

CONGRESS OF THE PHILIPPINES
ELEVENTH CONGRESS
Third Regular Session

S E N A T E

S. No. 2117

(In substitution of S. Nos. 1223 and 1728)

PREPARED BY THE COMMITTEES ON JUSTICE AND HUMAN RIGHTS;
PUBLIC WORKS; AND FINANCE WITH SENATORS OSMENA III,
JAWORSKI, CAYETANO, REVILLA, OSMENA (J.) AQUINO-ORETA,
BARBERS, BIAZON, COSETENG, DEFENSOR SANTIAGO, GUINGONA,
JR., LEGARDA-LEVISTE, MAGSAYSAY, JR., OPLE, PIMENTEL,
ROCO, SOTTO III, TATAD AND DRILON AS AUTHORS

AN ACT PROVIDING GUIDELINES FOR EXPROPRIATION
PROCEEDINGS, AND FOR OTHER PURPOSES

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

1 SECTION 1. *Declaration of Policy.* - Section 9, Article III
2 of the Constitution states that private property shall not be taken for
3 public use without just compensation. To effectuate this provision,
4 the State shall ensure that owners of real properties to be acquired
5 for any government infrastructure project are paid just and prompt
6 compensation.

7 SEC. 2. *Government Infrastructure Project.* - The term
8 "government infrastructure project" refers to all locally and/or
9 internationally funded infrastructure works, service contracts and other
10 related and necessary activities undertaken by the national

1 government, its agencies and instrumentalities including government
2 owned and controlled corporations and local government units, and
3 all government projects covered under Republic Act No. 6957, as
4 amended by Republic Act No. 7718, otherwise known as the Build-
5 Operate-and-Transfer Law.

6 SEC. 3. *Methods of Acquiring Real Properties.* - The
7 Government may acquire real property needed as right-of-way and/
8 or site or location of any government infrastructure project through
9 donation, negotiated sale or expropriation.

10 SEC. 4. *Guidelines for Expropriation Proceedings.* - If the
11 real property needed as right-of-way and /or site or location of any
12 government infrastructure project is to be acquired through
13 expropriation, the implementing agency shall initiate the
14 expropriation proceedings in the proper court through the following
15 guidelines:

16 A) The implementing agency shall immediately pay to the
17 owner of the property the amount equivalent to the sum of the value
18 of the property plus an additional ten percent (10%) thereof, based
19 on the current relevant zonal valuation of the Bureau of Internal
20 Revenue (BIR);

21 B) In provinces, cities, municipalities and other areas where
22 there is no zonal valuation, the BIR is hereby mandated within the
23 period of sixty (60) days, to come up with a zonal valuation for said
24 area: and

1 C) In case the completion of a government infrastructure
 2 project is of utmost urgency and importance, and there is no existing
 3 valuation of the area concerned, the implementing agency shall
 4 immediately pay to the owner of the property its preferred value
 5 taking into consideration the standards prescribed in Section 5 hereof:
 6 *Provided, That,* before the court issues a Writ of Possession, the
 7 implementing agency shall present to the court a certificate of
 8 availability of funds from the Department of Budget and
 9 Management: *Provided, further,* That in the event that the owner
 10 of the property contests the implementing agency's preferred value,
 11 the court shall determine the just compensation to be paid to the
 12 owner within sixty (60) days from the date of filing of the
 13 expropriation case: *Provided, finally,* That after the decision of the
 14 court becomes final and executory, the implementing agency shall
 15 pay to the owner the difference between the amount paid and the
 16 amount determined by the court.

17 SEC. 5. *Standards for the Assessment of the Value of the*
 18 *Land Subject of Expropriation Proceedings or Negotiated Sale.* - In
 19 order to facilitate the determination of just compensation, the court
 20 must consider, among other well established factors, the following
 21 relevant standards:

- 22 (A) The classification and use for which the property is
- 23 suited;
- 24 (B) The developmental costs for improving the land;
- 25 (C) The value declared by the owners;

- 1 (D) The current selling price of similar lands in the vicinity;
- 2 (E) The reasonable disturbance compensation for the removal
- 3 and/or demolition of certain improvements on the land and for the
- 4 value of improvements thereon;
- 5 (F) The size, shape or location, tax declaration and zonal
- 6 valuation of the land;
- 7 (G) The price of the land as manifested in the ocular findings,
- 8 oral as well as documentary evidence presented: and
- 9 (H) Such fact and events so as to enable the affected property
- 10 owners to have sufficient funds to acquire similarly-situated lands of
- 11 approximate areas as those required from them by the Government,
- 12 and thereby rehabilitate themselves as early as possible

13 SEC. 6. *Guidelines for Negotiated Sale.* - Should the
 14 implementing agency and the owner of the property agree on a
 15 negotiated sale for the acquisition of right-of-way and/or site or
 16 location of any government infrastructure project, the standards
 17 prescribed under Section 5 hereof shall be used to determine the
 18 fair market value of the property.

19 SEC. 7. *Valuation of Improvements and/or Structures.* - The
 20 Department of Public Works and Highways, in coordination with
 21 other government agencies concerned in the acquisition of right-of-
 22 way and/or site or location for government infrastructure projects, is
 23 hereby mandated to adopt the necessary implementing rules and
 24 regulations for the equitable valuation of the improvements and/or

1 structures on the land to be expropriated within sixty (60) days
2 upon approval of this Act.

3 SEC. 8. *Ecological and Environmental Concerns.* - In cases
4 involving the acquisition of right-of-way and/or site or location for
5 any government infrastructure projects, the implementing agency shall
6 take into account the ecological and environmental impact of the
7 project. Towards this end, before any government infrastructure
8 project could be undertaken, the agency shall secure the necessary
9 Environmental Compliance Certificate from the Department of
10 Environment and Natural Resources

11 SEC. 9. *Squatter Relocation.* - The Government through the
12 National Housing Authority, in coordination with the local
13 government units and implementing agencies concerned, shall establish
14 and develop squatter relocation sites, including the provision of
15 adequate utilities and services, in anticipation of squatters that have
16 to be removed from the right-of-way or site of future infrastructure
17 projects.

18 In case the expropriated land is occupied by squatters, the
19 court shall issue the necessary "Writ of Demolition" for the purpose
20 of dismantling any and all structures found within the subject
21 property: *Provided, however,* That the implementing agency shall take
22 into account and observe diligently the procedure provided for in
23 Section 28 of Republic Act No. 7279, otherwise known as the Urban
24 Development and Housing Act of 1992.

1 Funds for the relocation sites shall come from appropriations
2 for the purpose under the General Appropriations Act, as well as from
3 appropriate infrastructure projects funds of the implementing agency
4 concerned, with counterpart funds from the concerned local
5 government units.

6 SEC. 10. *Appropriation for Acquisition of Right-of-Way and/
7 or Site or Location for Government Infrastructure Project in Advance
8 of Project Implementation.* - The Government shall provide adequate
9 appropriation that will allow the concerned implementing agencies to
10 acquire the required right-of-way and/or site or location for the
11 government infrastructure projects.

12 SEC. 11. *Separability Clause.* - If any provision of this Act
13 is declared unconstitutional or invalid, other parts or provisions hereof
14 not affected thereby shall continue to be in full force and effect.

15 SEC. 12. *Repealing Clause.* - All laws, decrees, orders,
16 rules and regulations or parts thereof inconsistent with this Act are
17 hereby repealed or amended accordingly.

18 SEC. 13. *Effectivity Clause.* - This Act shall take effect
19 fifteen (15) days following its publication in at least two (2)
20 newspapers of general circulation.

Approved,