

**\*\*Title:\*\*** People of the Philippines vs. Honorable Sandiganbayan and Efren L. Alas

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

This case arose when the Office of the Ombudsman filed two separate informations against Efren L. Alas for violation of Section 3(e) of the Anti-Graft and Corrupt Practices Act (RA 3019) with the Sandiganbayan. Alas, serving as the President and Chief Operating Officer of the Philippine Postal Savings Bank (PPSB), was implicated in alleged anomalous advertising contracts with Bagong Buhay Publishing Company, purportedly causing government financial damage. On October 30, 2002, Alas moved to quash the informations, asserting that the Sandiganbayan lacked jurisdiction, as PPSB was organized under the Corporation Code, making it a private entity. The Sandiganbayan agreed with Alas, prompting the Office of the Special Prosecutor (OSP) to file a petition for certiorari with the Supreme Court under Rule 65, challenging the jurisdictional ruling.

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

1. Whether the Sandiganbayan has jurisdiction over officers of government-owned or controlled corporations (GOCCs) organized under the Corporation Code for the purposes of the provisions of RA 3019.
2. Whether the officers of such GOCCs can be considered public officers for the purpose of Anti-Graft and Corrupt Practices Act.

**\*\*Court's Decision:\*\***

The Supreme Court granted the petition, reversing the Sandiganbayan's resolution. The Court emphasized that the definition of GOCCs under Section 2(13) of the Administrative Code of 1987 includes corporations organized under the Corporation Code, where the government owns a controlling interest. The decision highlighted the legislative intent to subject officers of all GOCCs, irrespective of their charter, to the jurisdiction of the Sandiganbayan in cases involving graft and corruption. It underscored the non-discrimination clause in statutory construction—where the law does not distinguish, courts must not differentiate.

**\*\*Doctrine:\*\***

The Supreme Court established that jurisdiction over graft and corruption cases involving officers of GOCCs, as defined under Section 2(13) of the Administrative Code of 1987, extends to those incorporated under the Corporation Code and not solely to entities with special charters. It confirmed the broad interpretation of the term GOCC to cover entities where the government has a controlling interest, regardless of their formation under

general or specific legislation.

**\*\*Class Notes:\*\***

- **\*\*Jurisdiction of Sandiganbayan:\*\*** Covers officers of both types of GOCCs, those created by special laws and those incorporated under the Corporation Code, in graft and corruption cases.
- **\*\*Definition of GOCCs:\*\*** Includes entities where the government holds a majority or controlling interest, whether created by a special law or incorporated under the Corporation Code.
- **\*\*Legal Construction Principle:\*\*** Ubi lex non distinguit nec nos distinguere debemos - where the law does not distinguish, courts should not distinguish.
- **\*\*Importance of the Case:\*\*** Highlights the expansive jurisdiction of the Sandiganbayan over graft and corruption cases to ensure accountability of public officers, including those in government-controlled corporations formed under general laws.

**\*\*Historical Background:\*\***

This case reflects the ongoing efforts of the Philippine legal system to combat graft and corruption within government and government-affiliated institutions. It elucidates the judiciary's broad interpretation of anti-corruption laws to include officers of GOCCs formed under the Corporation Code, emphasizing the legislative and judicial intent to promote transparency and accountability across all levels of public service. This ruling is instrumental in clarifying the jurisdictional reach of the Sandiganbayan, thereby reinforcing the government's commitment to eradicating corrupt practices among public officials and affiliated entities.