



Republic of the Philippines  
Supreme Court  
Manila

SECOND DIVISION

MARIANO JOSE,  
FELICISIMO JOSE, deceased,  
substituted by his children  
MARIANO JOSE,  
CAMILO JOSE,  
TIBURCIA JOSE,  
FERMINA JOSE, and  
VICTORIA JOSE,  
*Petitioners,*

G.R. No. 177374

-versus-

ERNESTO M. NOVIDA,  
RODOLFO PALAYLAY, JR.,  
ALEX M. BELARMINO,  
RODRIGO LIBED,  
LEONARDO L. LIBED,  
BERNARDO B. BELARMINO,  
BENJAMIN G. ACOSTA,  
MODESTO A. ORLANDA,  
WARLITO B. MEJIA,  
MAMERTO B. BELARMINO,  
MARCELO O. DELFIN and  
HEIRS OF LUCINO A. ESTEBAN,  
represented by CRESENCIA M.  
VDA. DE ESTEBAN,  
*Respondents.*

Present:

CARPIO, *Chairperson,*  
BRION,  
DEL CASTILLO,  
PEREZ, *and*  
PERLAS-BERNABE, *JJ.*

Promulgated:

JUL 02 2014 *HM Cabalo of Perfecto*

X -----

DECISION

DEL CASTILLO, *J.:*

This Petition for Review on *Certiorari*<sup>1</sup> assails the September 25, 2006

<sup>1</sup> *Rollo*, pp. 16-33.

Decision<sup>2</sup> and March 16, 2007 Resolution<sup>3</sup> of the Court of Appeals (CA) in CA-G.R. SP No. 48681, which affirmed the June 20, 1997 Decision<sup>4</sup> and June 24, 1998 Resolution<sup>5</sup> of the Department of Agrarian Reform Adjudication Board (DARAB), Quezon City in DARAB Case No. 1429.

### ***Factual Antecedents***

In 1990, herein respondents Ernesto M. Novida, Rodolfo Palaylay, Jr., Alex M. Belarmino, Rodrigo Libed, Leonardo L. Libed, Bernardo B. Belarmino, Benjamin G. Acosta, Modesto A. Orlanda, Warlito B. Mejia, Mamerto B. Belarmino and Marcelo O. Delfin, together with Cristina M. Esteban, were each granted – as farmer-beneficiaries – Emancipation Patents (EPs) and Certificates of Title<sup>6</sup> (covering one hectare each) over a parcel of land which formed part of a 16.4142-hectare agricultural land (subject property) in San Vicente, Alcala, Pangasinan which was placed within the coverage of Operation Land Transfer.<sup>7</sup>

On January 4, 1991, petitioners Mariano, Camilo, Victoria, Tiburcia and Fermina, as well as Josefina and Anecita – all surnamed Jose – filed with the Region I Office of the Department of Agrarian Reform (DAR) at San Fernando, La Union (DAR Region I) a Petition for Reinvestigation and Cancellation of Anomalously Prepared and Generated Emancipation Patents<sup>8</sup> against the respondents, claiming that they are the *bona fide* and actual tenant-tillers of the subject property; that they were issued Certificates of Land Transfer (CLTs) to the same; that they are actually in possession of the same; and that the EPs issued to respondents were anomalous. They prayed that the respondents' EPs be cancelled; that new EPs be issued to them; and that an investigation be conducted on the circumstances surrounding the issuance of respondents' EPs, and the guilty parties prosecuted.

On January 30, 1991, the DAR Region I Director issued an Order<sup>9</sup> relative to the petitioners' petition for reinvestigation and cancellation of EPs – which was not docketed or assigned a case number – which held thus:

WHEREFORE, premises considered and by virtue of the powers vested in me under DAR Memorandum Circular 5-87 ORDER is hereby rendered as

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<sup>2</sup> Id. at 198-216; penned by Associate Justice Regalado E. Maambong and concurred in by Associate Justices Marina L. Buzon and Japar B. Dimaampao.

<sup>3</sup> Id. at 221-222.

<sup>4</sup> Id. at 110-117; concurred in by Undersecretaries Lorenzo R. Reyes, Artemio A. Adasa, Jr., Assistant Secretaries Augusto P. Quijano and Sergio B. Serrano.

<sup>5</sup> Id. at 126-128; concurred in by Undersecretaries Lorenzo R. Reyes, Artemio A. Adasa, Jr., Assistant Secretaries Clifford C. Burkley, Augusto P. Quijano and Sergio B. Serrano.

<sup>6</sup> Id. at 36, 201-202.

<sup>7</sup> Under Presidential Decree No. 27, "Decreeing The Emancipation Of Tenants From The Bondage Of The Soil, Transferring To Them The Ownership Of The Land They Till And Providing The Instruments And Mechanism Therefor."

<sup>8</sup> *Rollo*, pp. 57-58.

<sup>9</sup> Id. at 59-61.

follows:

1. That herein petitioners have better right as beneficiaries of the 16 hectares in question to the exclusion of the respondents due to the defective installation as beneficiaries;
2. That Emancipation Patents be generated in favor of the herein petitioners;
3. That [inasmuch] as payments on the land in question were already made by the respondents who are not qualified to become beneficiaries of the estate, the complainants are hereby ordered to pay the said amount to the Administrator who shall likewise reimburse the same to the respondents, as suggested by MARO Constancio Castillo to settle the problem at bar; and
4. That the PARO of Pangasinan or his duly authorized representative is directed to implement this ORDER and if necessary with the help of the PNP of the Municipality of Alcala, Pangasinan.

SO ORDERED.<sup>10</sup>

On December 17, 1991, respondents filed a Complaint<sup>11</sup> for recovery of possession, accounting, liquidation and damages with injunctive relief against petitioners Mariano and Felicisimo Jose (Felicisimo), and Virgilio Jose (Virgilio). The case was docketed in the Region I Office of the DARAB in Urdaneta, Pangasinan (DARAB Urdaneta) as Case No. 01-465-EP'91.<sup>12</sup> Respondents alleged that Felicisimo was the original tenant of the subject property; that Felicisimo obtained loans from one Benigno Siobal (Siobal) and one Rogelio Cerezo (Cerezo), which were secured by a mortgage over the subject property; that Felicisimo did not redeem the subject property from Siobal and Cerezo, but instead abandoned the same when he migrated to the United States of America (U.S.A.) and became a naturalized citizen thereof; that with the sanction of the DAR, the owners of the subject property subdivided the land and sold portions thereof to respondents; and that on or about May 10, 1990, after Felicisimo returned from the U.S.A., he and the other petitioners ousted respondents from the subject property, using force, stealth, threats and intimidation. Respondents prayed that they be placed in peaceful possession, cultivation and enjoyment of the land; that petitioners be declared as usurpers and without right to the land; that an accounting be made of all lost harvests; that injunctive relief be granted in order that petitioners shall desist from further disturbing respondents' peaceful possession, cultivation and enjoyment of the land; that petitioners be made to pay actual, moral and exemplary damages in the amount of at least ₱180,000.00, ₱25,000.00 litigation expenses, ₱50,000.00 attorney's fees, and costs of suit.

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<sup>10</sup> Id. at 60-61.

<sup>11</sup> Id. at 35-38.

<sup>12</sup> Or Case No. 01-465-EP'92 in other parts of the record.

In their Answer with Counterclaim,<sup>13</sup> petitioners alleged that in addition to Felicisimo, Mariano, and Virgilio, the subject property was being cultivated by their siblings Tiburcia, Fermina, Victoria, and Josefina, and their mother Aniceta Jose; that Felicisimo indeed mortgaged the subject property in 1981 to secure a loan of ₱10,000.00, which was settled by letting the lender Siobal take exclusive possession of the land, cultivating the same and keeping the harvests; that Siobal cultivated the subject property up to 1987, after which petitioners Camilo, Virgilio, Mariano, and the other siblings took over; that when Felicisimo returned from the U.S.A. in 1990, Siobal attempted to negotiate another agreement with him, but this time he refused; that petitioners – and not the respondents – are the owner-beneficiaries of the subject property; that respondents have never been in possession of the land; and that the case should be dismissed. By way of counterclaim, petitioners sought to be awarded ₱100,000.00 actual damages, ₱20,000.00 exemplary damages, ₱15,000.00 attorney's fees, and ₱20,000.00 litigation expenses.

On July 13, 1992, the DARAB Urdaneta issued a Decision<sup>14</sup> in Case No. 01-465-EP'91, which held thus:

The evidence on record revealed that respondent Felicisimo E. Jose was the former tenant-lessee of the 16.4142 hectares in question; that on August 13, 1981, respondent Felicisimo E. Jose and his wife Anecita Bautista mortgaged to Benigno Siobal x x x one-half (1/2) of their real estate with an area of 82,579 square meters in the amount of Ten Thousand (₱10,000.00) Pesos; that immediately after the execution of the mortgage contract, respondent Felicisimo Jose, who was then the tenant over the same parcel of land of approximately eight (8) hectares more or less delivered actual physical possession to Benigno Siobal and the other half portion or eight (8) hectares plus to one Rogelio Cerezo; that the landholding in question was formerly owned by the Galvan-Cabrera Estate which was covered by Operation Land Transfer (OLT) pursuant to the provisions of P.D. No. 27; that Emancipation Patents were already issued to the complainants.

The evidence on record clearly disclosed that the former tenant-lessee, the respondent Felicisimo Jose delivered actual physical possession of the landholding in question on August 13, 1981. From that date he lost his security of tenure as tenant and that his tenancy relationship was terminated.

The act of Felicisimo E. Jose in giving up his possession and cultivation of the landholding in question and his going abroad in 1981 is a clear case of abandonment, as enunciated in the case of "Mateo Balanay, et al., vs. Sergio Rafael, CA G.R. No. SP-01746 CAR, August 2, 1976". Acceptance of new employment is an abandonment, how much more [in] this instant case when the tenant-lessee went abroad.

WHEREFORE, premises considered, judgment is hereby rendered as follows to wit:

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<sup>13</sup> *Rollo*, pp. 39-43.

<sup>14</sup> *Id.* at 73-76; penned by Provincial Adjudicator Alejandro T. Tabula.

1. DECLARING the complainants the tenant-beneficiaries of the land in question;
2. DECLARING the respondents [to have] no right whatsoever [to] the landholding in question;
3. ORDERING the respondents to desist from disturbing the possession and cultivation of the complainants.
4. All other claims of the parties are hereby denied for lack of evidence.

SO ORDERED.<sup>15</sup>

Meanwhile, on August 22, 1995, the DAR Secretary issued an Order<sup>16</sup> affirming the January 30, 1991 Order of the DAR Region I Director in the petition for reinvestigation and cancellation of EPs filed by petitioners against the respondents. The Order reads in part:

The issue to be resolved is who are the qualified beneficiaries over the subject landholdings.

Mariano Jose, et al. (petitioners) are the qualified beneficiaries of the subject landholdings considering that CLT's were already issued to them which is a recognition to the grantees as the [parties] qualified to avail of the statutory mechanism for the acquisition of ownership of the land tilled by them as provided under Presidential Decree No. 27. Moreover, the Agreement entered into by Felicisimo Jose and Benigno Siobal wherein the subject landholdings were used to answer the amount loaned by their father is considered as illegal transaction therefore null and void (Memo Circular No. 7, Series of 1979).

As to the allegation of denial of due process, we find the same unmeritorious. Respondents' subsequent Motion for Reconsideration has the effect of curing whatever irregularity might have been committed in the proceeding below x x x.

WHEREFORE, premises considered, this Order is hereby issued denying the instant appeal for lack of merit and the Order issued by the Regional Director is hereby affirmed.

SO ORDERED.<sup>17</sup>

However, on respondents' motion for reconsideration, the DAR Secretary issued another Order<sup>18</sup> on June 5, 1996 which declared thus:

It appears that DARAB Case No. 01-465-EP'92 entitled Ernesto M. Novida, et al., vs. Mariano Jose, et al., for Peaceful Possession and Damages

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<sup>15</sup> Id. at 75-76.

<sup>16</sup> Id. at 96-99.

<sup>17</sup> Id. at 98-99.

<sup>18</sup> Id. at 107-108.

involving the same parties and same cause of action as in the case herein is pending appeal before the DARAB Central Office.

Likewise, records show that Emancipation Patents Nos. 550853, 550854, 550855, 550849, 550851, 550848, 550852 and 550856 were already awarded to Respondents herein. The jurisdiction to cancel the same is not with this Office but with the DARAB x x x.

WHEREFORE, premises considered, Order is hereby issued remanding the case to the DAR Adjudication Board for its proper disposition in the light of DARAB Case No. 01-465-EP'92 pending before it.

SO ORDERED.<sup>19</sup>

### ***The DARAB Quezon City Decision***

Meanwhile, failing to obtain a reconsideration of the DARAB Urdaneta's July 13, 1992 decision in Case No. 01-465-EP'91, petitioners interposed an appeal with the DARAB Quezon City. Docketed as DARAB Case No. 1429, the appeal was premised on the arguments that the DARAB Urdaneta erred in taking cognizance of the case, which is under the exclusive jurisdiction of the Secretary of Agrarian Reform as the subject property was covered by the Comprehensive Agrarian Reform Program (CARP); and that there is another case between the parties – for cancellation of anomalously prepared/generated Emancipation Patents – pending in the Office of the DAR Secretary.

On June 20, 1997, the DARAB Quezon City issued its Decision affirming *in toto* the July 13, 1992 decision of the DARAB Urdaneta. It held –

Based on the facts of the case and evidences adduced, Felicisimo Jose was the former legitimate agricultural lessee of the Galvan-Cabrera estate. However, on August 13, 1981, he and his spouse mortgaged one-half of the said property with an area of 82,579 square meters to secure a loan of ₱10,000 from a certain Benigno Siobal and Rogelio Orezo<sup>20</sup> by delivering the physical possession thereof to the mortgagees. Subsequently, respondent-appellant (Felicisimo Jose) left for abroad to acquire his citizenship by naturalization in the United States of America.

Sometime in 1985, the subject landholding was subdivided into sixteen (16) farm lots and the complainants-appellees<sup>21</sup> were installed by the mortgagee Benigno Siobal. Their possession and cultivation were duly sanctioned by the landowner and DAR Team Leader of Alcala, Pangasinan. They paid the rentals and later on the amortization payments to the subject landholding.

On January 6, 1991, their peaceful enjoyment and cultivation of their

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<sup>19</sup> Id.

<sup>20</sup> Should be Cerezo, based on the record.

<sup>21</sup> Herein respondents.

respective landholdings was interrupted upon the unlawful dispossession, through force and intimidation by the defendants-appellants,<sup>22</sup> who forcibly took over by destroying the corn plants by hiring two (2) tractor operators despite the issuance of the tenant-farmers' Emancipation Patents. Complainants-appellees were compelled to file a criminal case of malicious mischief x x x in addition to this instant agrarian case.

x x x x

We are not convinced by the arguments of the respondents-appellants.

There is an overwhelming evidence indicating that Felicisimo Jose caused the execution of a Deed of Mortgage, for and in consideration of Ten Thousand (₱10,000) Pesos, using the subject landholding as security to the loan and transferring the physical possession thereof to the mortgagees as per Document No. 254, Page 52, Book No. XVII series of 1981 as duly notarized by Porferio A. Tadeo x x x. In the interim, Felicisimo Jose left for the United States of America.

Sometime in 1985, the mortgagees, as legal possessors, allowed the installation of the complainants-appellees with the consent of the Administrator of the Galvan-Cabrera estate to be tenant-tillers who peacefully, openly and continuously occupied and cultivated the land as lessees to their respective landholdings. Finally, on December 7, 1990, all the sixteen (16) complainants-appellees received their Emancipation Patents thru Secretary Benjamin C. Leong, Department of Agrarian Reform x x x.

When Felicisimo Jose left to pursue his desire to acquire his naturalization of citizenship in the United States which amounted to a circumstance advantageous to him and his family, in effect, there was literally an implied extinguishment and/or voluntary termination of the agricultural tenancy relation on the part of the respondent-appellant as contemplated in Section 8 (2) in relation to Section 28 (5) of RA 3844.<sup>23</sup> Both the elements of physical relinquishment of possession and intention to vacate were consummated and remained undisputed findings of facts of the case.

If ever DAR Regional Director, Region I issued an Order dated January 30, 1991, to the effect that the respondents-appellants have a better right as beneficiaries over the subject landholding, this said official issuance of a lesser officer in the bureaucratic totempole could not overrule nor nullify the acts performed earlier by the head of agency or the Secretary of the Department of Agrarian Reform unless the cancellation/revocation is initiated by the Secretary himself. For the Emancipation Patents dated December 7, 1990 were issued earlier to the farmer-beneficiaries. And with the same token, that the enactment

<sup>22</sup> Herein petitioners.

<sup>23</sup> AGRICULTURAL LAND REFORM CODE.

Section 8. Extinguishment of Agricultural Leasehold Relation - The agricultural leasehold relation established under this Code shall be extinguished by:

x x x x

(2) Voluntary surrender of the landholding by the agricultural lessee, written notice of which shall be served three months in advance; x x x

Section 28. Termination of Leasehold by Agricultural Lessee During Agricultural Year - The agricultural lessee may terminate the leasehold during the agricultural year for any of the following causes:

x x x x

(5) Voluntary surrender due to circumstances more advantageous to him and his family.

of our agrarian reform laws is principally intended to make the small farmers more independent, self-reliant and responsible citizens and a source of a genuine strength in our democratic society x x x. Clearly, those who renounce their citizenship should yield to those rights and privileges intended for those with undivided *loyalty* and unquestioned nationalism to the Filipino nation.

WHEREFORE, premises considered, the challenged decision is hereby *AFFIRMED in toto*.

Let the entire records of this case be remanded to the Adjudicator a quo for the issuance of a Writ of Execution immediately.

*SO ORDERED.*<sup>24</sup>

Petitioners filed a Motion for Reconsideration,<sup>25</sup> but the DARAB Quezon City denied the same via its June 24, 1998 Resolution.

### ***The Assailed Court of Appeals Decision***

Petitioners went up to the CA *via* Petition for Review<sup>26</sup> insisting that the DAR Secretary has exclusive jurisdiction over the case, pursuant to the Revised (1989) DARAB Rules of Procedure which state that matters involving the administrative implementation of the CARP and other agrarian laws and regulations shall be the exclusive prerogative of and cognizable by the DAR Secretary;<sup>27</sup> that in the January 30, 1991 Order of the DAR Region I Director which was affirmed via the DAR Secretary's August 22, 1995 Order, they were declared to have better rights as beneficiaries and that respondents' EPs should be cancelled; and that respondents previously instituted two cases with the DARAB Urdaneta – one of them docketed as Case No. 01-318-EP'90 – which were dismissed.

On September 25, 2006, the CA issued the assailed Decision, decreeing as follows:

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<sup>24</sup> *Rollo*, pp. 114-117.

<sup>25</sup> *Id.* at 118-125.

<sup>26</sup> *Id.* at 129-143.

<sup>27</sup> RULE II Jurisdiction Of The Adjudication Board

SECTION 1. Primary, Original and Appellate Jurisdiction. — The Agrarian Reform Adjudication Board shall have primary jurisdiction, both original and appellate, to determine and adjudicate all agrarian disputes, cases, controversies, and matters or incidents involving the implementation of the Comprehensive Agrarian Reform Program under Republic Act No. 6657, Executive Order Nos. 229, 228 and 129-A, Republic Act No. 3844 as amended by Republic Act No. 6389, Presidential Decree No. 27 and other agrarian laws and their implementing rules and regulations.

Specifically, such jurisdiction shall extend over but not be limited to the following:

x x x x

Provided, however, that matters involving strictly the administrative implementation of the CARP and other agrarian laws and regulations, shall be the exclusive prerogative of and cognizable by the Secretary of the DAR.



WHEREFORE, the challenged DARAB decision and resolution dated June 20, 1997 and June 24, 1998 respectively, in DARAB CASE NO. 1429 are hereby AFFIRMED.

SO ORDERED.<sup>28</sup>

The CA held that under Section 1, Rule II of the 1994 DARAB Rules of Procedure,<sup>29</sup> the DARAB has primary and exclusive original jurisdiction over cases involving the issuance and cancellation of EPs;<sup>30</sup> the DAR Secretary had no power to cancel EPs, and petitioners' argument that such power is part of his administrative functions is misplaced. It noted further that the DAR Secretary himself recognized the DARAB's jurisdiction over cases involving the cancellation of EPs when he issued his June 5, 1996 Order in the undocketed case for reinvestigation and cancellation of EPs filed by petitioners against the respondents.<sup>31</sup>

The CA further upheld the DARAB's conclusion that petitioners in effect abandoned their rights as beneficiaries, and that respondents' installation as beneficiaries by the mortgagees (Siobal and Cerezo) was regular and in accordance with law, and they paid the required amortizations as well. It held that as landless farmers, respondents deserved the land more than petitioners, noting that one of them was a naturalized American citizen; it would thus go against the rationale of the agrarian laws to award land to such an individual.

Petitioners filed a Motion for Reconsideration,<sup>32</sup> but in its assailed March 16, 2007 Resolution, the CA stood its ground. Thus, the instant Petition.

Meanwhile, a substitution of parties was accordingly made in view of the death of some of the parties.<sup>33</sup>

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<sup>28</sup> *Rollo*, p. 215.

<sup>29</sup> RULE II Jurisdiction Of The Adjudication Board

SECTION 1. Primary And Exclusive Original and Appellate Jurisdiction. The Board shall have primary and exclusive jurisdiction, both original and appellate, to determine and adjudicate all agrarian disputes involving the implementation of the Comprehensive Agrarian Reform Program (CARP) under Republic Act No. 6657, Executive Order Nos. 228, 229, and 129-A, Republic Act No. 3844 as amended by Republic Act No. 6389, Presidential Decree No. 27 and other agrarian laws and their implementing rules and regulations. Specifically, such jurisdiction shall include but not be limited to cases involving the following:

x x x x

f) Those involving the issuance, correction and cancellation of Certificates of Land Ownership Award (CLOAs) and Emancipation Patents (EPs) which are registered with the Land Registration Authority;

<sup>30</sup> Citing also *Hilado v. Hon. Chavez*, 482 Phil. 104 (2004).

<sup>31</sup> See note 18.

<sup>32</sup> *Rollo*, pp. 217-219.

<sup>33</sup> Resolution of September 17, 2007 (no page number in the *Rollo*); Resolution of June 25, 2008, pp. 286-287.

### Issues

Petitioners submit the following assignment of errors:

#### I.

THE COURT OF APPEALS, WITH DUE RESPECT, ERRED IN NOT SUSTAINING THE ORDER DATED JANUARY 30, 1991 ISSUED BY THE REGIONAL DIRECTOR, REGION I, BUREAU OF AGRARIAN LEGAL ASSISTANCE (BALA), DEPARTMENT OF AGRARIAN REFORM (DAR), SAN FERNANDO, LA UNION X X X, ORDER DATED 22 AUGUST 1995, ISSUED BY DAR SECRETARY, AFFIRMING SAID ORDER DATED JANUARY 30, 1991 X X X AND IN NOT REVERSING AND SETTING ASIDE THE ORDER DATED 05 JUNE 1996 X X X ISSUED BY THE DAR SECRETARY IN THE SAME CASE THERE BEING NO PENDING CASE INVOLVING THE SAME ISSUES WITH THE X X X (DARAB) AND HENCE THE DAR SECRETARY HAS JURISDICTION OVER THE LAND IN QUESTION TO THE EXCLUSION OF THE DARAB, QUEZON CITY.

#### II.

THE COURT OF APPEALS, WITH DUE RESPECT, ERRED IN NOT REVERSING AND SETTING ASIDE THE DARAB DECISION DATED 20 JUNE 1997 X X X AND DARAB UNDATED RESOLUTION, DENYING PETITIONERS' MOTION FOR RECONSIDERATION OF THE CA DECISION X X X, ON THE GROUNDS THAT THE INSTANT CASE WAS BARRED BY PRIOR JUDGMENT AND THAT THE RESPONDENTS FAILED TO PROVE THAT THEY ARE AGRICULTURAL TENANTS OVER THE LAND IN QUESTION.

#### III.

THE COURT OF APPEALS, WITH DUE RESPECT, ERRED IN ITS RESOLUTION DATED SEPTEMBER 5, 2005, EXPUNGING THE MEMORANDUM FOR PETITIONERS DATED 17 APRIL 2001 FILED VIA REGISTERED MAIL ON 18 APRIL 2001 FOR LATE FILING.<sup>34</sup>

### *Petitioners' Arguments*

In their Petition and Reply,<sup>35</sup> petitioners reiterate the January 30, 1991 Order of the DAR Region I Director which the DAR Secretary affirmed through his August 22, 1995 Order, particularly citing the pronouncement in said Orders that they are the actual tillers of the subject property, and not respondents. They add that respondents failed to prove in Case No. 01-465-EP'91 that they are tenants of the land; that respondents have never cultivated the subject property, and have never been in possession of the same; that respondents are mere landgrabbers; that Felicisimo has settled his financial obligations to Siobal; that respondents' EPs have been cancelled by the DAR Region I Director and the DAR Secretary; and that it was erroneous and unjust for the CA to have expunged their Memorandum.

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<sup>34</sup> *Rollo*, pp. 25-26, 27, 30.

<sup>35</sup> *Id.* at 292-295.

Petitioners essentially pray for the reversal of the assailed dispositions, as well as the reinstatement of both the January 30, 1991 Order of the DAR Region I Director and the August 22, 1995 Order of the DAR Secretary in their petition for reinvestigation and cancellation of EPs filed with the DAR Region I. Finally, petitioners pray that the DAR Region I Director and the DAR Secretary be ordered to issue EPs in their favor.

### ***Respondents' Arguments***

In their Comment,<sup>36</sup> respondents point out that a review under Rule 45 of the 1997 Rules of Civil Procedure is discretionary and will be granted only when there are special and important reasons therefor; that such special and important circumstances that should warrant review do not obtain in petitioners' case; that the CA is correct in stating that the DARAB has primary and exclusive jurisdiction over cases involving the issuance and cancellation of EPs; and finally, that based on the merits and consonant with the substance and intent of the agrarian laws, respondents – and not petitioners – are entitled to the subject property.

### **Our Ruling**

The Court affirms.

When petitioners filed, on January 4, 1991, their Petition for Reinvestigation and Cancellation of Anomalously Prepared and Generated Emancipation Patents with the DAR Region I Office at San Fernando, La Union, certificates of title have been issued to the respondents. Thus, the DARAB – and not the DAR Region I or the DAR Secretary – had exclusive jurisdiction over the case, pursuant to law and the 1994 DARAB Rules of Procedure.

x x x. The DARAB derives its jurisdiction from RA 6657 or popularly known as the Comprehensive Agrarian Reform Law (CARL) of 1988.

Section 50 of RA 6657 confers jurisdiction on the DARAB over agrarian reform cases or controversies as follows:

Section 50. Quasi-Judicial Powers of the DAR. The DAR is hereby vested with the primary jurisdiction to determine and adjudicate agrarian reform matters and shall have exclusive original jurisdiction over all matters involving the implementation of agrarian reform except those falling under the exclusive jurisdiction of the Department of Agriculture (DA) and the Department of Environment and Natural Resources (DENR).

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<sup>36</sup> Id. at 272-278.

It shall not be bound by technical rules of procedure and evidence but shall proceed to hear and decide all cases, disputes, or controversies in a most expeditious manner, employing all reasonable means to ascertain the facts of every case in accordance with justice and equity and the merits of the case. Towards this end, it shall adopt a uniform rule of procedure to achieve a just, expeditious and inexpensive determination for every action or proceeding before it.

To implement this particular provision of RA 6657 regarding the adjudication of agrarian reform matters, the DAR adopted the DARAB New Rules of Procedure, issued on May 30, 1994. Under Section 1, Rule II of the said Rules of Procedure, the DARAB has exclusive original jurisdiction over the following cases:

(a) The rights and obligations of persons, whether natural or juridical, engaged in the management, cultivation and use of all agricultural lands covered by the CARP and other agrarian laws;

(b) The valuation of land, and the preliminary determination and payment of just compensation, fixing and collection of lease rentals, disturbance compensation, amortization payments, and similar disputes concerning the functions of the Land Bank of the Philippines (LBP);

x x x x

(f) Those involving the issuance, correction and cancellation of Certificates of Land Ownership Award (CLOAs) and Emancipation Patents (EPs) which are registered with the Land Registration Authority;

(g) Those cases previously falling under the original and exclusive jurisdiction of the defunct Court of Agrarian Relations under Section 12 of Presidential Decree No. 946, except subparagraph (Q) thereof and Presidential Decree No. 815.

x x x x

Matters involving strictly the administrative implementation of Republic Act. No. 6657, otherwise known as the Comprehensive Agrarian Reform Law (CARL) of 1988 and other agrarian laws as enunciated by pertinent rules shall be the exclusive prerogative of and cognizable by the Secretary of the DAR.

(h) And such other agrarian cases, disputes, matters or concerns referred to it by the Secretary of the DAR.

Subparagraph (f) stated above provides that the DARAB has exclusive jurisdiction over cases involving the issuance, [correction and cancellation of CLOAs and EPs which are] registered with the Land Registration Authority (the Registry of Deeds).

The grounds for cancellation of registered EPs were summarized by DAR Memorandum Order No. 02, Series of 1994, to wit:

1. Misuse or diversion of financial and support services extended to the ARB; (Section 37 of R.A. No. 6657)
2. Misuse of land; (Section 22 of R.A. No. 6657)
3. Material misrepresentation of the ARB's basic qualifications as provided under Section 22 of R.A. No. 6657, P.D. No. 27, and other agrarian laws;
4. Illegal conversion by the ARB; (Cf. Section 73, Paragraph C and E of R.A. No. 6657)
5. Sale, transfer, lease or other forms of conveyance by a beneficiary of the right to use or any other usufructuary right over the land acquired by virtue of being a beneficiary in order to circumvent the provisions of Section 73 of R.A. No. 6657, P.D. No. 27, and other agrarian laws. However, if the land has been acquired under P.D. No. 27/E.O. No. 228, ownership may be transferred after full payment of amortization by the beneficiary; (Sec. 6 of E.O. No. 228)
6. Default in the obligation to pay an aggregate of three (3) consecutive amortizations in case of voluntary land transfer/direct payment scheme, except in cases of fortuitous events and force majeure;
7. Failure of the ARBs to pay for at least three (3) annual amortizations to the LBP, except in cases of fortuitous events and force majeure; (Section 26 of RA 6657)
8. Neglect or abandonment of the awarded land continuously for a period of two (2) calendar years as determined by the Secretary or his authorized representative; (Section 22 of RA 6657)
9. The land is found to be exempt/excluded from P.D. No. 27/E.O. No. 228 or CARP coverage or to be part of the landowner's retained area as determined by the Secretary or his authorized representative; and
10. Other grounds that will circumvent laws related to the implementation of agrarian reform.

A study of the above-enumerated grounds for the cancellation of registered EPs shows that it requires the exercise by the DAR of its quasi-judicial power through its adjudicating arm, DARAB. Thus, rightly so, the DARAB New Rules of Procedure provide that DARAB has exclusive jurisdiction over cases involving the cancellation of registered EPs.

But what about EPs that are unregistered like the one issued to Angelina Rodriguez?

The answer can be found in Administrative Order No. 06-00, issued on August 30, 2000, which provides for the Rules of Procedure for Agrarian Law Implementation (ALI) Cases. These rules were issued pursuant to Sections 49 and 50 of RA 6657. In contrast to the DARAB Rules of Procedure which govern the exercise of DAR's quasi-judicial function, Administrative Order No. 06-00 govern the administrative function of the DAR.

Under the said Rules of Procedure for Agrarian Law Implementation (ALI) Cases, the Agrarian Reform Secretary has exclusive jurisdiction over the issuance, recall or cancellation of EPs/CLOAs that are not yet registered with the Register of Deeds. Thus, Section 2 of the said Rules provides:

SECTION 2. Cases Covered. - These Rules shall govern cases falling within the exclusive jurisdiction of the DAR Secretary which shall include the following:

(a) Classification and identification of landholdings for coverage under the Comprehensive Agrarian Reform Program (CARP), including protests or oppositions thereto and petitions for lifting of coverage;

(b) Identification, qualification or disqualification of potential farmer-beneficiaries;

(c) Subdivision surveys of lands under CARP;

(d) Issuance, recall or cancellation of Certificates of Land Transfer (CLTs) and CARP Beneficiary Certificates (CBCs) in cases outside the purview of Presidential Decree (PD) No. 816, including the issuance, recall or cancellation of Emancipation Patents (EPs) or Certificates of Land Ownership Awards (CLOAs) not yet registered with the Register of Deeds;

(e) Exercise of the right of retention by landowner;

x x x x

(q) Such other matters not mentioned above but strictly involving the administrative implementation of RA 6657 and other agrarian laws, rules and regulations as determined by the Secretary.”

Clearly, the cancellation of EPs that are not yet registered with the Register of Deeds falls within the authority of the Agrarian Reform Secretary or DAR officials duly designated by him, in the exercise of his/their administrative functions. x x x

x x x x

Second, even if the Court of Appeals ruling were based on the old DARAB rules (the 1989 DARAB Revised Rules of Procedure) which provided that the DARAB had primary jurisdiction over “cases involving the issuance of Certificate of Land Transfer (CLT), Certificate of Land Ownership Award (CLOA) and Emancipation Patent (EP) and the administrative correction

thereof”, we do not agree that the cancellation by the DARAB of the subject EPs fell within the ambit of mere administrative correction. “Administrative correction” refers only to the rectification of wrong or insufficient information in the patent and not to something as substantial as the actual cancellation thereof. The meaning of “administrative correction” is provided in DAR Administrative Order No. 02, Series of 1994:

C. The administrative corrections may include non-identification of spouse, corrections of civil status, corrections of technical descriptions and other matters related to agrarian reform.<sup>37</sup>

The above pronouncement was reiterated in this *ponente*’s ruling in *Heirs of Lazaro Gallardo v. Soliman*:<sup>38</sup> “the DARAB has exclusive jurisdiction over cases involving the cancellation of registered EPs[;] the DAR Secretary, on the other hand, has exclusive jurisdiction over the issuance, recall or cancellation of [EPs] or Certificates of Land Ownership Awards that are not yet registered with the Register of Deeds.”

Thus, since certificates of title have been issued in the respective names of the respondents as early as in 1990,<sup>39</sup> the DAR Region I Director had no jurisdiction to cancel their titles; the same is true with respect to the DAR Secretary. Thus, their respective January 30, 1991 and August 22, 1995 Orders are null and void; consequently, respondents’ EPs and titles subsist, contrary to petitioners’ claim that they have been cancelled. Void judgments or orders have no legal and binding effect, force, or efficacy for any purpose; in contemplation of law, they are non-existent.<sup>40</sup>

For the above reasons, it necessarily follows that what petitioners pray for in the instant Petition – i.e. the 1) reinstatement of the January 30, 1991 Order of the DAR Region I Director and the August 22, 1995 Order of the DAR Secretary – which have been voided herein, and 2) issuance of EPs in their favor – are reliefs that this Court may not grant.

Next, as correctly pointed out by the respondents, a review of the instant petition under Rule 45 is not a matter of right but of sound judicial discretion, and will be granted only when there are special and important reasons therefor.<sup>41</sup> Moreover, a petition for review under Rule 45 covers questions of law only.<sup>42</sup> “[T]he jurisdiction of the Supreme Court in cases brought before it from the CA via Rule 45 of the 1997 Rules of Civil Procedure is generally limited to reviewing errors of law. This Court is not a trier of facts. In the exercise of its power of

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<sup>37</sup> *Padunan v. Department of Agrarian Reform Adjudication Board*, 444 Phil. 213, 223-229 (2003).

<sup>38</sup> G.R. No. 178952, April 10, 2013, 695 SCRA 453. Underscoring supplied.

<sup>39</sup> *Rollo*, pp. 201-202.

<sup>40</sup> *Land Bank of the Philippines v. Orilla*, G.R. No. 194168, February 13, 2013, 690 SCRA 610, 618-619.

<sup>41</sup> RULES OF COURT, Rule 45, Section 6.

<sup>42</sup> RULES OF COURT, Rule 45, Section 1.

review, the findings of fact of the CA are conclusive and binding and consequently, it is not our function to analyze or weigh evidence all over again.”<sup>43</sup>

This Court finds that no special and important reasons exist to warrant a thorough review of the assailed CA Decision. Quite the contrary, the Court is satisfied with and can simply rely on the findings of the DARAB Urdaneta, DARAB Quezon City, and the CA – as well as the very admissions of the petitioners themselves – to the effect that respondents fulfilled all the requirements under the agrarian laws in order to become entitled to their EPs; that Felicisimo voluntarily surrendered and abandoned the subject property in favor of his creditors, who took over the land and tilled the same until 1987; that Felicisimo migrated to the U.S.A. and became a naturalized American citizen; that in 1991, respondents were illegally dispossessed of their landholdings through force and intimidation by the petitioners after Felicisimo returned from abroad; and that as between petitioners and respondents, the latter are legally entitled to the subject property. These identical findings are not only entitled to great respect, but even finality. For petitioners to question these identical findings is to raise a question of fact.<sup>44</sup>

It must be said as well that “[f]actual findings of administrative bodies charged with their specific field of expertise, are afforded great weight by the courts, and in the absence of substantial showing that such findings were made from an erroneous estimation of the evidence presented, they are conclusive, and in the interest of stability of the governmental structure, should not be disturbed.”<sup>45</sup>

Finally, the Court finds it unnecessary to resolve the other issues raised by the parties, including petitioners’ claim that it was erroneous and unjust for the CA to have expunged their Memorandum.

**WHEREFORE**, the Petition is **DENIED**. The September 25, 2006 Decision and March 16, 2007 Resolution of the Court of Appeals in CA-G.R. SP No. 48681 are **AFFIRMED**.

**SO ORDERED.**

  
**MARIANO C. DEL CASTILLO**  
*Associate Justice*

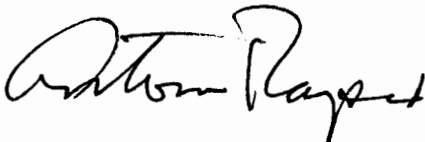
<sup>43</sup> *Best Wear Garments v. De Lemos*, G.R. No. 191281, December 5, 2012, 687 SCRA 355, 363.

<sup>44</sup> *Malayang Manggagawa ng Stayfast Phils., Inc. v. National Labor Relations Commission*, G.R. No. 155306, August 28, 2013, 704 SCRA 24, 40.

<sup>45</sup> *Sugar Regulatory Administration v. Tormon*, G.R. No. 195640, December 4, 2012, 686 SCRA 854, 867.



WE CONCUR:



**ANTONIO T. CARPIO**

*Associate Justice*

*Chairperson*



**ARTURO D. BRION**

*Associate Justice*



**JOSE PORTUGAL PEREZ**

*Associate Justice*



**ESTELA M. PERLAS-BERNABE**  
*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.



**ANTONIO T. CARPIO**

*Associate Justice*

*Chairperson*

**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*

