Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

ANITA C. VIANZON, Heir of the Late Lucila Candelaria Gonzales, Petitioner,	**G.R. No. 171107**
	Present:
	VELASCO, JR., *J., Chairperson,*
	PERALTA,
	ABAD,
- versus -	PEREZ,* and
	MENDOZA, *JJ.*
MINOPLE MACARAEG, Respondent.	Promulgated:
	05 September 2012

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DECISION

MENDOZA, *J.*:

This is a Petition for Review on *Certiorari* under Rule 45 seeking to reverse and set aside the October 19, 2005 Decision[1] of the Court of Appeals *(CA),* in CA-G.R. SP No. 88816, reversing the August 18, 2004 Resolution[2] of the Office of the President *(OP)* which declared the late Lucila Candelaria Gonzales *(Lucila)* as the "legitimate and lawful purchaser/beneficiary"[3] of

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* Designated additional member, per Special Order No. 1299 dated August 28, 2012.

[1] *Rollo*, pp. 113-129; penned by Associate Justice Renato C. Dacudao with Associate Justice Lucas P. Bersamin (now an Associate Justice of the Supreme Court) and Associate Justice Celia C. Librea-Leagogo, concurring.

[2] Id. at 161-165.

[3] Id. at 165.

> x x x Lot No. 1222, Psd-78000 of the Dinalupihan Landed Estate administered by the Department of Agrarian Reform, containing an area of 3.1671 hectares located at Barangay Saguing, Dinalupihan, Bataan.[4]

The Factual and Procedural Antecedents:

The subject land formed part of the 10-hectare Lot No. 657 earlier awarded to the late Pedro Candelaria *(Pedro),* the father of Lucila. In 1950, Pedro hired respondent Minople Macaraeg *(Minople)* to work on Lot 657. In 1956, Pedro divided Lot 657 among his four children, including Lucila. Eventually, Lucila's undivided share became Lot No. 1222, the subject landholding.[5]

On August 17, 1960, Lucila and the Land Tenure Administration (LTA, now the Department of Agrarian Reform) entered into a contract denominated as "Agreement to Sell No. 5216" involving Lot No. 1222.[6]

After almost 30 years, or on May 8, 1989, Lucila's representative, petitioner Anita C. Vianzon *(Anita),* executed a deed of absolute sale in favor of her daughter, Redenita Vianzon *(Redenita),* conveying a 2.5-hectare portion of the subject land. In connection with this, Minople also affixed his signature on a document denominated as "Waiver of Right" purportedly relinquishing all his rights as well as his interest over the same property in favor of Redenita.[7]

Soon thereafter, Anita filed two applications to purchase the subject property – one in 1990 and the other on August 7, 1996. Minople, however, also filed his own application to purchase the same land on September 9,

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[4] Id. at 113.
[5] Id. at 114.
[6] Id. at 119.
[7] Id. at 114.

1996. These conflicting claims were brought before the Department of Agrarian Reform *(DAR).* On November 6, 1996, the Chief of the Legal Division of the DAR Provincial Office recommended that the subject land be "divided equally" between the two applicants since both had been in some way "remiss in their obligations under the agrarian rules."[8] Based on the recommendation, the Officer-in-Charge Municipal Agrarian Reform Officer *(MARO)* referred the matter to the Provincial Agrarian Reform Officer *(PARO)* of Bataan. In his First Endorsement, dated November 14, 1996, the PARO concurred with the findings and recommendation of the Legal Division Chief and forwarded its concurrence to the DAR Regional Director. The Officer-in-Charge Regional Director *(RD)* issued a corresponding order dividing the subject property equally between the parties. According to him, the parties were "in *pari delicto,* the most equitable solution is to award the property to both of them."[9]

Minople sought reconsideration but this was treated as an appeal by the RD and was elevated to the DAR Secretary, who, on November 10, 1997, set aside the order and upheld Minople's right over the property.[10] In setting aside the RD order, the DAR Secretary found that it was Minople who was the "actual possessor/ cultivator of the lot in consideration."[11] He pointed out that Lucila's act of "hiring" Minople to render service pertaining to all the aspects of farming did not only violate the old LTA Administrative Order *(A.O.)* but it also contravened the very undertaking made by Lucila's representative and heir, Anita, in her latest sales application warranting its rejection.

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[8] Id. at 115.
[9] Id. at 115-116.
[10] Id. at 116.
[11] Id. at 155.

Aggrieved, Anita appealed to the OP. On June 18, 2003, the OP issued a minute decision[12] affirming in *toto* the November 10, 1997 Order of the DAR Secretary. According to the OP,

> After a careful and thorough evaluation of the records of the case, this Office hereby adopts by reference the findings of fact and conclusions of law contained in the DAR Decision dated 10 November 1997.[13]

Anita then moved for reconsideration. On August 18, 2004, the OP, giving weight to the "Agreement to Sell No. 5216" between Lucila and the DAR's predecessor (the LTA), issued a resolution reversing and setting aside its minute decision and declaring Lucila as "the legitimate and lawful purchaser/ beneficiary of the landholding in question."[14] The OP stated that the subject lot had been paid for as early as 1971 and that the same had been declared in the name of the late Lucila for tax purposes. In addition, according to the OP, the "personal cultivation aspect of the said Agreement to Sell" was achieved or carried out by Lucila "with Minople Macaraeg as her hired farmworker."[15] The OP also took note that neither the LTA nor the DAR failed to give the necessary notice of cancellation to Lucila or Anita.[16] Lastly, the OP opined that when the Agreement to Sell was executed back in 1960, Minople was merely hired as a farmworker; ergo, his actual possession and cultivation were not in the concept of owner which explained why the LTA (now DAR) contracted with Lucila and not with Minople.[17]

Not in conformity, Minople elevated the matter to the CA via a petition for review under Rule 43. In upholding Minople's right to the subject land, the CA anchored its Decision on Section 22 of Republic Act

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[12] Id. at 159.
[13] Id.
[14] Id. at 165.
[15] Id. at 163.
[16] Id.
[17] Id. at 162-164.

(R.A.) No. 6657, or the Comprehensive Agrarian Reform Law *(CARL)*. According to the CA, Minople had been working on the contested lot since 1950, as a tenant and performing all aspects of farming and sharing in the harvest of the land, in conformity with DAR's A.O. No. 3, Series of 1990, pursuant to the CARL.[18]

Undaunted, Anita is now before this Court via this petition for review on certiorari presenting the following

STATEMENT OF ISSUES

I. WHETHER OR NOT THE COURT OF APPEALS SERIOUSLY ERRED IN PASSING OVER THE MERITS OF THE PETITION FOR REVIEW FILED BY THE RESPONDENT BEFORE THE SAID COURT DESPITE THE FACT THAT RESPONDENT THEREIN FILED THE SAME BEYOND THE REGLEMENTARY PERIOD FOR FILING THE SAME.

II. WHETHER OR NOT THE COURT OF APPEALS SERIOUSLY ERRED IN RULING THAT THE RESPONDENT, AS TENANT, HAS LEGAL STANDING IN IMPUGNING THE OWNERSHIP OF THE PETITIONER, HIS LANDLORD, IN CONTRAVENTION OF THE PROVISIONS OF ARTICLE 1436 OF THE CIVIL CODE OF THE PHILIPPINES AS WELL AS SECTION 3(B), RULE 131 OF THE RULES OF COURT AND OTHER JURISPRUDENCE ON THE MATTER.

III. WHETHER OR NOT THE COURT OF APPEALS SERIOUSLY ERRED IN DEPRIVING THE PETITIONER OF HER PROPERTY IN VIOLATION OF DUE PROCESS OF LAW AS WELL AS THE NON-IMPAIRMENT CLAUSE OF THE CONSTITUTION IN VIEW OF THE LACK OF NOTICE OF CANCELLATION OF THE AGREEMENT TO SELL.

IV. WHETHER OR NOT THE COURT OF APPEALS ERRED IN RULING THAT PETITIONER VIOLATED THE CONDITIONS CONTAINED IN THE AGREEMENT TO SELL.

V. **WHETHER OR NOT THE COURT OF APPEALS ERRED IN RULING THAT THE AWARD OF THE LAND TO THE RESPONDENT WAS EQUIVALENT TO A NOTICE OF CANCELLATION OF THE AGREEMENT TO SELL**.[19]

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[18] Id. at 126-127.
[19] Id. at 330-331.

The Court finds no merit in the petition.

On the procedural issue

Indeed, the perfection of an appeal in the manner and the period prescribed by law is mandatory and jurisdictional. Necessarily, the failure to conform to the rules will render the judgment for review final and unappealable. By way of exception, however, minor lapses are at times disregarded in order to give due course to appeals filed beyond the reglementary period on the basis of strong and compelling reasons, such as serving the ends of justice and preventing a grave miscarriage thereof. The period for appeal is set in order to avoid or prevent undue delay in the administration of justice and to put an end to controversies. It is there not to hinder the very ends of justice itself. The Court cannot have purely technical and procedural imperfections as the basis of its decisions. In several cases, the Court held that "cases should be decided only after giving all parties the chance to argue their causes and defenses."[20]

> In Philippine National Bank, et al. v. Court of Appeals, we allowed, in the higher interest of justice, an appeal filed three days late.
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> In Republic v. Court of Appeals, we ordered the Court of Appeals to entertain an appeal filed six days after the expiration of the reglementary period; while in Siguenza v. Court of Appeals, we accepted an appeal filed thirteen days late. Likewise, in Olacao v. NLRC, we affirmed the respondent Commission's order giving due course to a tardy appeal "to forestall the grant of separation pay twice" since the issue of separation pay had been judicially settled with finality in another case. All of the aforequoted rulings were reiterated in our 2001 decision in the case of Equitable PCI Bank v. Ku. (previous citations omitted)[21]

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[20] *Republic Cement Corp. v. Guinmapang*, G.R. No. 168910, August 21, 2009, 596 SCRA 688, 695; *Gana v. NLRC*, G.R. No. 164640, June 13, 2008, 554 SCRA 471, 481.
[21] *Gana v. NLRC*, G.R. No. 164680, June 13, 2008, 554 SCRA 471, 481.

There is no denying that the controversy between the parties involves the very right over a considerable spread of land. In fact, it is Anita's position that the opposing parties in this case "have equal substantive rights over the lot in question."[22] It was, therefore, correct on the part of the CA not to permit a mere procedural lapse to determine the outcome of this all too important case. It must be noted that the CA was the first level of judicial review, and coming from the OP's vacillating stance over the controversy, it was but correct to afford the parties every chance to ventilate their cause. Considering further that the party who failed to meet the exacting limits of an appeal by a mere seven days was an old farmer who was not only unlearned and unskilled in the ways of the law but was actually an illiterate who only knew how to affix his signature,[23] certainly, to rule based on technicality would not only be unwise, but would be inequitable and unjust. All told, the Court sanctions the CA ruling allowing the petition for review of Minople.

On the substantive issue

The Court now proceeds with the crux of the case, that is, who between the opposing parties has a rightful claim to the subject landholding? In resolving the second and the fourth issues, this Court finds it inevitable to resolve the third and the fifth issues as well. Thus, the Court will discuss them jointly.

The beacon that will serve as our guide in settling the present controversy is found in the Constitution, more particularly Articles II and XIII:

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[22] *Rollo*, p. 52.
[23] Id. at 405.

> Article II
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> SEC.21. The State shall promote comprehensive rural development and agrarian reform.
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> x x x
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> Article XIII
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> SEC. 4. The State shall, by law, undertake an agrarian reform program founded on the right of farmers and regular farm workers, who are landless, to own directly or collectively the lands they till or, in the case of other farmworkers, to receive a just share of the fruits thereof. To this end, the State shall encourage and undertake the just distribution of all agricultural lands, subject to such priorities and reasonable retention limits as the congress may prescribe, taking into account ecological, developmental, or equity considerations, and subject to the payment of just compensation. In determining retention limits the State shall respect the right of small land owners. The State shall further provide incentives for voluntary land-sharing. (Underscoring supplied)

In this regard, the Court finds the elucidation of Framer Jaime Tadeo, in one of the deliberations of the Constitutional Commission, enlightening.

> MR. TADEO.
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> . . . Ang dahilan ng kahirapan natin sa Pilipinas ngayon ay ang pagtitipon-tipon ng vast tracts of land sa kamay ng iilan. Lupa ang nagbibigay ng buhay sa magbubukid at sa iba pang manggagawa sa bukid. Kapag inalis sa kanila ang lupa, parang inalisan na rin sila ng buhay. Kaya kinakailangan talagang magkaroon ng tinatawag na just distribution. . . .
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> x x x
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> MR. TADEO.
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> Kasi ganito iyan. Dapat muna nating makita ang prinsipyo ng agrarian reform, iyong maging may-ari siya ng lupa na kaniyang binubungkal. Iyon ang kauna-unahang prinsipyo nito. . . .
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> x x x.[24]

[24] Records of the Constitutional Commission, Vol. II, pp. 663-664.

Picking up from there, Congress enacted R.A. No. 6657, or the CARL of 1988. Section 22 of this law enumerates those who should benefit from the CARL.

> SEC. 22. Qualified Beneficiaries. – The lands covered by the CARP shall be distributed as much as possible to landless residents of the same barangay, or in the absence thereof, landless residents of the same municipality in the following order of priority:
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> (a) agricultural lessees and share tenants;
> (b) regular farmworkers;
> (c) seasonal farmworkers;
> (d) other farmworkers;
> (e) actual tillers or occupants of public lands;
> (f) collectives or cooperatives of the above beneficiaries; and
> (g) others directly working on the land.
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> x x x.
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> A basic qualification of a beneficiary shall be his willingness, aptitude and ability to cultivate and make the land as productive as possible. The DAR shall adopt a system of monitoring the record or performance of each beneficiary, so that any beneficiary guilty of negligence or misuse of the land or any support extended to him shall forfeit his right to continue as beneficiary. The DAR shall submit periodic reports on the performance of the beneficiaries to the PARC.
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> x x x.

Pursuant to this, the DAR issued A.O. No. 3, Series of 1990. The foremost policy in said A.O.'s Statement of Policies states,

> Land has a social function, hence, there is a concomitant social responsibility in its ownership and should, therefore, be distributed to the actual tillers/occupants.[25]

Thus, A.O. No. 3 lays down the qualifications of a beneficiary in landed estates[26] in this wise: he or she should be (1) landless; (2) Filipino citizen; (3) actual occupant/tiller who is at least 15 years of age or head of

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[25] DAR A.O. No. 3, series of 1990, www.dar.gov.ph.

[26] Landed Estates is defined in Administrative Order No. 3, Series of 1990 as the "former haciendas or landholdings of private individuals or corporations which have been acquired by the Government under different laws for redistribution and resale to deserving tenants and land less farmers."

the family at the time of filing of application; and (4) has the willingness, ability and aptitude to cultivate and make the land productive.[27]

The significance of the allocatee/awardee being the actual tiller is made even clearer in the "Operating Procedures" of A.O. No. 3 itself, where the MARO is required to make a determination as to who the actual tiller is, for it is to him that the land should be awarded. In fact, item 2.1.3, states that if it is found that the allocatee or awardee employs others to till the land, the MARO should cancel the Order of Award (OA) or Certificate of Land Transfer (CLT) and issue a new one in favor of the "qualified actual cultivator/occupant."[28]

In this case, Anita questions the existence of a tenancy relationship between her/Lucila and Minople, pointing out the purported DAR Director's finding that Minople deliberately failed to deliver the harvest for four years.[29] She argues that this negates any tenancy relationship between them and insists that Minople was only a farm worker initially engaged by the late Pedro Candelaria. To this, she adds that LTA would not have entered into an agreement to sell with Lucila in 1960 if it was Minople who was the actual possessor and cultivator back then.[30] Anita continues that even if tenancy existed, Minople could not controvert the title of Lucila/Anita being his purported landlord.[31]

Anita's argument, however, is misplaced. The cases she relied on referred to possession of leased premises in general. In this case, the issue is farm or agricultural tenancy and, inescapably, the applicable law is the CARL and its implementing rules. After all, the law was well in effect when

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[27] DAR A.O. No. 3, series of 1990, www.dar.gov.ph.
[28] Id.
[29] *Rollo*, p. 344.
[30] Id. at 345-346 and 364-365.
[31] Id. at 347- 353.

Minople and Anita filed their respective applications to purchase the subject land.

Anita argues that the earlier sale made by LTA to her predecessor was never questioned, hence, it remains valid.[32] In fact, Anita claims, the late Lucila had already paid the purchase price sometime in 1971.[33] She then proceeds to argue that "personal cultivation" may be "with the aid of labor from within his immediate household."[34] Finally, Anita cries out for fairness. According to her:

> It would be unfair and unjust if the subject lot which was originally cultivated by the Petitioner's father, Pedro Candelaria, would only go to another who was just a mere helper of the said Pedro Candelaria, thereby rendering into naught the hardships of the petitioner and her father in occupying and nourishing the subject land which they have occupied even before the 50's decade. Respondent would not have been there in Dinalupihan were it not for the Petitioner's father who secured his services as 'boy' or mere household helper.[35]

While Anita insists that "Agreement to Sell No. 5216" executed back in 1960 remains effective, her act of filing the above-mentioned applications to purchase after three decades of waiting for its fruition only reveals her skepticism in that very same instrument. Anita herself filed not one, but two subsequent applications. It was her application on August 7, 1996 together with that of Minople which gave rise to the present controversy. These conflicting applications were brought before the DAR, all the way up to the Secretary, and then to the OP. At this point, therefore, Anita had effectively abandoned her, or rather Lucila's "Agreement to Sell No. 5216" of 1960 with the then LTA. She cannot later on deny this and conveniently hide behind the feeble position of the OP that it was unnecessary for Anita/ Lucila to file her application because the said agreement remained valid.

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[32] Id. at 364.
[33] Id. at 356.
[34] Id. at 366.
[35] Id. at 368.

The fact remains, however, that there were two applications subsequently filed by Anita and acted upon by the DAR, the same office charged with executing the earlier "Agreement to Sell No. 5216," where Anita would have gone to in order to implement her all important agreement. This is the same agency, acting through its Secretary, which found that as early as the time of Lucila, there had been violations of "Agreement to Sell No. 5216" and the existing laws and rules upon which it was based. This is the same agency which eventually awarded the subject landholding to Minople. The CA found, to which the Court agrees, that this was "equivalent to a notice of cancellation of the earlier 'Agreement to Sell No. 5216.'"[36]

As regards Anita's claim that the land had been paid for, the provision that she relies on does not only speak of payment of the purchase price but also requires the performance of all the conditions found in the said agreement. Thus, if the Court is to assume the agreement to be valid, the LTA or the DAR may still not be compelled to issue a deed of sale in her favor because of violations of the agreement.

Agreement to Sell No. 5216

> Section 10. Upon full payment of the purchase price as herein stipulated including all interest thereon and the performance by the PROMISSEE of all the conditions herein required, the Administration shall execute a Deed of Sale conveying the property subject of this Agreement to the PROMISSEE."[37] (Underscoring supplied)

[36] Id. at 128.
[37] Id. at 357.

Even if the Court assumes that there were no violations, why did Anita or her predecessor Lucila not compel the DAR to issue a deed of sale? Why did Anita choose to file the applications to purchase in the 1990s?

For Minople's part, there is no denying that he had been tilling the subject land since the 1950s. According to then DAR Secretary Ernesto D. Garilao:

> After a thorough evaluation of the records of the case, together with its supporting documents, this Office finds the appeal to be impressed with merit, considering the fact that Minople Macaraeg is the actual possessor/cultivator of the lot in consideration as contained in the Report and Recommendation dated November 6, 1996 of Atty. Judita C. Montemayor, Chief, Legal Division of DAR Region III and the Certification dated April 23, 1997 issued by the BARC Chairman (Punong Barangay) of Dinalupihan Bataan.
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> The act of Lucila Candelaria Gonzales in allowing Minople Macaraeg to perform all the farming activities in the subject lot established a tenancy relationship between the former and the latter because the latter is doing the farm chores and is paid from the produce or harvest of the land in the amount of 20 cavans of palay every harvest. The claim of Lucila Candelaria Gonzales that Minople Macaraeg is only a hired farm worker will not hold water, considering the fact that he (Minople Macaraeg) was not hired to work on just a branch of farming, but performed work pertaining to all the branches thereof, on the basis of sharing the harvest not on a fixed salary wage.[38]

With Minople continuously performing every aspect of farming on the subject landholding, neither Anita nor Lucila personally cultivated the subject land. While Anita continues to question the existence of a tenancy relationship, she did admit that her predecessors had hired Minople to till the land decades earlier. This clearly violated then LTA A.O. No. 2, Series of 1956 as well as the DAR's AO No. 3 series of 1990. This also contravened her own undertaking in her April 7, 1996 "Application to Purchase Lot."

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[38] Id. at 155.

> "2.that I will not subdivide, sold (sic) or in any manner transfer or encumber said land without the proper consent of the DAR subject further to the terms and conditions provided for under Republic Act No. 6657 and other Operating laws not inconsistent thereon; 3.That **I shall not employ or use tenants** whatever form in the occupation or cultivation of the land or shall not be subject of share tenancy pursuant to the provision of PD No. 132 dated March 13, 1973, x x x."[39] (Emphasis supplied)

R.A. No. 6657 or the CARL "is a social justice and poverty alleviation program which seeks to empower the lives of agrarian reform beneficiaries through equitable distribution and ownership of the land based on the principle of land to the tiller."[40]

Given all the laws in place together with the undisputed fact that Minople worked on the subject landholding for more than half a century, the inescapable conclusion is that Minople as the actual tiller of the land is entitled to the land mandated by our Constitution and R.A. No. 6657.

WHEREFORE, the petition is **DENIED**, the October 19, 2005 Decision and January 10, 2006 Resolution of the Court of Appeals, in CA-G.R. SP No. 88816, are hereby **AFFIRMED**.

This is without prejudice on the part of petitioner to recover her payments from the government, if warranted.

SO ORDERED.

JOSE CATRAL MENDOZA
Associate Justice

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[39] Id. at 156.
[40] *Heirs of Aurelio Reyes v. Garilao*, G.R. No. 136466, November 25, 2009, 605 SCRA 294, 310.

WE CONCUR:

PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson

DIOSDADO M. PERALTA
Associate Justice

ROBERTO A. ABAD
Associate Justice

JOSE PORTUGAL PEREZ
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson, Third Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MARIA LOURDES P. A. SERENO
Chief Justice