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Department of Environment and Natural Resources

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DENR MEMORANDUM CIRCULAR

No. 2003- **05**

SUBJECT : CY 2003 PLANNING AND BUDGETING GUIDELINES UNDER THE DEPARTMENT'S SONA COMMITMENT

To effectively implement the Department's SONA commitment for a yearly distribution of 100,000 hectares of public lands and to foster complementation and rationalize the management of resources of the Department towards the achievement/completion of the said commitment, the following instructions are hereby prescribed in the preparation of the DENR-SONA Work and Financial Plan (WFP) for CY 2003, to wit:

A. SCOPE OF THE DENR-SONA COMMITMENT

This Circular is applicable, but not be limited, to the activities and budget allocation of the Department under the Comprehensive Agrarian Reform Program (CARP). It also covers other activities/targets and fund sources of DENR in support of the SONA commitment.

1. DENR-CARP Activities under ARF (Except NCR)

- 1.1 Patent Processing and Issuance (PPI) – the processing of Public Land Applications (PLAs) and issuance of either Free or Homestead Patents over agricultural areas. Consistent with the provisions of Memorandum Circular No. 2003-01 dated 06 January 2003, the Major Final Output (MFO) or Unit of Work Measure (UWM) for PPI will be based on the number of patents and the area covered (in hectares) by patent, signed and transmitted to the concerned Register of Deeds (RODs);
- 1.2 Public Land Survey (PLS) – survey projects covering agricultural areas to generate/produce potential areas for the issuance of Free/Homestead Patents; and
- 1.3 Inspection, Verification and Approval of Surveys (IVAS) – activities supporting the survey projects of the Department of Agrarian Reform (DAR), which were conducted by contract/administration and referred to the concerned LMS of DENR-Regional office for verification and approval.

2. Public Land Disposition by the Lands Management Bureau

- a. Disposition of Friar Lands under Act 1120 - covers areas applied for under the Friar Lands Act. Accomplishment for this activity will be based on the number and area covered by the Deed of Sale issued to qualified applicants; and
- b. Disposition of certain portion of public lands under Presidential Proclamation No. 172 – covers the area located in four (4) barangays of the Municipality of Taguig, Metro Manila reserved for disposition under Proclamation No. 172. Accomplishment under this activity will be based on number and area covered by Deed of Sale issued to qualified beneficiaries.

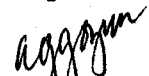
3. **Disposition of Non-Agricultural Public Lands by the Regional Offices**

- a. Processing and Issuance of Sales Patents – shall include processing and approval of Miscellaneous Sales Application (MSA) whether for residential or commercial purposes. Likewise, accomplishment for this activity will be based on number and area covered by Sales Patent transmitted to the RODs; and
 - b. Disposition of Patrimonial Properties – covers all areas titled in the name of the Commonwealth of the Philippines/Republic of the Philippines including areas covered by Insular Government Property Sales Application (IGPSA)/Government Sales Application (GSA) for residential and/or commercial purposes. The UWM for this activity shall be based on the number and area covered by the Deed of Sale issued and transmitted to the concerned RODs for the issuance of Transfer Certificate of Title.
4. **Disposition of public lands under Proclamation 518 and 461 by DENR-National Capital Region** – involves the processing and issuance of Miscellaneous Sales Patents within the seven (7) barangays of Makati City that are covered by Proclamation No. 518 and the processing of GSA and issuance of Deed of Sale within Proclamation No. 461 in favor of the qualified beneficiaries of the Armed Forces of the Philippine Officers Village Association, Inc. (AFPOVAI).
5. **Public Land Survey under the DAR-ADB-ARCP** – covers the survey of public agricultural lands by the regions through contracts with private land surveyors within the ARCP focal provinces, except CAR, Region IV-A, Region- VII, and Region IX. Since the DENR's commitment under this Project is up to PPI (Free and Homestead Patents), land patents to be generated can be targeted under the regular appropriation (Fund 101) and/or ARF (Fund 158). IVAS shall be charged under the five percent (5%) administration cost of the project.

B. TARGET SETTING

Regional targets for all SONA activities should be rationalized based on the resources provided for actual land distribution and other support activities to patent issuance. Target setting, however, will have a direct bearing to Personal Services (PS) of the region under the Regular/ARF plantilla from the central down to the field offices. Therefore, work target, especially on PPI should be proportionate to the manpower resources of the regional/field offices.

1. All regions are enjoined to conduct consultation with the key offices/officers in the region (e.g. Land Management Division, Surveys Division, etc.) as well as in the field i.e. PENROs/CENROs to arrive at the level of targets for PPI based on the following considerations:
 - 1.1 Annual target of the regions under ARF should be consistent with the submitted target as confirmed by the Central Office (refer to the attached matrix). However, the first semester target should not be lower than the pipeline projection or the total number/area covered by completely processed PLAs issued with CA/CSW that were not yet converted into patents. First semester target should also include 50% of the indicative/new targets commensurate to the programmed fund releases;



- 1.2 Breakdown of targets should be expressed by PENRO and CENRO level. Likewise, targets should be further translated in terms of quota of each Public Land Investigator/Deputized Public Land Investigator (names to be specified); and
- 1.3 One of the bases in the evaluation of indicative targets will be the PLS projects funded under the ARF and/or SONA (Fund 101) and those that were contracted/implemented under the DAR-ADB-ARCP and other survey activities conducted in prior years. Decrease of targets can only be allowed if land patents have already been issued within the surveyed areas.
2. Targeting of areas for PLS shall be prioritized in regions CAR, IV-A, VII, and IX. Other regions (except NCR) should prioritize the PLS targets within the DAR-ADB-ARCP focal provinces. Likewise, evaluation of proposed PLS projects shall be based on the regions' absorptive capacity, particularly on the status/trend of PPI in areas where PLS have already been implemented;
3. Targets for approval and issuance of Sales Applications and Patrimonial Properties shall be based on the status of surveyed lots for sale and inventory of patrimonial properties in the region, respectively; and
4. For IVAS, targets for approval of survey of agricultural lands forwarded by DAR should be properly identified and segregated from the IVAS target of the region under the regular fund.

C. OPERATIONAL ASSUMPTIONS

The determination and breakdown of targets, specifically on PPI should be determined based on the strategies to be employed by the region/field offices to be done on a need basis.

After the assessment of the absorptive capacity, historical accomplishment and potential area of the region, the following approaches/strategies can be implemented, to wit:

1. PPI based on set target – refers to the usual approach of implementing PPI, wherein the CENROs and its investigators, PENROs and Regional Offices are tasked to accomplish certain targets with the budget allocation commensurate to the extent of their participation to the said activity;
2. Task Force approach – refers to the setting up/creation of a team at the region or PENRO level to conduct/facilitate the actual PPI to support the regular manpower resources of LMS at the CENRO level. Task forces or teams created for the purpose can be dispatched at any place in the region (mobile) at any given time, depending on the situation. Likewise, the team/task force is tasked to accomplish certain PPI targets including the equivalent unit cost; and
3. Other Strategies that may be employed by the region/field offices so as to distribute and facilitate the conduct of PPI. The regional offices are expected to provide full description of the approaches/strategies and assumptions as bases in their planning and budgeting.

For smooth assessment and planning exercises, as well as fund transfer, the regions shall determine the strategy or strategies to be employed as enumerated above during the annual planning/programming workshop. Modification or shifting of approaches/strategies shall only be resorted to upon prior consultation with the National SONA Coordinating Office or the DENR-CARP National Secretariat during

Whenever necessary, redeployment/reassignment of LMS personnel shall be done based on the target distribution and schedule of completion. The possibility of reassigning Public Land Investigator, Land Management Officers and other concerned LMS personnel from one CENRO to another shall be upon recommendation of the CENRO and the decision of the PENR Officer. Transfer of personnel from one PENRO to another shall be recommended by the PENR Officer and decided by the Regional Executive Director (REDs), and reassignment of personnel from one region to another shall be upon recommendation by the concerned REDs and the decision by the central office. However, the effectivity of the transfer shall be based on the duration of the need for such transfer to be indicated in the order to be issued.

D. APPLICATION OF UNIT COST

The regions shall adopt the unit cost per activity of PhP 1,109/hectare for PLS and PhP 81/hectare for IVAS. However, the unit cost for PPI is PhP 753/patent and further broken down as follows:

Regional Office (25%)	-	PhP 188.25
PENRO (25%)	-	188.25
CENRO (50%)	-	376.50
- Admin Cost of the CENRO (24.4%)	-	176.50
- TEV of Investigator (25.6%)	-	200.00

In case the region opted for other strategies other than the usual approach (i.e. PPI based on set target), the TEV of the investigator (25.6 %) is equivalent to PhP200.00 and shall be earmarked for the members of the task force/team, and other personnel that may be involved. Consequently, the region shall retain the 25% of the unit cost while the budget of the CENRO per patent shall be limited to the administrative cost equivalent to 24.4% or PhP176.50.

E. CONDUCT OF REGULAR ASSESSMENT AND PLANNING WORKSHOPS

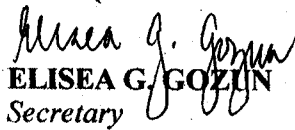
To effectively implement the above activities, regular assessment and planning workshops shall be conducted at all levels. This activity shall cover the assessment of accomplishments vis-à-vis set targets, analysis of financial disbursement and/or allocation of other resources vis-à-vis physical accomplishments and the discussion of other requirements for a successful SONA implementation such as operational issues/concerns and possible solutions/recommendations. The following activities shall be conducted this CY 2003 as part of the support mechanism to the DENR-SONA implementation:

1. **National** – at least (3) workshops to be conducted on critical periods, as follows: (a.) planning/strategic planning during the first quarter of the year; (b) mid-year assessment to be conducted at least a month before the delivery of the SONA of the President); and (c) year-end assessment to be undertaken during the last quarter of the year;
2. **Regional** – the regions are enjoined to conduct **quarterly** assessment based on the status of accomplishments, operational bottlenecks as submitted by the PENR/CENR Offices. Results of the assessment must be submitted to the central office;
3. **Provincial** – the PENROs shall gather all concerned field implementors at least **every month** to clarify operational issues/concerns for immediate resolution.

F. MANAGEMENT OF THE AGRARIAN REFORM FUND (ARF 158)

1. As explicitly stated in item V-A of the Department Administrative Order No.93-12, the ARF shall be exclusively used for CARP related activities.
2. The Department shall maintain the centralized fund management of ARF and shall provide fund allocation/cash requirements based on the status of physical and financial accomplishment of the regional/field offices. For planning purposes, the fund allocation will be based on the annual requirement of the region. However, redistribution of targets and corresponding budget allocation can be done depending on the result of the assessment conducted by the regions/field offices within a certain period of the year.
3. Letter Advise of Allotment (LAA)/Obligational Authority including WFP will be released to the Region to cover every fund releases. The PENROs and CENROs will be furnished a copy of the WFP and LAA/OA for reference purposes.
4. The regions are likewise instructed to submit financial reports/documents on the sub-allocation to the PENROs based on the WFP, one (1) week after the receipt of LAA/OA;
5. The submission of physical and financial reports to the central office shall be done on a bi-monthly and quarterly basis, respectively.

This Circular takes effect immediately and supersedes other issuances inconsistent herewith.


ELISEA G. GOZUN
Secretary