

### Title: Pedro G. Sistoza vs. Aniano Desierto and Eliseo Co

### Facts:

This case involves the procurement of tomato paste by the Bureau of Corrections led by its then Director, Pedro G. Sistoza. A bidding was held on 10 August 1999 for the month-long supply of tomato paste among other items, which was participated in by several bidders. Elias General Merchandising won the bidding with an offer of P1,350.00 for 100/170 tins-grams per case, altering the initial specification of 48/170 tins-grams to 100/170 tins-grams, as documented in the bid tender form. The procurement process underwent scrutiny from various divisions within the Bureau, and despite initial disapprovals from the Department of Justice citing concerns over the selection of not the lowest bid, Elias's bid was eventually approved after they offered to reduce the price to P1,120.00 per case. A complaint was filed by Eliseo Co, claiming that the procurement process was marred with irregularities benefiting Elias General Merchandising, leading to administrative and criminal charges against Sistoza and others under the Anti-Graft and Corrupt Practices Act. The case was subsequently dismissed administratively but moved forward criminally, resulting in Sistoza being charged in the Sandiganbayan. Ultimately, Sistoza filed a petition for certiorari and prohibition with the Supreme Court.

### Issues:

1. Whether there was probable cause to indict and trial Sistoza for violation of Section 3(e) of the Anti-Graft and Corrupt Practices Act as amended (RA 3019).
2. Whether Sistoza's mere signature on the purchase order constitutes manifest partiality, evident bad faith, or gross inexcusable negligence.
3. Whether the Office of the Ombudsman committed grave abuse of discretion in finding probable cause against Sistoza.

### Court's Decision:

The Supreme Court granted Sistoza's petition, reversed and set aside the Ombudsman's resolutions to charge Sistoza, and ordered the dismissal of the criminal case against him. The Court found no probable cause to warrant the charges, noting that Sistoza's actions did not amount to manifest partiality, evident bad faith, or gross inexcusable negligence, which are elements for the violation of Section 3(e) of RA 3019. The decision emphasized that reliance on the certifications and approvals of subordinate offices and the absence of palpable defects in the procurement process negated the presumption of conspiracy and malice on Sistoza's part.

### Doctrine:

- Good faith presumption applies to public officers who rely on regular performance and certifications of their subordinates unless gross inexcusable negligence or palpable defects in the procurement process are evident.
- The elements of violation of Section 3(e) of RA 3019 include causing undue injury by manifest partiality, evident bad faith, or gross inexcusable negligence, which must be demonstrated concretely and cannot be presumed from mere procedural lapses or erroneous reliance on subordinates' certifications.

### Class Notes:

- **Elements of Violation of Section 3(e) of RA 3019**: Public officer or private person charged in conspiracy; acting in an official capacity; causes undue injury giving unwarranted benefits, advantage, or preference; acts with manifest partiality, evident bad faith, or gross inexcusable negligence.
- **Doctrine of Reliance**: Public officers who sign documents based on the regular performance and certifications of subordinates are presumed to act in good faith unless there is evidence to prove gross inexcusable negligence or manifest bad faith.
- **Grave Abuse of Discretion**: Defined as arbitrary, capricious, whimsical or despotic exercise of power, which can be corrected by judicial review if it results in a material injustice.

### Historical Background:

This case highlights the complexity of government procurements and the challenges in holding public officers accountable under the anti-corruption laws in the Philippines. It underscores the balance between ensuring accountability and protecting public officers from malicious prosecutions based on their reliance on subordinate recommendations and regular procurement procedures.