

### Title: Roman Cruz, Jr. v. Sandiganbayan and PCGG

### Facts:

A detailed series of events unraveled leading up to the Supreme Court case involving Roman Cruz, Jr., the former President and General Manager of the Government Service Insurance System (GSIS). The case centers on a transaction dated May 16, 1983, where Cruz, along with Manuel S. Rodriguez, engaged in the sale of Cultural Center of the Philippines (CCP) bonds to the corporation Cor-Asia at a 40% discount. This transaction was considerably disadvantageous to GSIS, as the bonds were sold below market value, para-inducing a loss to the government.

On January 10, 1989, the PCGG, under the charge of Mateo Caparas, filed an information with the Sandiganbayan alleging violations of Anti-Graft and Corrupt Practices Act against Cruz and others, claiming that the transaction resulted in undue benefits to Cor-Asia and caused P3,212,000.00 in damages to the government. This information was filed following a preliminary investigation by Fiscal Freddie A. Gomez at the PCGG's behest.

Cruz filed a motion to quash the information on February 2, 1989, leading to PCGG filing an amended information on May 29, 1989, which identified Cruz as a close associate of President Marcos and maintained previous allegations, with additional focus on his undue advantage of public office. In response, Cruz filed a comment, opposition to the amended information, and a supplementary motion to quash which was later denied by the resolution of the Sandiganbayan on August 7, 1990.

### Issues:

Several critical legal questions were addressed by the Supreme Court:

1. Whether PCGG had the authority to conduct the preliminary investigation and file the information without the President's explicit directive, specifically when the 1987 Constitution vested primary jurisdiction in the Ombudsman.
2. Whether the Sandiganbayan's admission of amended information without a preliminary investigation violated procedural due process and affected Petitioner's rights.
3. Whether the acts alleged against Cruz fell within PCGG's mandate under Executive Order Nos. 1 and 14 regarding ill-gotten wealth related to President Ferdinand Marcos.

### Court's Decision:

Analyzing each legal issue, the Court ruled as follows:

1. **PCGG's Authority**: The court determined that despite the ratification of the 1987 Constitution and the passage of Republic Act No. 6770, the PCGG retained concurrent authority with the Ombudsman to investigate and prosecute cases concerning ill-gotten wealth directly linked to the Marcos regime, as per Executive Orders 1 and 14, up to the effective limitation of February 25, 1986.
2. **Due Process and Amendment of Information**: The Court found that the amended information failed to establish that Cruz's actions were related to ill-gotten wealth contemplated by the PCGG's mandate. The spontaneous amendment served inadequately merely adjusting the wording without substantive evidence to include allegations of affiliation to President Marcos. Due process was compromised by bypassing proper preliminary investigation.
3. **Scope of PCGG's Mandate**: The specific transaction did not meet the necessary elements to be within the jurisdiction of PCGG concerning ill-gotten wealth. Hence, without the attributes of being crony-related or presidentially assigned, the case fell outside PCGG's prosecutorial scope.

### ### Doctrine:

The case reiterated the concurrent jurisdiction principle, acknowledging that PCGG might possess overlapping powers with the Ombudsman but underscored PCGG's limited authority to matters intricately tied to the identified ill-gotten wealth within set historical boundaries, emphasizing meticulous adherence to investigative conventions before amending case information.

### ### Class Notes:

- **Concurrent Jurisdiction**: Understanding the shared authority between PCGG and Ombudsman over specific matters of ill-gotten wealth.
- **Due Process in Preliminary Investigations**: Proper preliminary investigations cannot be subsumed by mere amendments without establishing jurisdictional authority.
- **Doctrine of Amendment Limits**: Amended information cannot rectify initial jurisdictional shortcomings without adequate foundational evidence.
- **Executive Orders 1 and 14**: Key regulations directing PCGG's investigative and prosecutorial scope relating to Marcos-era illegal acquisitions.

### ### Historical Background:

Post-EDSA Revolution, the creation of PCGG through Executive Orders 1 and 14 signified an

effort to recover and prosecute ill-gotten wealth from the Marcos administration. Overlaps emerged with the 1987 Constitution's establishment of the Ombudsman, an essential realignment that this case vividly construes, reflecting on the transition of judicial oversight concerning historical restitution efforts.