

### Title:

Presidential Commission on Good Government vs. Hon. Emmanuel G. Peña, et al.:  
Jurisdiction Over Sequestered Assets and the PCGG

### Facts:

This case concerns the jurisdictional reach of the Philippines' Regional Trial Courts (RTCs) over the Presidential Commission on Good Government (PCGG) and properties under its control resulting from its task to recover ill-gotten wealth acquired during the Marcos regime. The procedural journey began when the PCGG froze assets of American Inter-fashion Corporation and De Soleil Apparel Manufacturing Corporation in March 1986, leading to changes in signatory authorities for the corporations' bank accounts and financial transactions directed by PCGG-appointed Officer-in-Charge (OIC), Ms. Noemi L. Saludo.

Respondents Yeung Chun Kam, Yeung Chun Ho, and Archie Chan, through Yim Kam Shing, filed an action in RTC Pasig, Metro Manila, challenging the PCGG's revocation of their signatory authority, resulting in February 1987 orders by respondent judge restraining any fund release from the corporations without Yim Kam Shing's signature and enforcing the PCGG's questioned memorandum. The PCGG, arguing lack of trial court jurisdiction over it and asserting grave abuse of discretion, eventually escalated the matter to the Supreme Court by filing a special civil action for certiorari, prohibition, and mandamus with a request for a preliminary injunction/restraining order to nullify the RTC's orders and prohibit further lower court proceedings.

### Issues:

1. Whether Regional Trial Courts possess jurisdiction over the PCGG and properties sequestered under its control.
2. Whether the RTC can intervene and modify the actions and orders of the PCGG concerning sequestrated assets.

### Court's Decision:

The Supreme Court ruled in favor of the PCGG, holding that RTCs do not have jurisdiction over the Commission or properties under its sequestration. The Court underscored the exclusive and original jurisdiction of the Sandiganbayan over cases related to the recovery of ill-gotten wealth as defined under Executive Orders No. 1, 2, and 14, as amended, and reinforced by the 1987 Constitution. Thus, any incidents arising from sequestration cases fall under the Sandiganbayan's domain, subject to exclusive review by the Supreme Court. Consequently, the Court nullified the RTC orders dated February 16 and March 5, 1987, and

dismissed the civil case filed against the PCGG.

**### Doctrine:**

The doctrine established in this case reiterates the principle of administrative jurisdiction whereby the PCGG, in executing its mandate to recover ill-gotten wealth, operates under the exclusive and original jurisdiction of the Sandiganbayan. The Regional Trial Courts and even the Court of Appeals are devoid of authority to interfere with, restrain, or invalidate the actions and directives of the PCGG concerning cases of sequestered assets linked to the Marcos regime's ill-gotten wealth.

**### Class Notes:**

- Ill-gotten wealth recovery cases under the Marcos regime are subject to the exclusive and original jurisdiction of the Sandiganbayan.
- Regional Trial Courts lack jurisdiction over the Presidential Commission on Good Government and its actions related to sequestered assets.
- The principle of administrative jurisdiction emphasizes the specialized role and quasi-judicial functions of administrative bodies like the PCGG, highlighting the necessity of utilizing specialized knowledge and expedited processes for asset recovery.
- Relevant legal statutes: Executive Orders No. 1, 2, and 14 (as amended), and the 1987 Constitution, Article XVIII, Section 26.

**### Historical Background:**

The establishment of the PCGG by then-President Corazon C. Aquino through Executive Order No. 1 immediately after the People Power Revolution in 1986 was a significant move towards recovering the ill-gotten wealth amassed by former President Ferdinand Marcos, his family, associates, and subordinates. This action underscored the transitional government's commitment to restoring justice and accountability in the aftermath of a regime marked by widespread corruption, abuses, and economic disparity. The Supreme Court's decision in this case reaffirms the specialized jurisdictional framework designed to facilitate the recovery of assets unlawfully acquired during the Marcos administration, emphasizing the judiciary's role in supporting comprehensive and effective asset recovery efforts.