

Title: Silvestre Español vs. Hon. Court of Appeals and Mariano Dela Cerna

Facts: Sometime in March 1974, landowner Mariano Dela Cerna and tenant Silvestre Español entered into a written agreement concerning a three-hectare land owned by Dela Cerna. The agreement stipulated that Español would work on the land for two years, dividing it into three parts. One-third of the land was planted with palay (rice) with a 50-50 sharing scheme, another third with corn with a 60-40 scheme favoring Español, and the last third with coconuts with a 1/3-2/3 scheme favoring Dela Cerna. The contract also indicated that Español would reside in a house on the land, purchased from Dela Cerna for 50 pesos, on the condition that both the house and the amount would be returned at the end of the contract term.

In March 1976, Dela Cerna attempted to reclaim the landholding, but Español remained in the house. Español allegedly surrendered the land through a document dated March 17, 1976, but claimed it was under intimidation. Subsequently, he filed a complaint in the Court of Agrarian Relations (CAR) on August 2, 1977, for reinstatement and compensation.

The CAR ruled in favor of Español, declaring the two-year limitation unlawful and the surrender document involuntary, further granting Español moral and exemplary damages.

Dela Cerna appealed to the Court of Appeals (CA). The CA reversed the CAR's decision on December 14, 1979, dismissing the complaint due to the illegality of the agreement under Article 1412(1) of the Civil Code, as both parties were in *pari delicto*. It stated that Español could not be reinstated as he was already dispossessed.

The Bureau of Agrarian Legal Assistance received the CA's decision on December 24, 1979, but Español claimed he learned of it only on March 19, 1980, when he received notice from CAR. Despite this claim, the CA declared the decision final on January 9, 1980.

Español filed a Petition for Review on Certiorari (G.R. No. L-53830) on April 12, 1980, claiming timely filing due to notification on March 19, 1980. The Supreme Court initially gave it due course despite Dela Cerna's motion to dismiss asserting the petition was late.

On April 7, 1980, the CAR, following the CA's directive, ordered the execution of its decision, giving Dela Cerna possession of the land. Español contested the execution because of the pending Supreme Court petition. The CAR set aside its execution order on July 23, 1980, reinstating Español.

In response, Dela Cerna filed another Petition for Certiorari and Prohibition (G.R. No. L-54751) questioning the CAR's actions.

Issues:

1. Whether Español's Petition for Review on Certiorari with the Supreme Court was filed within the reglementary period.
2. Whether the CA correctly applied Article 1412(1) of the Civil Code to invalidate the tenancy agreement, thereby preventing Español's reinstatement.
3. Whether the CAR's order reinstating Español, despite the CA's decision, was valid.

Court's Decision:

1. The Supreme Court found that the CA erred in sending the decision to the wrong address. It should have been sent to Kapatagan, Lanao del Norte, not Diliman, Quezon City. Hence, Español's filing delay was justified, and his petition was deemed timely. Dela Cerna's motion to dismiss was denied.
2. The CA's application of the Civil Code was affirmed concerning the void nature of the agreement. Nonetheless, since Español was reinstated by CAR's order pending the Supreme Court's decision, this did not warrant enforcement of the void contract.
3. The Supreme Court upheld the CAR's reinstatement of Español, recognizing that the CA's decision had not become final owing to due pendency. It affirmed that he couldn't be ejected while the case was unresolved and devoid of his fault.

Doctrine: Agreements contrary to law are void under Philippine law, and parties in *pari delicto* cannot enforce such agreements against each other. However, when a tenant is reinstated during a pending appeal, they cannot be summarily ejected.

Class Notes:

- Article 1412(1), Civil Code: Agreements void for being contrary to law cannot be enforced by parties in *pari delicto*.
- Finality of Decisions: Misaddressing notifications could affect the reglementary period for appeals, rendering timeliness concerns moot.
- Possession and Reinstatement Actions: A reinstated tenant, during appeal pendency, retains protections against ejection.

Historical Background:

This case emphasized the agrarian reform tensions in the Philippines, reflecting the period's

sensitivities to tenant and landowner relations under the Marcos regime's agrarian reforms. It underscores procedural intricacies in agrarian disputes amidst broader socio-political agricultural policies.