

**\*\*Title:\*\***

Filomena L. Villanueva v. People of the Philippines

**\*\*Facts:\*\***

The case began with an Information against Filomena L. Villanueva, the Assistant Regional Director of the Cooperative Development Authority (CDA) for Region II, filed at the Municipal Circuit Trial Court (MCTC) of Claveria-Sta. Praxedes, Claveria, Cagayan. The accusation was of a violation of Section 7 (d) of Republic Act No. 6713 - Code of Conduct and Ethical Standards for Public Officials and Employees. The case asserted that Villanueva, exploiting her office, solicited and accepted a loan of P1,000,000.00 from the Claveria Agri-Based Multi-Purpose Cooperative, Incorporated (CABMPCI), a body regulated by the CDA, hence violating legal provisions that prohibit such transactions by public officials in the course of their official duties.

Villanueva defended herself by asserting that her loans were justified by her membership in CABMPCI and claimed her actions were permissible under RA 6938, or the “Cooperative Code of the Philippines.” Despite her defense, the MCTC sentenced her to five years of imprisonment and disqualification from office. This conviction was confirmed by both the Regional Trial Court (RTC) and subsequently the Sandiganbayan, despite Villanueva’s appeals which argued the loans were part of her rights as a cooperative member and were already paid back.

Villanueva’s final appeal before the Supreme Court focused on whether the Sandiganbayan erred in affirming her conviction under Section 7 (d) of RA 6713.

**\*\*Issues:\*\***

The core issue reviewed by the Supreme Court was whether Filomena L. Villanueva, by obtaining loans from a cooperative regulated by her office through her position, violated Section 7 (d) of RA 6713, and if her conviction by the lower courts on these grounds was just.

**\*\*Court’s Decision:\*\***

The Supreme Court upheld the conviction, affirming that all elements required for a violation under Section 7 (d) of RA 6713 were present: Villanueva was a public official; she solicited and accepted a loan from CABMPCI; the transactions from which these loans were solicited and accepted were regulated by and could be affected by the functions of her office. However, the Court modified the penalty to a fine of P5,000.00 instead of

imprisonment, considering the lack of ill motive or bad faith in her actions.

**\*\*Doctrine -\*\***

This case firmly establishes the extent of RA 6713, specifically Section 7 (d), that public officials cannot solicit or accept loans or other monetary value from entities in their regulatory purview, echoing the ethical standards aiming to put public interest above personal gain. It reinforced that membership in a cooperative does not exempt public officials from these ethical obligations.

**\*\*Class Notes -\*\***

1. **\*\*Salient Elements for Violation of Section 7 (d) of RA 6713:\*\***

- Accused is a public official or employee.
- Solicited or accepted any loan or anything of monetary value from any person in the course of official duties.
- The act was in connection with any operation being regulated or could be affected by the functions of the office.

2. **\*\*Interplay of RA 6713 with RA 6938:\*\*** Being a member of a cooperative does not exempt public officials from adherence to ethical standards under RA 6713, even if the Cooperative Code allows for membership across various social, political, or religious backgrounds.

3. **\*\*Public Interest over Personal Interest:\*\*** Public officials bear the onus of upholding public interest above personal gains, underpinning the integrity and trust in public service.

**\*\*Historical Background-\*\***

This case highlights the intricate balance between the rights of public officials as private individuals and their responsibilities and restrictions as public servants. By upholding strict ethical standards and restricting certain transactions, such as loans from regulated entities, the legal system aims to maintain confidence in public institutions and ensure that public service remains untainted by personal interests. It also underscores the evolving nature of jurisprudence in responding to scenarios where personal and official capacities intersect, reflecting the broader goal of fostering integrity and public trust in government actions.