

****Title**:** Department of Agrarian Reform vs. Dakanay (Retention Rights and Notice of Coverage under CARP)

****Facts**:** The case involves an 11.16885-hectare portion of a 22.3377-hectare agricultural land in Tagpore, Panabo City, previously owned by Emigdio and Lourdes Dakanay. Upon Lourdes's death, Emigdio waived his rights, and the land was divided among her four children. A Notice of Coverage (NOC) under the Comprehensive Agrarian Reform Program (CARP) was issued to Emigdio for the entire property. The Dakanay children sought to lift the NOC for their portion, arguing it did not exceed the five-hectare retention limit under RA 6657. Regional Director of the Department of Agrarian Reform (DAR) denied their petition based on a memorandum suggesting heirs are entitled to the retention limit only if they are direct farm managers or actual tillers.

After a denied motion for reconsideration, the children appealed to the DAR Secretary, who granted their request, ruling the NOC was erroneously issued to Emigdio after he had waived ownership. An intervenor, Justiniana Itliong, representing a tenant of the land, sought the opposite result. A subsequent DAR Secretary reinstated the initial denial, leading the children to appeal to the Court of Appeals, which ruled in their favor. DAR then filed a petition with the Supreme Court.

****Issues**:**

1. Whether the subject property is exempt from DAR coverage under RA 6657.
2. Whether the retention limit and ownership status should be reckoned from the effectivity of RA 6657.
3. Whether the issuance of an NOC defines the initiation of CARP coverage.
4. Whether RA 6657 supersedes the Civil Code regarding inheritance and retention rights.
5. Whether the children, as heirs, are entitled to a separate retention limit from their parents.

****Court's Decision**:** The Philippine Supreme Court ruled that:

1. The retention limit and coverage of the land by CARP is reckoned at the effectivity of RA 6657, June 15, 1988, not the date of the NOC.
2. The NOC signifies the start of DAR's process of land acquisition for distribution under CARP but does not establish land coverage status.
3. RA 6657 can be harmonized with the Civil Code; they are not mutually exclusive. The law allows a landowner's children who meet specific qualifications to be awarded up to three hectares.

4. The heirs of landowners post-1988 do not have autonomous retention rights unless they fulfill conditions stated under CARP.

****Doctrine**:**

1. Coverage under the Agrarian Reform Law (RA 6657) and determining landowner status must be assessed as of its effectivity on June 15, 1988.
2. An NOC initiates the compulsory acquisition proceedings but doesn't mark its legal coverage status.
3. Heirs inherit land under civil succession law but do not automatically gain retention rights unless qualified under CARP.

****Class Notes**:**

- ****CARP Coverage****: Assessed as of RA 6657 effectivity date (June 15, 1988).
- ****NOC****: Not a trigger for land coverage but starts acquisition proceedings.
- ****Inheritance vs. Retention Rights****: Inherits under Civil Law, Retention rights under RA 6657 require specific qualifications.
- ****Statutory Construction****: Harmonize RA 6657 with the Civil Code unless explicitly in conflict.

****Historical Background**:**

The case reflects post-Marcos agrarian reform tensions in the Philippines, aiming to correct historical injustices by redistributing land. The Comprehensive Agrarian Reform Program (CARP) seeks equitable land allocations, balancing the rights of landless farmers and landowners following centuries of inequity in land ownership patterns. The statutes implemented from RA 6657 onwards attempted significant societal shifts towards justice in rural and agricultural contexts amid debates of legacy rights and new social reforms.