

**PHILIPPINE RECLAMATION AUTHORITY (PRA)**  
**[formerly Public Estates Authority (PEA)]**  
**ADMINISTRATIVE ORDER NO. 2021-01**

**SUBJECT : Rules and Procedures for the Forfeiture of Unauthorized and Illegal Reclamations Through Titling Under the Name of the Philippine Reclamation Authority (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), and the Implementing Rules and Regulations of Executive Order No. 74 (Section 13) under PRA Administrative Order (AO) No. 2019-04, the following Rules and Procedures for the forfeiture of unauthorized and illegally reclaimed lands 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:

1. **Completed Reclaimed Lands** – lands reclaimed without the approval of the President of the Philippines or the PRA Governing Board, as the case maybe, without land titles yet, and which have been or have not been covered and/or

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approved (by the PRA Governing Board) pursuant to the previous PRA Administrative Order Nos. 2005-1 and 2008-3; and,

2. **Ongoing Land Reclamations** – lands being reclaimed without the required prior approval by the President of the Philippines or by the PRA Governing Board pursuant to existing laws and issuance, as the case maybe.

### **Section 3. Definition of Unauthorized and Illegal Reclamations**

The following terminologies as used in this AO shall mean, as follows:

1. **Floor Price** – Shall refer to the minimum value of the reclaimed land which would be the basis of the Price Challenge based on either the zonal value, or assessed value, or fair market value of the property nearest to the reclaimed land, whichever is higher.
2. **Illegal Reclamations** - Shall refer to completed or on going reclamations which have been undertaken and/or are being undertaken by private parties and/or government agencies/entities not authorized to reclaim without the approval of the President of the Philippines or of the PRA Governing Board, as the case maybe.
3. **Price Challenge** – The process by which the unsolicited offer of the reclaimer to acquire/buy the land share of the government is subjected to challenge by a prequalified entity using the floor price. The price challenge shall be done in accordance with the template Terms of Reference (TOR) that will be approved for this policy by the PRA Governing Board.
4. **Unauthorized Reclamations** - Shall refer to completed or ongoing reclamations which were or are being undertaken without the approval by the President of the Philippines or by the PRA Governing Board, as the case maybe, but has secured any one, a combination of or all of the following:
  - a) Environmental Compliance Certificate (ECC)
  - b) Area Clearance (AC)
  - c) Approval by or Clearance from the Provincial Board and City Council, as the case maybe
  - d) Secretary's Certificate of the respective Governing Board of GOCCs with authority to reclaim under the GOCCs Charter which initiated and/or endorsed the reclamation project
  - e) Tenurial Instrument i.e. FLA, MLA, SAPA, SLUP, among others.
5. **Total forfeiture** – As intended in this policy, total forfeiture would mean the process by which the PRA shall initiate the titling process of a reclaimed land

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and/or a land being reclaimed under its name and maintaining ownership thereof without sharing with the reclaimer a portion of the land.

#### **Section 4. Duration of Effectivity**

This policy shall take effect immediately and shall remain in effect unless revoked, amended or revised.

#### **Section 5. Guidelines**

1. Subject to review and evaluation of documents pertaining to the reclamation project and upon advice by PRA, the reclaimer shall pay to PRA a penalty fee equivalent to ten percent (10%) of the value of the land based on zonal value, or assessed value, or fair market value of the property nearest to the reclaimed land, whichever is higher.
2. Based on the Survey/Sketch Plan of the reclaimed land, as approved by the Department of Environment and Natural Resources (DENR) and upon issuance of the title in the name of the PRA, the PRA shall convey/transfer to the reclaimer a portion of the reclaimed land equivalent to **sixty percent (60%)** of the gross size/area of the reclaimed land, subject to compliance with the requirement on the legal qualifications of the reclaimer as required for under existing laws, rules and regulations.
3. The remaining **forty (40) percent** of the gross size/area of the reclaimed land shall be retained as land share of the National Government (NG) / PRA.
4. Expenses for the titling of the reclaimed land shall be paid for by the reclaimer such as but not limited to the expenses attributed to taxes, registration fee of Special Patent and title, cost of the survey and approval of the same, and the filing and processing fees for the titling process to include airfare, hotel accommodation and other out-of-pocket expenses by any and all PRA personnel tasked to handle related activities.
5. The reclaimer may submit an offer to acquire/buy the share of the NG/PRA. Processing of the offer to acquire/buy shall be based on a Terms of Reference (TOR) which shall be prepared by PRA for the purpose.
6. Reclaimers notified by PRA about the forfeiture shall be given a period of ninety (90) calendar days within which to submit and comply with the PRA requirements. Failure to do so would mean the reclaimer waiving his/her right to claim for a land share and will cause the PRA to proceed with the total forfeiture of the reclaimed land.

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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 6. Procedures**

1. Subject to the results of investigation that would be conducted, PRA shall issue a show-cause order to the reclaimer to provide the latter the chance to explain and show the necessary evidence about the reclamation that would not cause the PRA to issue a cease and desist order (CDO). Otherwise, PRA shall issue the CDO advising the reclaimer to cease and desist from undertaking further reclamation.
2. Thereafter, PRA shall issue the reclaimer the Notice to Comply (NTC) and submit the following documents for the titling:
  - a. historical facts about the reclamation;
  - b. project description;
  - c. site development plan;
  - d. clearance/s or permits, if any, from any government agency like DENR for Environmental Compliance Certificate (ECC) of the reclamation project, and others;
  - e. Sketch Plan of the reclaimed land; and
  - f. Other documents which may be required in the process of PRA's evaluation.
3. Submission of required documents must be done within a maximum period of ninety (90) calendar days from date of receipt of Notice to Comply (NTC) from PRA by the reclaimer. Failure to comply within the prescribed period shall automatically cause the PRA to subject the reclaimed land to total forfeiture.
4. Upon submission of all documents, the reclaimer shall pay to PRA the processing fee in the amount equivalent to P2,000 per hectare but not less than P1,000,000.00 plus VAT.
5. PRA undertakes review/evaluation of documents and conducts joint verification survey with the reclaimer or its duly authorized representative/s.
6. The reclaimer submits to PRA the survey returns and final survey plan, which shall be in the name of PRA.
7. Upon full compliance with the requirements and after completion of the review and evaluation, Management submits its recommendation to the PRA Governing Board for approval of the titling of the reclaimed land pursuant to DENR AO 2018-14.

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8. The PRA Governing Board approves the titling of the completed unauthorized / illegally reclaimed land and endorses the survey plan with the technical description for approval of the DENR and for issuance of Presidential Proclamation by the President.
9. Conveyance of the share of the reclaimer shall only be made once the title over the reclaimed land is issued in the name of PRA.

### **Section 7. Reclamations of Other Government Agencies**

Lands reclaimed by other government agencies, local government units, or GOCCs, with or without mandate to reclaim under their respective charters, using government funds, but without the prior approval of the President or the PRA Governing Board, as the case maybe, shall be titled in the name of concerned government agency/LGU/GOCC, through the PRA. This covers land/s reclaimed by said government agency/LGU/GOCC prior to and after the effectivity of this policy.

Subject to compliance with the requirements for the presidential proclamation and the tilting of the reclaimed land pursuant to DENR DAO 2018-14, PRA shall initiate the process for the titling of said reclaimed lands. All expenses necessary, relevant, or incidental to the titling process shall be borne by the government agency/LGU/GOCC concerned including transportation/airfare, hotel accommodation and other out-of-pocket expenses by all PRA personnel tasked to handle related activities.

### **Section 8. Waiver of Rights**

Reclaimer shall issue a waiver of claim or quitclaim, in favor of PRA, that it shall not contest (or file any action against PRA) the forfeiture proceedings as herein intended in this policy.

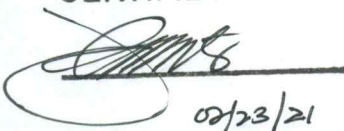
### **Section 9. Penal Provision**

Reclaimers notified by PRA to comply but failed to submit all the requirements for the titling of the reclaimed land within the prescribed period set forth shall be disqualified to avail of this administrative order. Such lands shall be forfeited in favor of and shall be titled in the name of the National Government through the PRA.

### **Section 10. Periodic Review**

This policy shall be subject to annual or periodic review by the PRA Board Committee on Reclamation.

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**Section 11. Separability Clause**

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

**Section 12. Effectivity**

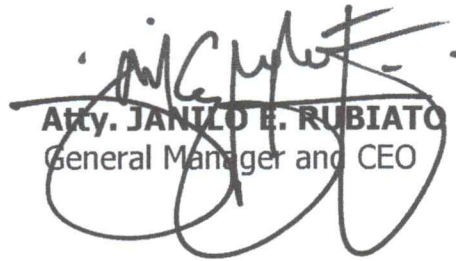
These Guidelines and Procedures shall take effect immediately upon complete publication in a newspaper of general circulation and filing with the Office of the National Administrative Register (ONAR).

Signed by:

[2]



**Atty. ALBERTO C. AGRA**  
PRA Governing Board Chairman



**Atty. JANILO E. RUBIATO**  
General Manager and CEO

**February 15, 2021**

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02/23/21



Republic of the Philippines  
OFFICE OF THE PRESIDENT  
**PHILIPPINE RECLAMATION AUTHORITY**

7<sup>th</sup> floor, Legaspi Towers 200 Bldg., 107 Paseo De Roxas St., Legaspi Village, 1226 City of Makati  
Tel. No.: (02) 459-5000 • Facsimile No.: (02) 815-2662  
Website: [www.pea.gov.ph](http://www.pea.gov.ph) • Email: [info@pea.gov.ph](mailto:info@pea.gov.ph)

**SECRETARY'S CERTIFICATE**

SO THE PUBLIC MAY KNOW:

I, **BAI SAUDIA SHAHARA B. AMPATUAN**, of legal age, Filipino, with office address at 8<sup>th</sup> Floor, Legaspi Towers 200 Building, 107 Paseo de Roxas, Legaspi Village, Makati City, after having been duly sworn to in accordance with law, do hereby certify that:

1. I am the Board Secretary V of the Philippine Reclamation Authority (PRA); and
2. At the Special Meeting of the PRA Board of Directors on 12 February 2021 duly called for the purpose, a quorum being present and acted throughout, the following resolution was unanimously adopted with the concurrence of the Chairman, and is now in full force and effect, to wit:

**RESOLUTION NO. 5257**  
*Series of 2021*

**APPROVAL OF THE RULES AND PROCEDURE FOR THE FORFEITURE OF UNAUTHORIZED AND ILLEGAL RECLAMATIONS THROUGH TITLING UNDER THE NAME OF THE PHILIPPINE RECLAMATION AUTHORITY**

*RESOLVED, That the draft RULES AND PROCEDURE FOR THE FORFEITURE OF UNAUTHORIZED AND ILLEGAL RECLAMATIONS THROUGH TITLING UNDER THE NAME OF THE PHILIPPINE RECLAMATION AUTHORITY (PRA), a copy of which is attached as Annex "A" and made integral part hereof, is hereby APPROVED.*

3. The foregoing resolution has not been repealed, amended nor modified, and remains to be valid and subsisting as of date hereof.

Signed on 12 February 2021 at Makati City, Metro Manila.

**BAI SAUDIA SHAHARA B. AMPATUAN**  
*Board Secretary V*



**CERTIFIED TRUE COPY**

**ATTY. BAI SAUDIA SHAHARA AMPATUAN**  
Corporate Secretary



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7. Upon full compliance with the requirements and after completion of the review and evaluation, Management submits its recommendation to the PRA Governing Board for approval of the titling of the reclaimed land pursuant to DENR AO 2018-14.

8. The PRA Governing Board approves the titling of the completed unauthorized / illegally reclaimed land and endorses the survey plan with the technical description for approval of the DENR and for issuance of Presidential Proclamation by the President.
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This policy shall be subject to annual or periodic review by the PRA Board Committee on Reclamation.



### **Section 11. Separability Clause**

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

### **Section 12. Effectivity**

These Guidelines and Procedures shall take effect immediately upon complete publication in a newspaper of general circulation and filing with the Office of the National Administrative Register (ONAR).

Signed by:

**Atty. ALBERTO C. AGRA**  
PRA Governing Board Chairman

**Atty. JANILO E. RUBIATO**  
General Manager and CEO

**February 15, 2021**