, the  
28      government or any of its authorized representatives shall not be prevented from entry  
29      into and use of such private and government lands by surface owners or occupants,  
30      if such entry and use are made more than ~~fifty (50)~~ **FORTY (40)** meters from the  
31      surface.

1       FOR SUBTERRANEAN INFRASTRUCTURE PROJECTS, THE  
2       GOVERNMENT SHALL ONLY PAY COMPENSATION FOR THE USE OF  
3       PORTIONS OF SUCH LANDS AND STRUCTURES WITHIN A DEPTH OF FORTY  
4       (40) METERS FROM THE SURFACE, EXCEPT FOR THE COST OF EXISTING  
5       STRUCTURES THEREIN THAT ARE AFFECTED BY THE PROJECTS.

6       IF THE NATIONAL GOVERNMENT PROJECT INVOLVES UNDERGROUND  
7       WORKS WITHIN A DEPTH OF FORTY (40) METERS FROM THE SURFACE, THE  
8       IMPLEMENTING AGENCY SHALL PURSUE EITHER OF THE FOLLOWING  
9       OPTIONS, DEPENDING ON THE PROJECT CONCEPT IN THE APPROVED  
10      FEASIBILITY STUDY:

11      (A) IF THE PROJECT CONCEPT INVOLVES THE ACQUISITION OF  
12      SUBTERRANEAN PORTIONS ONLY, THE IMPLEMENTING AGENCY SHALL  
13      OFFER TO THE OWNER, AS COMPENSATION, AN EASEMENT FEE  
14      EQUIVALENT TO TWENTY PERCENT (20%) OF WHICHEVER IS HIGHER OF  
15      THE FOLLOWING:

16      (I) THE CURRENT MARKET VALUE (CMV) OF THE AFFECTED SURFACE  
17      LAND AS DETERMINED BY AN INDEPENDENT PROPERTY APPRAISER (IPA)  
18      OR GOVERNMENT FINANCING INSTITUTION (GFI) UNDER SECTION 5 OF  
19      THIS ACT, OR

20      (II) THE MARKET VALUE BASED ON THE APPLICABLE SCHEDULE OF  
21      MARKET VALUES (SMV) SET BY THE LOCAL GOVERNMENT UNIT (LGU)  
22      CONCERNED PURSUANT TO REPUBLIC ACT NO. 12001, OTHERWISE  
23      KNOWN AS THE REAL PROPERTY VALUATION AND ASSESSMENT REFORM  
24      ACT, OR, IF THE SAID LGU IS NOT YET AVAILABLE, THE APPLICABLE  
25      BUREAU OF INTERNAL REVENUE (BIR) ZONAL VALUE.

26      IN ADDITION, THE IMPLEMENTING AGENCY SHALL OFFER TO THE  
27      OWNER THE PAYMENT OF:

28      (i)     THE RELOCATION COST OF ALL IMPROVEMENTS AND  
29               STRUCTURES, INCLUDING MACHINERY, AFFECTED BY THE  
30               PROJECT, AND

1       (ii)    THE CMV OF ALL CROPS AND TREES AFFECTED BY THE  
2               PROJECT, IN ACCORDANCE WITH THE PROVISIONS OF THIS  
3               ACT.

4       IF THE OWNER REJECTS THE SAID OFFER FOR EASEMENT, THE  
5   IMPLEMENTING AGENCY SHALL INITIATE EXPROPRIATION PROCEEDINGS  
6   FOR THE AFFECTED SUBTERRANEAN PORTIONS, AND SHALL DEPOSIT TO  
7   THE PROPER COURT, IN FAVOR OF THE OWNER, AN AMOUNT EQUIVALENT  
8   TO THE SUM OF:

9       (I) TWENTY PERCENT (20%) OF WHICHEVER IS HIGHER OF SUB  
10   ITEMS (A) AND (B):

11               (A) THE CMV OF THE AFFECTED SURFACE LAND AS  
12   DETERMINED BY AN IPA OR GFI, OR

13               (B) THE MARKET VALUE BASED ON THE APPLICABLE LGU  
14   SMV, OR, IF THE SAID LGU SMV IS NOT YET AVAILABLE, THE APPLICABLE  
15   BIR ZONAL VALUE;

16       (II) THE REPLACEMENT COST OF IMPROVEMENTS AND STRUCTURES  
17   AFFECTED BY THE PROJECT; AND

18       (III) THE CMV OF ALL CROPS AND TREES AFFECTED BY THE PROJECT.

19       THE FINAL AMOUNT OF COMPENSATION TO BE PAID TO THE OWNER  
20   SHALL BE DETERMINED BY THE COURT.

21       (B) IF THE PROJECT CONCEPT INVOLVES THE ACQUISITION OF THE  
22   ENTIRE PROPERTY, INCLUDING BOTH SURFACE AND SUBTERRANEAN  
23   PORTIONS, THE IMPLEMENTING AGENCY SHALL FOLLOW THE  
24   PROVISIONS OF THIS ACT PERTAINING TO EXPROPRIATION.

25       **SEC. 8. LANDS WITHIN ANCESTRAL DOMAIN.** - IN THE CASE OF  
26   ACQUISITION OF LAND WITHIN ANCESTRAL DOMAINS COVERED BY  
27   CERTIFICATES OF ANCESTRAL DOMAIN TITLE (CADT) OR LANDS WITH  
28   PENDING ISSUANCE OF THE CADT WHICH THE NATIONAL COMMISSION  
29   ON INDIGENOUS PEOPLES (NCIP) CONFIRMS AS ANCESTRAL DOMAIN, THE  
30   IMPLEMENTING AGENCY SHALL SECURE THE NECESSARY CERTIFICATION  
31   PRECONDITION, AFTER WHICH AN INFRASTRUCTURE RIGHT-OF-WAY  
32   EASEMENT AGREEMENT SHALL BE EXECUTED BY AND BETWEEN THE



1 IMPLEMENTING AGENCY AND THE NCIP-CERTIFIED INDIGENOUS  
2 POLITICAL STRUCTURE AS PROVIDED FOR IN REPUBLIC ACT NO. 8371,  
3 OTHERWISE KNOWN AS THE "INDIGENOUS PEOPLE'S RIGHTS ACT".  
4 UNDER THIS MODE, THE INDIGENOUS CULTURAL COMMUNITIES (ICC) OR  
5 INDIGENOUS PEOPLES (IP) SHALL GRANT THE IMPLEMENTING AGENCY  
6 THE ABSOLUTE AND UNIMPEDED RIGHT TO USE THE AFFECTED PORTION  
7 OF THEIR ANCESTRAL DOMAIN AS INFRASTRUCTURE RIGHT-OF-WAY FOR  
8 AS LONG AS THE PUBLIC PURPOSE REQUIREMENT SUBSISTS: *PROVIDED,*  
9 *HOWEVER,* THAT THE ICC OR IP SHALL RETAIN OWNERSHIP OF THAT  
10 PORTION OF THE LAND. FOR ICC OR IP WITH NO ESTABLISHED  
11 INDIGENOUS POLITICAL STRUCTURE, THE PROVISIONS OF THE R.A. NO.  
12 8371 ON THE PROCESS OF FREE AND PRIOR INFORMED CONSENT (FPIC)  
13 SHALL BE OBSERVED. THE EASEMENT PRICE TO BE PAID SHALL BE THE SUM  
14 OF:

15 (I) TWENTY PERCENT (20%) OF WHICHEVER IS HIGHER OF SUB  
16 ITEMS (A) AND (B):

17 (A) THE CMV OF THE LAND AS DETERMINED BY AN IPA/GFI, OR

18 (B) THE MARKET VALUE BASED ON THE APPLICABLE LGU SMV, OR, IF  
19 THE SAID LGU SMV IS NOT YET AVAILABLE, THE APPLICABLE BIR ZONAL  
20 VALUE;

21 (II) THE RELOCATION COST OF IMPROVEMENTS AND-STRUCTURES,  
22 INCLUDING MACHINERY, AFFECTED BY THE PROJECT, WHICH COVERS THE  
23 COST OF PROVIDING SIMILAR STRUCTURES AND IMPROVEMENTS IN  
24 PLACE OF THE AFFECTED STRUCTURES AND IMPROVEMENTS AT CURRENT  
25 MARKET PRICES; AND

26 (III) THE CMV OF CROPS AND TREES AFFECTED BY THE PROJECT.

27 SEC. 9. *FOREIGN-ASSISTED PROJECTS.* - IN THE CASE OF FOREIGN-  
28 ASSISTED PROJECTS WITH OFFICIAL DEVELOPMENT ASSISTANCE (ODA),  
29 NOTWITHSTANDING THE PROVISIONS OF THIS ACT, THE GUIDELINES AND  
30 PROCEDURES CONCERNING RIGHT-OF-WAY ACQUISITION UNDER THE  
31 APPROVED LOAN OR GRANT AGREEMENT SIGNED AND EXECUTED BY THE

1 **GOVERNMENT OF THE PHILIPPINES AND THE ODA INSTITUTION SHALL BE**  
2 **OBSERVED.**

3 **SEC. 2.** Sections 5, 6, 7, 8, 9, 10, 11, 12, AND 13 of Republic Act No. 10752 are  
4 hereby renumbered into Sections 10, 11, 12, 13, 14, 15, 16, 17, and 18, respectively.

5 **SEC. 3.** Subparagraphs (a), (b), (e), (f) and (g) of the first paragraph and the  
6 second paragraph of the original Section 5 (now Section 10), Republic Act No. 10752,  
7 are hereby amended to read as follows:

8 **SEC. 510. Rules on Negotiated Sale.** – The implementing agency may offer  
9 to acquire, through negotiated sale, the right-of-way, site or location for a national  
10 government infrastructure project, under the following rules:

11 (a) The implementing agency shall offer to the property owner the following  
12 sums as compensation:

13 (1) The **CMV** ~~current market value~~ of the land **EQUIVALENT TO WHICHEVER**  
14 **IS HIGHER OF THE FOLLOWING:**

15 **(A) THE MARKET VALUE DETERMINED BY AN IPA/GFI, OR**

16 **(B) THE MARKET VALUE BASED ON THE APPLICABLE LGU SMV, OR, IF**  
17 **THE SAID LGU SMV IS NOT YET AVAILABLE, THE APPLICABLE BIR ZONAL**  
18 **VALUE;**

19 (2) The replacement cost of structures and improvements, **INCLUDING**  
20 **MACHINERY** therein **AND ITS RELOCATION COST, WHICH COVERS THE COST**  
21 **OF PROVIDING SIMILAR STRUCTURES AND IMPROVEMENTS IN PLACE OF**  
22 **THE AFFECTED STRUCTURES AND IMPROVEMENTS AT CURRENT MARKET**  
23 **PRICES; AND**

24 (3) The **CMV** ~~current market value~~ of crops and trees therein.

25 To determine the appropriate price offer, the implementing agency may engage  
26 the services of a **GFI** with adequate experience in property appraisal, or an  
27 independent property appraiser. **THE IPA MUST POSSESS THE LICENSE**  
28 **REQUIRED FOR A REAL ESTATE APPRAISER BY THE PROFESSIONAL**  
29 **REGULATION COMMISSION (PRC) AND MUST BE REGISTERED WITH THE**  
30 **PROFESSIONAL REGULATORY BOARD OF REAL ESTATE SERVICE,**  
31 **PURSUANT TO REPUBLIC ACT NO. 9646, OTHERWISE KNOWN AS THE**  
32 **"REAL ESTATE SERVICE ACT OF THE PHILIPPINES."** THE IPA SHALL be



1 procured, **EITHER BY ITSELF OR AS PART OF A CONSULTING GROUP**, by the  
2 implementing agency under the provisions of Republic Act No. 9184, otherwise known  
3 as the "Government Procurement Reform Act" and its implementing rules and  
4 regulations pertaining to consulting services.

5 The property owner is given thirty (30) days to decide whether or not to accept  
6 the offer as payment for his property. Upon refusal or failure of the property owner to  
7 accept such offer or fails or refuses to submit the documents necessary for payments,  
8 the implementing agency shall immediately initiate expropriation proceedings as  
9 provided in Section 6 herein.

10 (b) Subparagraph a(2) of Section **10** hereof shall also apply to all  
11 owners of structures and improvements who do not have legally recognized rights to  
12 the land **OF ALL TYPES, WHETHER GOVERNMENT OR PRIVATE, ACQUIRED**  
13 **AS RIGHT-OF-WAY FOR INFRASTRUCTURE PROJECTS**, and who meet all of the  
14 following criteria:

15 (1) Must be a Filipino citizen;

16 (2) Must not own any real property or any other housing facility, whether in an  
17 urban or rural area;

18 (3) Must not be a professional squatter or a member of a squatting syndicate,  
19 as defined in Republic Act No. 7279, otherwise known as the "Urban Development and  
20 Housing Act of 1992;" and

21 **(4) MUST NOT OCCUPY AN EXISTING RIGHT-OF-WAY WHICH IS**  
22 **TITLED TO THE GOVERNMENT.**

23 (c) With regard to the taxes and fees relative to the transfer of title of the  
24 property to the Republic of the Philippine through negotiated sale, the implementing  
25 agency shall pay, for account of the seller, the capital gains tax **TO THE BIR. THE**  
26 **CAPITAL GAINS TAX SHALL BE BASED ON THE APPROVED LGU SMV OR THE**  
27 **ACTUAL GROSS SELLING PRICE IN CONSIDERATION, AS STATED IN THE**  
28 **DEED OF SALE, WHICHEVER IS HIGHER. THIS PROVISION SHALL ONLY**  
29 **APPLY TO THE NEGOTIATED SALE OF PROPERTY CLASSIFIED AS CAPITAL**  
30 **ASSETS. NEGOTIATED SALE OF PROPERTY CLASSIFIED AS ORDINARY**  
31 **ASSETS ARE SUBJECT TO THE EXISTING RULES AND REGULATIONS OF THE**  
32 **BIR.**

1       **THE IMPLEMENTING AGENCY SHALL ALSO PAY TO THE APPROPRIATE**  
2 **AGENCIES**, the documentary stamp tax, transfer tax and registration fees, while the  
3 owner shall pay any unpaid real property tax.

4       (d) If requested by the property owner, the implementing agency shall remit to  
5 the LGU concerned the amount corresponding any unpaid real property tax, subject  
6 to deduction of this amount from the total negotiated price: provided, however, that  
7 the said amount is not more than the negotiated price.

8       (e) The property owner and the implementing agency shall execute a deed of  
9 absolute sale: *Provided*, That the property owner has submitted to the implementing  
10 agency the Transfer Certificate of Title, Tax Declaration, Real Property Tax Certificate,  
11 and other documents necessary to transfer the title to the Republic of the Philippines.  
12 The implementing agency shall cause the annotation of the Deed of Absolute Sale on  
13 the Transfer Certificate of Title: **PROVIDED, FURTHER, THAT IN THE CASE OF**  
14 **UNTITLED LANDS, THE POSSESSOR OF THE PROPERTY SHALL SUBMIT TO**  
15 **THE IMPLEMENTING AGENCY, THE FOLLOWING:**

16       **(I) TAX DECLARATION SHOWING THE OWNER'S AND THE**  
17 **PREDECESSORS' OPEN, CONTINUOUS, EXCLUSIVE, AND NOTORIOUS**  
18 **POSSESSION OF THE LAND FOR AT LEAST TWENTY (20) YEARS;**

19       **(II) AFFIDAVIT FROM AT LEAST TWO (2) DISINTERESTED RESIDENTS**  
20 **OF THE BARANGAY WHERE THE LAND IS LOCATED THAT THE OWNER OR**  
21 **THE PREDECESSORS HAVE CONTINUOUSLY OCCUPIED THE LAND FOR AT**  
22 **LEAST TWENTY (20) YEARS;**

23       **(III) REAL PROPERTY TAX CERTIFICATE;**

24       **(IV) CERTIFICATION FROM THE DENR THAT THE LAND IS ALIENABLE**  
25 **AND DISPOSABLE;**

26       **(V) TECHNICAL DESCRIPTION OF THE PROPERTY AND MAP BASED ON**  
27 **A SURVEY CONDUCTED BY A LICENSED GEODETIC ENGINEER AND**  
28 **APPROVED BY THE DENR; AND**

29       **(VI) OTHER DOCUMENTS THAT SHOW OWNERSHIP:**

30       **PROVIDED, FURTHERMORE, THAT UPON SUBMISSION OF ALL THE**  
31 **ABOVE-LISTED REQUIREMENTS TO CAUSE THE TRANSFER OF THE TITLE TO**

1 **THE REPUBLIC OF THE PHILIPPINES, THE PROPERTY POSSESSOR SHALL**  
2 **BE REIMBURSED THE COST THEREOF UPON SUFFICIENT PROOF.**

3 (f) Upon the execution of a deed of sale, the implementing agency shall pay the  
4 property owner:

5 (1) **EITHER OF THE FOLLOWING:**

6 (1A) **ONE HUNDRED percent (100%)** of the negotiated price of the affected  
7 land, exclusive of taxes remitted to the LGU under subparagraph (d) herein: **IN CASE**  
8 **THE TITLE TO THE LAND IS CLEAN, FREE OF ENCUMBRANCES, AND READILY**  
9 **TRANSFERABLE TO THE NAME OF THE REPUBLIC OF THE PHILIPPINES; OR**

10 (1B) **FIFTY PERCENT (50%) OF THE NEGOTIATED PRICE OF THE**  
11 **AFFECTED LAND, EXCLUSIVE OF TAXES REMITTED TO THE LGU UNDER**  
12 **SUBPARAGRAPH (D) HEREIN, IN CASE THE TITLE TO THE LAND IS NOT**  
13 **CLEAN, OR HAS ENCUMBRANCES, OR IS NOT READILY TRANSFERABLE TO**  
14 **THE NAME OF THE REPUBLIC OF THE PHILIPPINES; OR**

15 (1C) **FIFTY PERCENT (50%) OF THE NEGOTIATED PRICE IN CASE THE**  
16 **LAND IS UNTITLED, EXCLUSIVE OF TAXES REMITTED TO THE LGU UNDER**  
17 **SUBPARAGRAPH (D) HEREIN, AND WHICH MEET THE REQUIREMENTS**  
18 **UNDER SUBPARAGRAPH (E) HEREIN, OR IN CASE THE LAND HAS A LIEN,**  
19 **OR IN CASE THE OWNER IS DECEASED AND THE HEIRS ARE IN THE**  
20 **PROCESS OF SETTLING THE ESTATE; AND**

21 (2) Seventy percent (70%) of the negotiated price of the affected structures,  
22 improvements, **INCLUDING MACHINERY**, crops and trees, exclusive of unpaid  
23 taxes remitted to the LGU under subparagraph (d) herein.

24 (g) The implementing agency shall, at the times stated below, pay the property  
25 owner the remaining fifty percent (50%) of the negotiated price of the affected land  
26 **UNDER SUBPARAGRAPHS (F)-(1B) AND (F)-(1C) HEREIN**, and thirty percent  
27 (30%) of the **NEGOTIATED PRICE OF THE** affected structures, improvements,  
28 **INCLUDING MACHINERY**, crops and trees, exclusive of unpaid taxes remitted  
29 to the LGU concerned under subparagraph (d) herein: *Provided*, that the land is  
30 already completely cleared of structures, improvements, crops and trees:

31 (1) At the time of the transfer of title in the name of the Republic of the  
32 Philippines, in cases where the land is wholly affected; or



1 (2) At the time of the annotation of a deed of sale on the title, in cases where  
2 the land is partially affected.

3 The provisions of subparagraph (a) herein shall also apply to outstanding claims  
4 for right-of-way payments, except that the amount to be offered shall be the price  
5 **BASED ON THE APPLICABLE SMV OR, IF THE SMV IS NOT YET AVAILABLE,**  
6 **THE BIR ZONAL VALUE,** at the time of taking of the property, including legal interest  
7 until fully paid.

8 **PROPERTY OWNERS ARE GIVEN TEN (10) YEARS FROM THE**  
9 **EFFECTIVITY OF THIS ACT TO FILE, WITH THE APPROPRIATE**  
10 **GOVERNMENT IMPLEMENTING AGENCY, CLAIMS FOR UNPAID PAYMENTS**  
11 **FOR RIGHT-OF-WAY ACQUIRED BEFORE THE EFFECTIVITY OF THIS ACT."**

12 **SEC. 4.** Subparagraphs (a) to (d) of the first paragraph of the original Section 6  
13 (now Section 11) of Republic Act No. 10752 are hereby amended to read as follows:

14 **SEC. ~~6~~11. *Guidelines for Expropriation Proceedings.*** – Whenever it is  
15 necessary to acquire real property for the right-of-way, site or location for any national  
16 government infrastructure through expropriation, the appropriate implementing  
17 agency, through the Office of the Solicitor General, the Office of the Government  
18 Corporate Counsel, or their deputized government or private legal counsel, shall  
19 initiate the expropriation proceedings before the proper court under the following  
20 guidelines:

21 (a) Upon the filing of the complaint or at any time thereafter, and after due  
22 notice to the defendant, the implementing agency shall immediately deposit to the  
23 court in favor of the owner the amount equivalent to the sum of:

24 (1) One hundred per cent (100%) of the value of the land based on **THE**  
25 **APPLICABLE LGU SMV OR, IF SUCH SMV IS NOT YET AVAILABLE,** the current  
26 relevant zonal valuation of the BIR, issued not more than three (3) years prior to the  
27 filing of the expropriation complaint subject to subparagraph (c) of this section;

28 (2) The replacement cost at current market value of the improvements or  
29 structures, **INCLUDING MACHINERY AND ITS RELOCATION COST, WHICH**  
30 **INCLUDES THE COST OF PROVIDING SIMILAR STRUCTURES OR**  
31 **IMPROVEMENTS IN PLACE OF THE AFFECTED STRUCTURES OR**  
32 **IMPROVEMENTS AT CURRENT MARKET PRICES,** as determined by:

(i) The implementing agency; **OR**

(ii) A government financial institution with adequate experience in property appraisal; **OR**

(iii) An independent property appraiser, **SELECTED IN ACCORDANCE WITH SUBPARAGRAPH (A) OF SECTION 5 HEREOF, THAT MUST POSSESS THE LICENSE REQUIRED FOR A REAL ESTATE APPRAISER BY THE PRC AND IS REGISTERED AS SUCH WITH THE PROFESSIONAL REGULATORY BOARD OF REAL ESTATE SERVICE PURSUANT TO R.A. NO. 9646; AND**

(3) The current market value of crops and trees located within the property as determined by the government financial institution, an independent property appraiser to be selected as indicated in subparagraph (a) of Section 5 hereof, **OR BY A RELEVANT GOVERNMENT AGENCY.**

Upon compliance with the abovementioned guidelines, 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)(4) 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 from the court the issuance of the writ of possession. The court shall issue the writ of possession *ex parte*; no hearing shall be required.

The court shall release the 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)(4) 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.

1 If, within seven (7) working days after the deposit with the court of the amount  
2 equivalent to the sum under subparagraphs (a)(1) to (a) (a)(3)(4) of this section, the  
3 court has not issued to the implementing agency a writ of possession for the affected  
4 property, the counsel of the implementing agency shall immediately seek with the  
5 court the issuance of the writ of possession.

6 The court shall release the said amount to the person adjudged in the same  
7 expropriation proceeding as entitled thereto.

8 (c) In provinces, cities, municipalities and other areas where there is no land  
9 classification, the city or municipal assessor is hereby mandated within the period of  
10 sixty (60) days from the date of filing of the expropriation case, to come up with the  
11 required land classification and the corresponding declaration of real property and  
12 improvement for the area. In provinces, cities, municipalities and other areas where  
13 there is no **LGU SMV OR** zonal valuation, the **CONCERNED PROVINCIAL, CITY**  
14 **OR MUNICIPAL ASSESSOR** is mandated within the period of sixty (60) days from  
15 the date of filing of the expropriation case, to **PREPARE A SMV** for **THE** said area,  
16 based on the land classification done by the city or municipal assessor.

17 (d) With reference to subparagraph (a)(1) of this section, in case the  
18 completion of a government infrastructure project is of utmost urgency and  
19 importance, and there is no land classification or no existing zonal valuation of the  
20 area concerned or the zonal valuation has been in force for more than three (3) years,  
21 the implementing agency shall use the **LGU SMV** and land classification of similar  
22 lands within the adjacent vicinity as the basis for the valuation.

23 **SEC. 5.** Section 7 of Republic Act No. 10752 is hereby amended to read as  
24 follows:

25 **SEC. 712. Standards for the Assessment of the Value of the Property Subject**  
26 **to Negotiated Sale.** – In order to facilitate the determination of the market value of  
27 the property, the following relevant standards shall be observed:

- 28 (a) The classification and use for which the property is suited;
- 29 (b) The development cost for improving the land;
- 30 (c) The value declared by the owners;
- 31 (d) The current selling price of similar lands in the vicinity;



1 (e) The reasonable disturbance compensation for the removal and/or demolition  
2 of certain improvements on the land and for the value of improvements thereon;

3 (f) The size, shape or location, tax declaration and zonal valuation of the land;

4 (g) The price of the land as manifested in the ocular findings, oral as well as  
5 documentary evidence presented; and

6 (h) Such facts and events so as to enable the affected property owners to have  
7 sufficient funds to acquire similarly situated lands of approximate areas as those  
8 required from them by the government, and thereby rehabilitate themselves as early  
9 as possible.

10 **PURSUANT TO SECTION 13 OF R.A. No. 12001, THE FOREGOING**  
11 **STANDARDS ARE SUBJECT TO MODIFICATION AND UPDATING TO ALIGN**  
12 **WITH THE UNIFORM PHILIPPINE VALUATION STANDARDS, BASED ON**  
13 **MARKET VALUES, TO BE DEVELOPED AND PRESCRIBED BY THE BUREAU OF**  
14 **LOCAL GOVERNMENT FINANCE (BLGF) OF THE DEPARTMENT OF FINANCE**  
15 **(DOF) IN CONFORMANCE WITH INTERNATIONAL VALUATION STANDARDS**  
16 **AND PRINCIPLES. ONCE APPROVED BY THE SECRETARY OF FINANCE, THE**  
17 **BLGF VALUATION STANDARDS SHALL BE USED BY ALL APPRAISERS AND**  
18 **ASSESSORS IN THE LGUS, AND OTHER PERSONS, ENTITIES, OR AGENCIES**  
19 **THAT CONDUCT VALUATION IN THE APPRAISAL OR VALUATION OF LANDS,**  
20 **BUILDINGS, MACHINERY AND OTHER REAL PROPERTIES FOR TAXATION**  
21 **AND OTHER PURPOSES – INCLUDING APPRAISAL OF PROPERTY TO BE**  
22 **ACQUIRED FOR RIGHT-OF-WAY OF INFRASTRUCTURE PROJECTS.**

23 The implementing rules and regulations (IRR) to be prepared under Section 12  
24 shall include, among other things, the terms of reference, which shall be used by the  
25 government financial institutions and independent property appraisers in the  
26 determination of the market value of the land. The terms of reference shall define in  
27 detail the standards stated herein, **INCLUDING ANY MODIFICATIONS IN THE**  
28 **PHILIPPINE VALUATION STANDARDS TO BE DEVELOPED BY THE BLGF AND**  
29 **APPROVED BY THE SECRETARY OF FINANCE.**

30 **SEC. 6.** Section 10(b) of Republic Act No. 10752 is hereby amended to read as  
31 follows:

(b) Compensation for the project-affected land, structures and improvements, crops, and trees, **INCLUDING MACHINERY AND ITS RELOCATION COST.**

**SEC. 7.** The first paragraph of Section 914 of Republic Act No. 10752 is hereby amended to read as follows:

**SEC. 14. *Relocation of Informal Settlers.*** – The **DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (DHSUD)**, through the **APPROPRIATE KEY SHELTER AGENCY**, shall in coordination with the LGUs and implementing agencies concerned establish and develop resettlement sites for informal settlers, including the provision of adequate basic services and community facilities, 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 LGUs shall provide and administer the resettlement sites.

**SEC. 8.** Section 10 of Republic Act No. 10752 is hereby amended to read as follows:

**SEC. ~~10~~15. *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, 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

1 tax and registration fees for the transfer of titles, and other relevant administrative  
2 expenses for right-of-way management.

3 In public-private-partnership (PPP) projects, the modalities of which are defined  
4 in ~~Republic Act No. 6957 as amended by Republic Act No. 7718~~, **REPUBLIC ACT**  
5 **NO. 11966, OR OTHERWISE KNOWN AS THE "PUBLIC-PRIVATE**  
6 **PARTNERSHIP CODE OF THE PHILIPPINES"**, as the implementing agency may  
7 **SHALL**, as part of the contract terms and conditions, require the project proponent  
8 **PRIVATE PROPONENT** to:

9 (1) Advance the funds covering the cost of the right-of-way which shall be  
10 reimbursed later by the implementing agency, ~~except for unsolicited proposals~~; or

11 (2) Finance the right-of-way cost which shall be recovered partly or fully by the  
12 proponent **PRIVATE PROPONENT** from the tolls, fees, or tariffs to be charged to  
13 the users of the completed project.

14 **SEC. 9.** Section 16 of R.A. No. 10752 is hereby amended to read as follows:

15 **SEC. 16. *Regulation of Developments within Declared Right-of-Way* –**  
16 Upon the approval of an infrastructure project by the head of the implementing agency  
17 concerned, with funding authorized in the General Appropriations Act and with  
18 **APPROVED PARCELLARY SURVEY PLANS**, no National Government Agency or  
19 Local Government Unit shall, within two (2) years from date of notice of taking, allow  
20 any development or construction, or issue any building, construction, development or  
21 business permit, which is contrary to the approved plans and purposes of the project,  
22 within the said right- of-way, unless explicitly authorized by the head of the  
23 implementing agency for justifiable reasons. **THE IMPLEMENTING AGENCY SHALL**  
24 **PROVIDE THE CONCERNED NATIONAL AGENCIES AND LGUS A COPY OF THE**  
25 **NOTICE OF TAKING UPON ITS ISSUANCE.**

26 **SEC. 10.** Section ~~18~~ of ~~R.A. Republic Act~~ No.10752 is hereby amended to read  
27 as follows:

28 **SEC. 18. *Implementing Rules and Regulations (IRR)*. –** A committee shall  
29 prepare, in consultation with key stakeholders, the IRR for the proper implementation  
30 of this Act within sixty (60) days from its approval.

31 The committee shall be composed of the following officials or their duly  
32 designated representatives:



1 (a) Secretary of the Department of Public Works and Highways as Chairperson;

2 (b) Secretary of the Department of Transportation as member;

3 (c) Secretary of the Department of Energy as member;

4 **(D) SECRETARY OF THE DEPARTMENT OF INFORMATION AND**  
5 **COMMUNICATIONS TECHNOLOGY AS MEMBER;**

6 **(E) SECRETARY OF THE DEPARTMENT OF ENVIRONMENT AND**  
7 **NATURAL RESOURCES AS MEMBER;**

8 **(F) SECRETARY OF THE DEPARTMENT OF AGRICULTURE AS MEMBER;**

9 **(G) SECRETARY OF THE DEPARTMENT OF INTERIOR AND LOCAL**  
10 **GOVERNMENT AS MEMBER;**

11 **(H) SECRETARY OF THE DEPARTMENT OF FINANCE AS MEMBER;**

12 **(I)** Secretary of the Department of Justice as member;

13 **(J)** Secretary of the Department of Budget and Management as member;

14 **(K)** Secretary of the National Economic and Development Authority as member;

15 **(L)** Secretary of the Department of Human Settlements and Urban Development  
16 as member;

17 **(M)** Secretary of the Department of Agrarian Reform as member; and

18 **(N)** Other representatives of concerned entities as determined by the committee  
19 as members.

20 **SEC. 11. *Transitory Clause.*** – The provisions of this Act shall apply to all right-  
21 of-way transactions, except those which, as of the effectivity of this Act, the  
22 implementing agency and the property owner have reached a written agreement on  
23 the agreed amount of compensation.

24 **SEC. 12. *Repealing Clause.*** – All laws, decrees, orders, rules and regulations  
25 or parts thereof inconsistent with this Act are hereby repealed or amended  
26 accordingly.

27 **SEC. 13. *Effectivity.*** – This Act shall take effect fifteen (15) days after its  
28 publication in the *Official Gazette* or in a newspaper of general circulation.

29 Approved,