

Title: Salvador H. Laurel vs. Ramon Garcia, et al. (Roppongi Property Case)

Facts: The present case pertains to two consolidated petitions for prohibition challenging the Philippine government's decision to proceed with the sale of the 3,179-square-meter land at 306 Roppongi, 5-Chome Minato-ku, Tokyo, Japan, which was acquired under the Reparations Agreement with Japan after WWII. The Roppongi property originally housed the Philippine Embassy until repairs necessitated its transfer, and since then, the property has been undeveloped due to lack of funds.

The controversy began when President Corazon C. Aquino created a committee to study the disposition of the Philippine government's properties in Japan. Executive Order No. 296 was issued, making the property available for sale even to non-Filipino citizens and entities. This prompted strong public opposition and legal challenges, with the question of whether the property should be classified as property of public dominion, and therefore inalienable, unless reclassified as patrimonial property by law.

The Supreme Court issued a temporary restraining order against the sale, and the two petitions raised the following issues: (1) whether the Roppongi property could be alienated by the government; (2) whether the President had the authority to sell the property; and (3) whether Executive Order No. 296 was constitutional in allowing the property's sale to non-Filipino entities.

Issues: The legal issues involved in the Supreme Court decision were:

1. Whether Roppongi property, acquired from the Rehabilitation Agreement with Japan, classified as a property of public dominion, could be sold by the Philippine government.
2. Whether the property was intended for public service and whether it had ceased to be so, subsequently becoming patrimonial.
3. Whether Executive Order No. 296, which removed nationality restrictions in the sale of the properties, was constitutional.
4. Whether there was a need for a law or formal declaration to reclassify the Roppongi property to make it alienable.

Court's Decision: The Supreme Court decided that the Roppongi property was of public dominion and could not be alienated or subject to commerce. Furthermore, the property had not lost its character as property intended for public service despite its non-use because no formal declaration of intent or law signified a change in use by the Philippine government. As such, the President did not have the authority to sell the property. Executive Order No.

296, which planned to dispose of the property and allowed non-Filipino citizens to avail of the property sale, was deemed based on an incorrect premise that the properties were patrimonial and not of public dominion. Consequently, no law had been passed authorizing the sale of the government's properties in Japan. Hence, the Supreme Court issued a permanent injunction restraining the respondents from proceeding with the sale of the property.

Doctrine: The Supreme Court reiterated the doctrine that property of public dominion is outside the commerce of man and can only become patrimonial property and alienable if there is a law or formal declaration from the government that stipulates its intent to make it such.

Class Notes:

- For a property to change from public dominion to patrimonial, there must be a clear declaration or law specifying this reclassification.
- Properties of public dominion are inalienable and not subject to commerce unless converted into patrimonial property through proper legislative or executive action.
- The President alone cannot order the sale of property of public dominion without legislative authority specifically enacted for the purpose.
- Executive Order No. 296 assumed incorrectly that the Roppongi property had become patrimonial, although it remained property of public dominion, and it was not within the President's authority to dispose of it.

Historical Background: The case takes its context from the Reparations Agreement between the Philippines and Japan, where the Roppongi property was acquired as part of the reparations for the damages and suffering the Philippines endured during World War II. The legal contestation over its proposed sale occurs against a backdrop of evolving interpretations regarding the tenure and status of real properties of the Philippine government abroad, as well as changing policies in the post-EDSA Revolution government under President Corazon Aquino. It highlights the tension between the need for government funds, public sentiment, and strict adherence to the rule of law in matters of public vs. patrimonial property.