

Title: Republic of the Philippines v. Sandiganbayan and Imelda R. Marcos

Facts:

- **February 28, 1986:** President Corazon Aquino creates the Presidential Commission on Good Government (PCGG) through Executive Order 1, targeting the recovery of assets illegally acquired by former President Ferdinand Marcos and associates.
- **March 13, 1986:** PCGG Commissioner Raul Daza authorizes lawyers Jose Tan Ramirez and Ben Abella to sequester properties in Leyte associated with Imelda Marcos and others.
- **March 18, 1986:** Ramirez and Abella issue a sequestration order on Olot Resthouse in Leyte, alleged to be part of the Marcos' ill-gotten wealth.
- **July 16, 1987:** The Republic, through PCGG, files a complaint (Civil Case 0002) before the Sandiganbayan to recover ill-gotten wealth from the Marcoses, encompassing the Olot Resthouse.
- **August 10, 2001:** Imelda Marcos moves to quash the sequestration order, arguing it was issued by unauthorized agents, not PCGG Commissioners, per the PCGG Rules. The Republic counters, asserting why the sequestration should be upheld.
- **February 28, 2002:** The Sandiganbayan grants Imelda's motion, deeming the sequestration order void ab initio as it lacked proper authorization.
- **August 28, 2002:** The Sandiganbayan denies the Republic's motion for reconsideration.
- The Republic escalates the matter to the Supreme Court via a certiorari petition.

Issues:

1. Was the sequestration order against the Olot Resthouse valid if issued by agents before the PCGG rules were enacted?
2. Did Imelda Marcos have grounds to quash the sequestration order despite not exhausting remedies with the PCGG?
3. Can Imelda Marcos be estopped from questioning the sequestration due to her actions accepting the order's validity?

Court's Decision:

1. **Validity of the Sequestration Order:** The Court ruled that the March 18, 1986 sequestration order was void ab initio as it did not involve a prima facie case determination by the PCGG. Under the Constitution and Executive Orders 1 and 2, such a determination is essential and must involve at least two PCGG Commissioners; mere agents cannot issue it.
2. **Right to Quash Without Exhausting Remedies:** The Sandiganbayan can nullify a void order without requiring exhaustion of remedies. A void order does not confer legal

obligations or rights, supporting Mrs. Marcos' motion to quash without needing prior relief at the PCGG.

3. **Estoppel Argument:** The Court rejected the Republic's estoppel argument against Mrs. Marcos, emphasizing the foundational principle that void orders bear no legal force and cannot cure defects via estoppel.

Doctrine:

- A writ of sequestration requires a probable cause determination under PCGG Commissioners' authority.
- The principle of void ab initio: Acts executed beyond jurisdiction or authority are nullities; neither estoppel nor subsequent validations can legitimize such actions.

Class Notes:

- **Sequestration Order Requirements:** Requires prima facie evidence and must bear signatures of at least two PCGG Commissioners.
- **Constitutional and Judicial Authority:** Sequestration is a quasi-judicial function, non-delegable by the PCGG as per principles outlined in *Bataan Shipyard & Engineer Co. v. PCGG*.
- **Void Ab Initio Principle:** Any legal process conducted without the requisite authority is inherently null, not rectifiable by factors like subsequent acceptance or ratification.

Historical Background:

This case is amid the transitional efforts post-Martial Law under Ferdinand Marcos. Following the People Power Revolution in 1986, the new government under President Aquino sought to resolve questions of excesses by the former regime, establishing the PCGG to address unlawfully amassed wealth. The case reflects broader themes of governmental efforts to reclaim public assets and install accountability in post-dictatorial governance in the Philippines.