

**\*\*Title:\*\* DEARBC vs. Sangunay & Labunos, 656 Phil. 87 (2007)**

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

The case centers on a disputed landholding located in Sankan, Manolo Fortich, Bukidnon, covering 1,861,922 square meters. Originally covered by Original Certificate of Title No. AO-3, this land was awarded to the Del Monte Philippines Inc. Employees Agrarian Reform Beneficiaries Cooperative (DEARBC) under the Comprehensive Agrarian Reform Program (CARP). DEARBC subsequently leased a portion of it to Del Monte Philippines, Inc. (DMPI).

1. **\*\*Complaint Filing (1998):\*\***

- **\*\*July 7, 1998:\*\*** DEARBC filed a complaint for recovery of possession and specific performance with the Department of Agrarian Reform Adjudication Board (DARAB) Regional Office against various respondents, including Jesus Sangunay and Sonny Labunos.
- **\*\*Illegal Occupation:\*\*** DEARBC claimed that Sangunay illegally occupied and planted on 1.5 hectares from 1986, while Labunos tilled 8 hectares growing various crops. Both refused to vacate these parcels despite demands.

2. **\*\*DARAB Regional Adjudicator's Decision (1990):\*\***

- **\*\*December 11, 1990:\*\*** The Regional Adjudicator ruled in favor of DEARBC, emphasizing that neither respondent could prove ownership of the land. Their mere possession before DEARBC's awarding was inadequate as proof of ownership.

3. **\*\*Appeal to DARAB Central Office:\*\***

- **\*\*Sangunay's Position:\*\*** Claimed adverse possession and ownership inherited from his father since 1948, supported by tax declarations.
- **\*\*Labunos's Position:\*\*** Argued ownership by prescription, with continuous possession and purchase from Genis Valdenueza.
- **\*\*May 12, 2006:\*\*** The DARAB Central Office ruled it lacked jurisdiction, classifying the case as a regular ownership dispute for regular courts.

4. **\*\*Court of Appeals Dismissal:\*\***

- **\*\*June 27, 2007:\*\*** Dismissed DEARBC's appeal due to procedural errors—defective verification and unapproved representational documents.
- **\*\*Motion for Reconsideration:\*\*** DEARBC's motion was denied on August 24, 2007 for failing to provide sufficient authorization documentation.

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

1. **Jurisdiction (Primary Issue):**

- Whether the DARAB or regular courts had jurisdiction over the case, given its classification as an agrarian dispute versus a regular ownership dispute.

**Court's Decision:**

1. **Jurisdiction Analysis:**

- The Supreme Court affirmed the DARAB Central Office's and Court of Appeals' rulings.
- DEARBC's complaint did not allege tenurial arrangements; thus, it did not constitute an agrarian dispute as defined by RA 6657.
- The court emphasized that the core issue involved ownership, traditionally under the jurisdiction of regular courts, not agrarian bodies.

2. **Clarification of "Agrarian Dispute":**

- The court clarified that DEARBC didn't establish Sangunay and Labunos as tenants or lessees, which are prerequisites for an agrarian dispute.
- The jurisdiction remains with the regular courts when the crux of the matter is ownership, unaffected by the defendants' claims of being farmer-beneficiaries or possessing rights of retention.

3. **Procedural Grounds:**

- The procedural errors that led to the Court of Appeals' dismissal were immaterial to the Supreme Court's affirmance focusing on substantive issues.

**Doctrine:**

1. **Primary Jurisdiction of DARAB:**

- Section 50 of RA 6657: DARAB has exclusive jurisdiction over agrarian disputes. This does not include cases purely involving ownership unconnected to agrarian reform implementation.

**Class Notes:**

1. **Key Concepts:**

- **Agrarian Dispute:** Requires the existence of tenurial arrangements like leasehold, tenancy, or stewardship.
- **Jurisdiction Determination:** Based on material allegations and relief sought, unaffected by defendants' claims or pleas.

- **RA 6657 Section 50:** DAR's quasi-judicial power is limited to agrarian reform matters.

2. **Case Applications:**

- **DEARBC vs. Sangunay & Labunos:**
- Emphasized ownership dispute falls under regular courts.
- Procedural technicalities should not bar substantial justice but are secondary to jurisdiction and substantive law.

**Historical Background:**

This case underscores the operational boundaries between agrarian reform quasi-judicial bodies and regular courts, reinforcing the demarcation especially when there's a contest of pure ownership claims. The CARP's legislative framework, specifically RA 6657, delineates these jurisdictions to ensure specialized bodies like DARAB focus solely on agrarian reform's execution and related tenorial disputes, leaving property and ownership questions within the regular judiciary's purview.