

Title:

****Bayan Muna Party-List Representatives et al. vs. President Gloria Macapagal-Arroyo et al.: A Case on the Constitutionality of the Joint Marine Seismic Undertaking****

Facts:

Background:

1. ****Parties Involved**:**

- **Petitioners:** Bayan Muna Party-List Representatives Satur C. Ocampo and Teodoro A. Casiño, Anakpawis Representative Crispin B. Beltran, Gabriela Women’s Party Representatives Liza L. Maza and Luzviminda C. Ilagan, Representatives Lorenzo R. Tañada III, and Teofisto L. Guingona III.

- **Respondents:** President Gloria Macapagal-Arroyo, Executive Secretary Eduardo R. Ermita, Secretary of the Department of Foreign Affairs, Secretary of the Department of Energy, Philippine National Oil Company (PNOC), and PNOC Exploration Corporation (PNOC-EC).

2. ****JMSU Signing**:** On March 14, 2005, the China National Offshore Oil Corporation (CNOOC), Vietnam Oil and Gas Corporation (PETROVIETNAM), and PNOC, authorized by their respective governments, signed the Tripartite Agreement for Joint Marine Seismic Undertaking (JMSU) in Manila, Philippines, covering 142,886 square kilometers of the South China Sea for joint petroleum resource potential research. The JMSU had a three-year term and authorized seismic work in the agreement area.

3. ****Government Approvals and Commencement**:** On June 5, 2005, the Philippine government (DOE) issued a permit approving the JMSU. The JMSU took effect on July 1, 2005, and expired on June 30, 2008.

Legal Challenge:

1. ****Petitioners’ Arguments**:**

- ****Unconstitutionality**:** The petitioners filed a petition for certiorari and prohibition on May 21, 2008, alleging that the JMSU violated Section 2(1), Article XII of the 1987 Philippine Constitution as it allowed foreign corporations to explore Philippines’ natural resources.

- ****Government Approval**:** They also contested the validity arguing the JMSU’s approval was unconstitutional since agreements on exploration of natural resources must be signed by the President and approved by Congress.

2. ****Respondents’ Counter**:**

- **Immunity**: Argued that the President cannot be sued during their tenure.
- **Nature of Agreement**: They contended that the JMSU was a pre-exploration activity and did not entail EDU activities.
- **Procedural Defects**: They also argued the petition should be dismissed for being moot since the JMSU had expired, and insisted that the case should have been filed in lower courts instead of directly in the Supreme Court.

3. **Supreme Court Action**:

- The Court allowed the petition, instructed both parties to submit memoranda, and did not act on the petitioners' prayer for injunctive writ.

Issues:

1. **Procedural Issues**:

- Whether the President can be impleaded as a respondent considering her immunity from suit.
- Whether the writs of certiorari and prohibition were appropriate for this case.
- Whether the doctrine of hierarchy of courts was violated by the direct filing to the Supreme Court.
- Whether the requisites of judicial review, including standing, had been met.

2. **Substantive Issue**:

- Whether the JMSU is unconstitutional under Section 2, Article XII of the 1987 Constitution due to the involvement of foreign corporations in the exploration of Philippine natural resources.

Court's Decision:

Procedural Findings:

1. **Dropping PGMA**: The President was dropped as a respondent due to presidential immunity from suit.
2. **Proper Remedy**: The writs of certiorari and prohibition, under the broader scope of "grave abuse of discretion" as per the 1987 Constitution, were considered appropriate.
3. **Direct Recourse to Supreme Court Justified**: Given the novel and paramount importance of the constitutional issues raised, the Court directly took cognizance of the case.
4. **Requisites of Judicial Review Met**: The issues were sufficiently justiciable with petitioners having standing both as legislators and citizens, and the question of the JMSU's constitutionality was central to the case's resolution.

Substantive Resolution:

1. **Exploration Activities**: The Court determined that the seismic survey under the JMSU constituted “exploration,” which is within the scope of activities regulated by Section 2, Article XII of the Constitution.
2. **Unconstitutional Agreement**: The JMSU, being a large-scale exploration agreement, was invalid as it did not follow constitutional requirements. It was signed by the PNOC, not the President, and did not involve congressional approval, which are required safeguards.
3. **Loss of Control**: By allowing joint information ownership and sharing with foreign entities, the agreement compromised the State’s full control and supervision over the natural resources in its territory.

Doctrine:

Established Principles:

- **Exploration Defined**: Exploration of natural resources includes seismic surveys, which are preparatory activities for discovering petroleum and other minerals.
- **Presidential Authority**: The President must be the signatory to agreements involving the large-scale exploration, development, and utilization of natural resources with foreign entities, accompanied by notification to Congress.
- **Sovereignty and Control**: The State must retain full control and supervision over natural resources, including information derived from exploratory activities.

Class Notes:

Key Elements:

1. **Section 2, Article XII, 1987 Constitution**: The State’s control and supervision over natural resource exploration.
2. **Presidential Immunity**: Protects the sitting President from being sued to ensure uninterrupted fulfillment of executive duties.
3. **Expanded Judicial Review**: Allows courts to address actions of any branch of the government for grave abuse of discretion.
4. **Hierarchy of Courts**: Generally requires lower court filing unless issues involve paramount public interest and pure legal questions.
5. **Seismic Surveys**: Considered as part of exploration activities.

Relevant Statutes:

- **1987 Constitution, Article XII, Section 2**: “[T]he exploration, development and utilization of natural resources shall be under the full control and supervision of the State.”
- **UNCLOS**: International agreement defining maritime zones and the rights of states

over them.

Historical Background:

****Context**:** The case occurred against the backdrop of territorial disputes in the South China Sea, involving multiple countries with overlapping claims. The decision was pivotal in affirming the Philippines' sovereign rights over its natural resources and ensuring compliance with constitutional safeguards against foreign exploitation.