

Title: Eusebio V. Fonacier et al. vs. The Hon. Sandiganbayan et al.

Facts:

The consolidated cases originated from alleged “ghost projects” in 1978 under the Benguet Highway Engineering District, Ministry of Public Highways. The accused, including public officials Eusebio V. Fonacier, Rogelio Ramos, Joseph Gonzales, Francisco Villanueva, and others, along with private contractor Francisco T. del Moral, were charged with violation of Section 3(e) of the Anti-Graft and Corrupt Practices Act (Republic Act No. 3019) for their involvement in the scheme.

Before their arraignment, the creation of the Sandiganbayan and the Tanodbayan necessitated the transfer of their cases from the Court of First Instance of Baguio, now docketed as Criminal Cases No. 010 and No. 011 in the Sandiganbayan. The charges centered on the defendants’ conspiracy in fabricating contracts, requisitions, and issuances for aggregate subbase deliveries for the Baguio-Bontoc road (Halsema Highway), where actual deliveries were non-existent, leading to payments totaling PhP 96,603.00 to del Moral for undelivered materials.

Issues:

1. Whether the acts constitute violation of Section 3(e) of the Anti-Graft and Corrupt Practices Act.
2. The applicability and constitutionality of Presidential Decrees relating to the creation of the Sandiganbayan and the Tanodbayan.
3. Determination of criminal and civil liabilities among the accused.

Court’s Decision:

The Supreme Court upheld the Sandiganbayan’s decision, finding petitioners Paragas, Fonacier, Villanueva, Padilla, and Ramos guilty beyond reasonable doubt of violating Section 3(e) of the Anti-Graft and Corrupt Practices Act. Their actions demonstrated manifest partiality, evident bad faith or gross inexcusable negligence, resulting in undue injury to the government by facilitating payments for ghost deliveries. The court also clarified issues related to the constitutionality of the involved presidential decrees and determined that the Sandiganbayan had the jurisdiction to try the cases. The Court acquitted Almoite, Gonzales, and Sarmiento for lack of evidence proving their conspiracy in the act.

Doctrine:

The decision reiterated the principles surrounding public office as a public trust and the liability for actions constituting manifest partiality, evident bad faith, or gross inexcusable negligence under the Anti-Graft and Corrupt Practices Act.

Class Notes:

- Essential elements for violation of Section 3(e) of Republic Act No. 3019: public officer involved, actions done with manifest partiality, evident bad faith, or inexcusable negligence, and causing undue injury or giving unwarranted benefits.
- The role of the Sandiganbayan in handling corruption cases involving public officials and the constitutionality of its creation under Presidential Decrees.
- The application of the Indeterminate Sentence Law in determining the penalties for violations of the Anti-Graft and Corrupt Practices Act.

Historical Background:

These cases emerged during a period of significant government restructuring and reform in the Philippines, marked by efforts to combat corruption through the establishment of specialized bodies like the Sandiganbayan and the Tanodbayan. Their adjudication reflects the challenges in addressing corruption within public infrastructure projects and the legal mechanisms employed to hold public officials accountable for acts of graft and corruption.