

****Title:**** *Philippine Economic Zone Authority vs. Joseph Jude Carantes et al.*

****Facts:**** The case involves the Philippine Economic Zone Authority (PEZA), represented by Director General Lilia B. De Lima, and the respondents, Joseph Jude Carantes, Rose Carantes, and other heirs of Maximino Carantes, over a 30,368-square meter parcel of land in Loakan Road, Baguio City. On June 20, 1997, the respondents secured a Certificate of Ancestral Land Claim (CALC) from the Department of Environment and Natural Resources (DENR). Based on the CALC, they obtained a building and fencing permit from the Building Official of Baguio City, commenced construction of a residential building, and erected a fence around the premises.

PEZA then informed the respondents that the construction overlapped its territorial boundary and requested the demolition of the structure within sixty days. Respondents responded by filing a petition for an injunction with the Regional Trial Court (RTC) of Baguio City, which subsequently issued a Temporary Restraining Order (TRO) and later, a Writ of Injunction against PEZA's actions.

The RTC decision granting the injunction and its affirmation by the Court of Appeals (CA) was challenged by PEZA through a petition for review on certiorari under Rule 45 of the 1997 Rules of Civil Procedure. PEZA questioned the authority of the respondents to build within the PEZA-Baguio City Economic Zone based on the CALC and the legal authority between PEZA and the City Engineer of Baguio City to issue building and fencing permits within PEZA zones.

****Issues:**** The Supreme Court was tasked to determine:

1. Whether the PETITIONER (PEZA) or the CITY ENGINEER of Baguio City has the legal authority to issue building and fencing permits within the PEZA-Baguio City Economic Zone.
2. Whether Respondents' CALC is sufficient to disregard the provisions of the National Building Code of the Philippines.

****Court's Decision:**** The court granted PEZA's petition, reversing the CA's decision. It emphasized that the administration and enforcement of building regulations within ecozones rest exclusively with PEZA, invalidate the building and fencing permits issued by the city officials to the respondents. Moreover, the court highlighted that the right to possess, occupy, and cultivate land conferred by a CALC does not extend to constructing permanent structures thereon without proper authorization.

****Doctrine:**** This case reiterated the doctrine that the Philippine Economic Zone Authority

(PEZA) has the exclusive authority to administer and enforce building regulations within ecozones, including issuing necessary permits for construction within these zones. It also affirmed that holders of a Certificate of Ancestral Land Claim (CALC) do not possess the authority to construct buildings without adhering to the applicable laws, rules, and regulations.

****Class Notes:****

- The significance of obtaining appropriate building and fencing permits from the correct authority before commencing construction.
- The exclusive authority of PEZA to regulate building construction within its administrated ecozones.
- A Certificate of Ancestral Land Claim provides limited rights that do not supersede national regulations or the authority of bodies such as PEZA.

****Historical Background:**** This case underscores the intersecting and sometimes conflicting roles of national regulatory bodies, local government units, and indigenous people's rights within the Philippines. Specifically, it illustrates the complexities surrounding land use and development within specially designated economic zones and ancestral lands, providing a clear instance where national development policies and indigenous rights are at odds, necessitating judicial interpretation and intervention.