

**BARANGAY HIJO AGRARIAN REFORM BENEFICIARIES
COOPERATIVE (BHARBCO), PETITIONER, VS. SPS. FRANCISCO M.
SORIANO & DALISAY REGINO SORIANO; SPS. ROSAMAR M.
SORIANO-PERALTA & EDWARD P...**

Ponente: CAMELLO, J.

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CAMELLO, J.:

This petition for review impugns the Decision dated 02 December 2009[1] and Resolution dated 29 March 2010[2] of the Department of Agrarian Reform Adjudication Board in Consolidated DARAB Cases Nos. 16327, 16327-A, and 16327-A1.

The records yield these undisputed facts:[3]

The Sorianos are the registered owners of several parcels of agricultural lands located at Hijo, Compostela Valley described as follows:

Landowner

Certificate of Title

Area per hectare

Total

Francisco Soriano

T-2906-749[4]

12.9707

18.2430

(T-8935) T-3120[5]

5.2723

Rosamar Soriano

(T-2649) T-683[56]

9.773

11.1191

(T-2731) T-708[7]

2.0418

Norma Soriano

T-1447[8]

3.3918

24.6980

T-12733[9]

21.9440

Total Area

46.6980

These landholdings were leased to John T. Quimson through his representative Jesus V. Ayala, who, through Twin Rivers Plantation, Inc. (TRPI), devoted it to commercial production of exportable Cavendish banana.[10] The lease contracts provided, in part, that improvements introduced would be forfeited in favor of the landowners and that, in all event, the mother banana plants and suckers which were not primarily needed for seedlings or for other purposes would be left and turned over to the landowners upon the expiration of the lease contracts, on 31 December 2004, without any liability to compensate.[11]

Meantime, portions of these landholdings were covered by the Comprehensive Agrarian Reform Program and Certificates of Land Ownership Award (CLOAs) were issued to members of the Barangay Hijo Agrarian Reform Beneficiaries Cooperative (BHARBCO) in 2000 and 2001,[12] as follows:

CLOA No.

Previous Title

Area covered

per hectare

19070

(T-2906) T-749

4.0887

19071

(T-8935) T-3120

5.2723

19072

(T-2649) T-683

3.6585

19068

(T-2730) T-708

2.0418

13249

T-14447

3.3919

13672

T-12733

16.5073

Total Area

34.9555

BHARBCO, as beneficiaries, assisted by the Department of Agrarian Reform, took possession and control of the landholdings after the lessee and harvested the banana fruits.[13]

The Sorianos protested, claiming that within the 90-day period from taking over these landholdings, they still were the owners of the hanging fruits and not the beneficiaries. They wanted to collect from BHARBCO the value of the hanging fruits covered under the 90-day period plus 12% interest for six (6) years from 2000 to 2006.

BHARBCO, representing their members who are CLOA/Title holders, entered into a Banana Sales & Marketing Agreement[14] with TRPI and, later on, with Lancer Fresh Fruits Co., Inc. (LFFCI) under a Memorandum of Agreement giving LFFCI the sole right to buy the bananas being produced in the subject landholdings.

So, the Sorianos filed before the DARAB a Petition for Implementation of Right of First Refusal under Section 21 of DAR Administrative Order No. 09, Series of 1998; Specific Performance to Compel the Agrarian Reform Beneficiaries to negotiate with the Previous Owners of the Land for Growership Agreement; Damages on Hanging Banana Fruits with Prayer for Restraining Order and/or Injunction.

The Sorianos asserted that the act of BHARBCO of selling the bananas without giving them the opportunity to offer a buying price is a gross violation of Section 8 of DAR Administrative Order No. 02, Series of 1999 which grants the former landowners or operator of the commercial farm the priority to enter into an agri-business venture agreement with the Agrarian Reform Beneficiaries (ARBs) before any other investors.[15]

BHARBCO admitted in its Answer[16] that it took possession and control of the landholdings and, after the issuance of their CLOAs and upon their institution to the landholdings by the Provincial Agrarian Reform Officer, they harvested the hanging banana fruits.[17] It later claimed, however, that the hanging banana fruits were taken by the lessee through TRPI, which, at the time of CARP coverage, was the possessor of the landholdings.[18] It argued that the law which entitles the landowner the right to the standing crops applies only when the landowner is in legal possession but not when the landholdings were leased at the time of CARP coverage.[19] It further argued that it is only the operator-possessor of the commercial farm, not the owner, who can exercise the right of first refusal since only the operator has the technology to produce bananas.[20] It insisted that the ARBs are free to enter into an agreement with any other party.[21]

BHARBCO also set up the defense of prescription alleging that the Sorianos are barred from instituting this action after the three-year period from the registration of the CLOAs/Titles.[22]

Public respondent DAR admitted to have assisted the ARBs in taking over the subject landholdings.[23] It opined, however, that the Sorianos are neither entitled to the value of the hanging fruits nor to the right of first refusal.

For its part, TRPI claimed that it is not anymore engaged in buying the fruits harvested by the ARBs.[24] LFFCI did not submit an answer or any responsive pleading though it was impleaded in the Second Amended Petition and was duly served with Summons.[25]

On 23 April 2008, the Regional Adjudicator rendered a Consolidated Decision, which decreed:

WHEREFORE, premises considered, judgment is hereby rendered as follows:

- 1.) Declaring the Agri-business contract entered into between [BHARBCO], in one hand, and [TRPI] and/or [LFFCI] in the other, being contrary to the existing administrative fiats, as null and void and enjoining [BHARBCO] from selling and [LFFCI] from buying the banana fruits being produced.
- 2.) Meantime, pending negotiation to forge an agri-business contract with [the Sorianos], directing [BHARBCO] to sell their banana produce to [the Sorianos] and for [the Sorianos] to pay the bananas at the same price and on the same terms stipulated in the existing agreement between [BHARBCO] and [TRPI] and/or [LFFCI].
- 3.) Directing public respondent DAR through the Provincial Agrarian Reform Office in Tagum City to immediately call on [the Sorianos] and [BHARBCO] and/or its ARB members for the purpose of exploring the possibility of entering into an Agri-business Venture Agreement involving the subject lands pursuant to the existing rules or DAR Administrative guidelines.
- 4.) Directing [BHARBCO] to pay to [the Sorianos] the value of the hanging fruits as well as legal interest as follows:

Petitioners

Amount

1.) Sps. Francisco M. Soriano-
Dalisay Regino

P 3,433,220.00

2.) Sps. Rosemar M. Soriano-
Peralta and Eduardo E. Peralta

P 2,090,630.16

3.) Norma Basa-Soriano

P 7,298,189.19

5.) No pronouncement as to cost.

SO ORDERED.

On 26 June 2008, BHARBCO filed a Notice of Appeal.[26]

On 02 December 2009, the Board affirmed the Regional Adjudicator's Consolidated Decision and denied BHARBCO's appeal for lack of merit.[27]

Unfazed, BHARBCO filed a Motion for Reconsideration,[28] which the Board denied in a Resolution dated 20 March 2010.[29]

BHARBCO thus filed before this Court this petition for review arguing that the DARAB:

I. Erred in not dismissing the case below, applying the Statute of Limitations of Actions under Sec. 38, R.A. 3844, as amended, the case having been filed only in April 25, 2007, while the issuance of the Certificates of Land Ownership Award (Titles) was in 2000 and 2001.

II. Erred in applying the provisions of Section 28, R.A. 6657 giving to the owner of the land the right to gather the standing crops at the time of acquisition, as the land was under lease to the lessee.

III. Erred in applying Section 29, R.A. 6657 giving the owner-operator the right of first refusal to engage in business agreement with the agrarian reform beneficiaries, as respondent was not the owner-operator of the cavendish banana plantation, but was only a naked owner of the land, the land having been covered by a lease agreement up to the year 2004, hence, all the harvestable crops planted belongs to the lessee-operator.[30]

This Court initially dismissed this petition in a Resolution dated 22 June 2010[31] due to procedural infirmities. In a Resolution dated 27 September 2011,[32] however, this Court, taking substantial justice into consideration, reinstated this appeal.

The Sorianos have the right to harvest standing crops.

Petitioner insisted that the provision of Section 28 of RA 6657 does not apply considering that the subject landholding was under lease. They pointed out that in a contract of lease the possession of the landholding is delivered to the lessee and the lessor is under the obligation to maintain the lessee in the peaceful and adequate enjoyment of the lease for the entire duration of the lease. They thus concluded that the standing crops in the landholding belong to the lessee, not to the owner of the landholding. In application, they claimed that since they took over the landholding in 2002 prior to the expiration of the lease contract in 2004, the standing crops therein belong to John Quimson through its assignee TRPI, not to the Sorianos.

We are not swayed.

Section 28 of RA 6657 states:

Standing Crops at the Time of Acquisition. - The landowner shall retain his share of any standing crops unharvested at the time the DAR shall take possession of the land under Section 16 of this Act, and shall be given a reasonable time to harvest the same. XXXX

The law expressly gives the landowner the right over the standing crops. The law does not make any distinction, whether or not the landholding is leased/mortgaged. Thus, we adhere to the principle “ubi lex non distinguit nec nos distinguere debemus” (“where the law does not distinguish, neither do we distinguish”). We uphold the law which categorically gives the landowner the right to retain his share in the unharvested standing crops.

It is evenly significant to note that when the parcels of land were subjected to the Comprehensive Agrarian Reform Program between 1999 and 2001, the landowners were, by force of law, involuntarily divested of their ownership and title over the landholdings. In effect, the lease contract was automatically terminated because the landowners were not anymore the owners of the landholdings, which were taken by the Government by operation of law. This supervening legal event had the effect of fast-forwarding the parties to the erstwhile lease into the precise situation contemplated in the contract of lease itself where, upon the expiration of the contract, the standing crops would belong to the landowner, thus:

Section 7. The LESSEE may use, free of cost, any improvement existing thereon and may erect or construct such other necessary improvements. LESSEE, further, shall have the rights to remove the plants mentioned in the next preceding paragraph anytime before the expiration of this contract for seedling and other purposes. In all events, the mother plant (bananas) and such suckers as are not primarily needed for seedlings and other purposes shall be left and turned over to the LANDOWNER, without any liability on the part of the latter to compensate the LESSEE upon the expiration of this contract.

It follows, then, that the Sorianos were the rightful owners of the standing crops and were given, by both RA 6657 and the Contract of Lease, the exclusive right to harvest the hanging banana fruits within the 90-day period to harvest the hanging banana fruits (the period of banana cycle).

In this case, after the issuance of the CLOAs and with assistance of the DAR, petitioner took possession and control of the landholdings and harvested the then pending banana fruits for their own gain and benefit, thus, depriving the Sorianos of their legal and contractual right to such fruits, and resulting in damage and prejudice to the latter. Thus, we agree with the Board and the Regional Adjudicator that the Sorianos are entitled to collect for the value of the hanging banana fruits within the 90-day period after the DAR and petitioners took possession of the subject landholdings. All banana found in the area at the time the DAR and petitioners took possession of the landholdings are considered standing crops which belong to the landowners.

Petitioner cannot now escape accountability for the value of the hanging banana fruits within the 90-day period after they took possession of the landholdings as ARBs or owners of the landholdings. Petitioner cannot simply pass the buck to TRPI. On this score, we give imprimatur to the findings of fact of the Regional Arbiter in the Decision dated 23 April 2008, affirmed by the Board, to wit:

At the outset, this forum does not believe that it was the lessee or his representatives identified by the respondent Cooperative [BHARBCO] as Hijo Plantation Inc., and co-respondent TRPI, who/which was/were the ones who/which harvested the hanging fruits at the time of the takeover of the subject lands by respondent BHARBCO and respondent DAR. In paragraph 2 of its Answer, respondent Cooperative categorically admits as to the harvesting but insist that it was said Corporations, being the possessor, which took the fruits. What does respondent Cooperative mean in admitting the allegation in paragraph 9 of the Petition that it was the one who harvested the hanging fruits but by twist of its admission is claiming that it was the corporations being named, which took and appropriated the hanging fruits?

Under Section 3, Rule VII of the DARAB Rules of Procedure, respondent is required to give specific denial to each and every allegation in the Complaint or Petition. A mere general denial or a denial which is vague will not deem as an Answer.

In this case, respondent Cooperative admits as the harvesting being done, but immediately changes its admission by saying that it was the said corporation which took and appropriated the hanging fruits. Having admitted the harvesting being done, respondent Cooperative cannot anymore say that it was the Corporation which had done it. Respondent Cooperative should not be allowed to deny what it already had admitted.

Assuming it was HPI and TRPI which took and benefited from contested hanging fruits, respondent Cooperative should have filed a third party claim against HPI and a cross claim against TRPI so these corporations will be the one to answer for the damage or loss in the event petitioners will be adjudged as the owners of the said hanging fruits. But respondent Cooperative did not implead HPI as third-party respondent and TRPI as cross respondent in these cases. Such failure to implead only strengthens the idea that it was really respondent Cooperative or its members ARBs which/who harvested these hanging fruits and appropriated the proceeds thereof. Besides, after taking over the subject land, respondent Cooperative may not have allowed anymore the lessee and/or HPI/TRPI to do the harvesting. In fact, the DAR representatives did no longer conduct or submit an inventory of the unharvested standing crops for the benefit of the landowner as required under Section 19, DAR Administrative Order No. 9, Series of 1988 because the concerned DAR personnel did not give the landowner a chance to harvest the hanging fruits but gave the respondent Cooperative or its ARBs the imprimatur to do the harvesting and appropriated the proceeds thereof.

The lessee and/or HPI/TRPI may not also have the desire to harvest the contested hanging fruits because under the contract the lessee entered into with petitioner the banana plants and the suckers and whatever improvements being introduced shall be forfeited in favor of the landowners. Unless the lessee or representatives did not want to respect the Contract he entered into with petitioner, which this forum does not believe.

Indeed, the Sorianos, not the petitioner, have the right to harvest the standing crops within the 90-day period to harvest the hanging banana fruits. Petitioner must compensate the Sorianos the value of the unrealized standing crops plus legal interest.

The Sorianos have the right
of first refusal.

Petitioner insisted that the ARBs have the right to enter into an agreement with any other party. They cited Sections 8 and 29 of RA 6657 which allegedly granted the right to the farm beneficiaries to enter into any agreement with a corporation, or any other party besides the original owner or possessor-operator. They argued

that DAR Administrative Order No. 9 Series of 1998 must be so construed as to give effect to the spirit of the law, to uphold the right of freedom of choice of the farmer beneficiaries to enter into contract with any party. They insisted that the law does not intend to chain their hands to enter into contract with the landowner or the lessee-operator.

We stay unswayed.

The specific provision of RA 6657 that governs this case is neither Section 8 nor Section 29, but Section 11. Let us examine the provisions. The pertinent portions of Sections 8 and 29 read:

Section 8. Multinational Corporations. — All lands of the public domain leased, held or possessed by multinational corporations or associations, and other lands owned by the government or by government-owned or controlled corporations, associations, institutions, or entities, devoted to existing and operational agri-business or agro-industrial enterprises, operated by multinational corporations and associations, shall be programmed for acquisition and distribution immediately upon the effectivity of this Act, with the implementation to be completed within three (3) years.

x x x

In general, lands shall be distributed directly to the individual worker-beneficiaries. In case it is not economically feasible and sound to divide the land, then they shall form a workers' cooperative or association which will deal with the corporation or business association or any other proper party for the purpose of entering into a lease or growers agreement and for all other legitimate purposes. Until a new agreement is entered into by and between the workers' cooperative or association and the corporation or business association or any other proper party, any agreement existing at the time this Act takes effect between the former and the previous landowner shall be respected by both the workers' cooperative or association and the corporation, business, association or such other proper party. In no case shall the implementation or application of this Act justify or result in the reduction of status or diminution of any benefits received or enjoyed by the worker-beneficiaries, or in which they may have a vested right, at the time this Act becomes effective.

x x x

During the transition period, the new owners shall be assisted in their efforts to learn modern technology in production. Enterprises which show a willingness and commitment and good-faith efforts to impart voluntarily such advanced technology will be given preferential treatment where feasible.

x x x

[Emphasis supplied.]

Section 29. Farms Owned or Operated by Corporations or Other Business Associations. — In the case of farms owned or operated by corporations or other business associations, the following rules shall be observed by the PARC:

In general, lands shall be distributed directly to the individual worker-beneficiaries.

In case it is not economically feasible and sound to divide the land, then it shall be owned collectively by the workers' cooperative or association which will deal with the corporation or business association. Until a new agreement is entered into by and between the workers' cooperative or association and the corporation or business association, any agreement existing at the time this Act takes effect between the former and the previous landowner shall be respected by both the workers' cooperative or association and the corporation or business association.

It is clear that Section 8 refers to all lands of the public domain leased, held or possessed by multinational

corporations or associations, and other lands owned by the government or by government-owned or controlled corporations, associations, institutions, or entities, devoted to existing and operational agri-business or agro-industrial enterprises, operated by multinational corporations and associations. This explains why Section 8 provides that the “workers' cooperative or association” will “deal with the corporation or business association or any other proper party for the purpose of entering into a lease or growers agreement and for all other legitimate purposes”. Section 8 mentions only the corporation or business association of any other proper party in case of “growers agreement.” It does not mention the “landowner” because this provision refers to public lands.

In the case before us, the subject landholdings are privately owned, albeit leased and operated by a corporation. Thus, Section 8 does not apply.

On the other hand, from the heading alone of Section 29, one would understand that it applies to “Farms Owned or Operated by Corporations or Other Business Associations.” That is why Section 29 specifically provides that the “workers' cooperative or association” will “deal with the corporation or business association”. Significantly, Section 29 does not include “other proper party”. The reason is obvious. The ARBs must deal with the corporate owner or corporate operator of the farms.

Again, in the case before us, the subject landholdings are not owned by corporations or other business associations although these are operated by a corporation. Thus, Section 29 does not apply either.

What applies, then, by simple process of elimination, is Section 11 which states:

Section 11. Commercial Farming. — Commercial farms, which are private agricultural lands devoted to commercial livestock, poultry and swine raising, and aquaculture including saltbeds, fishponds and prawn ponds, fruit farms, orchards, vegetable and cut-flower farms, and cacao, coffee and rubber plantations, shall be subject to immediate compulsory acquisition and distribution after (10) years from the effectivity of the Act. In the case of new farms, the ten-year period shall begin from the first year of commercial production and operation, as determined by the DAR. During the ten-year period, the government shall initiate the steps necessary to acquire these lands, upon payment of just compensation for the land and the improvements thereon, preferably in favor of organized cooperatives or associations, which shall hereafter manage the said lands for the worker-beneficiaries.

x x x

On 23 December 1998, then DAR Secretary Horacio R. Morales, Jr., issued DAR Administrative Order No. 9 Series of 1998 pursuant to Sections 11 and 49 of RA 6657 and in view of the expiration on 15 June 1998 of the 10-year deferment period for commercial farms. Section 21 of DAR AO No. 9 expressly provides:

Section 21. Model Farms. — Commercial farms designated as model farms pursuant to Section 7 of R.A. 8435, otherwise known as the “Agriculture and Fisheries Modernization Act of 1997”, shall be acquired and distributed collectively to ensure economic scale production. The landowner shall be given the right of first refusal to enter into any appropriate alternative venture arrangement with the agrarian reform beneficiaries therein.

In addition, Section 8 of DAR Administrative Order No. 2 Series of 1999 expressly provides:

Section 8. Consent of Beneficiaries. — Beneficiaries shall have full freedom to engage in a joint economic enterprise with investors of their own choice. However; in case of commercial farms, the former landowner or operator shall be given priority pursuant to Sec. 30 (a) (3) of DAR Administrative Order No. 9 Series of 1998.

Where individual beneficiaries are parties to the contract, the beneficiaries themselves or their duly authorized

representative must execute the agreement.

If the contracting party is the cooperative or association, the board of directors or governing body must authorize the agreement, and the members must ratify the same, in accordance with its articles and by-laws. The officers who will sign the agreement shall secure an authority in writing from the board before executing the agreement.

[Emphasis supplied.]

The law cannot be any clearer. The landowners of commercial farms covered by CARP, the Sorianos in this case, have the right of first refusal.

The action of the Sorianos
has not prescribed.

Petitioner insisted that the petition filed by the Sorianos before the DARAB was time-barred under Section 38 of RA 3844.[33] They argued that while RA 6657[34] does not provide for any limitation on the right to bring action arising from CARP implementation, the provision under RA 3844 still applies. They cited Section 75 of RA 6657 which reads:

The provisions of Republic Act No. 3844 as amended by Presidential Decree Nos. 27 and 266 as amended, Executive Order Nos. 228 and 229, both Series of 1987; and other laws not inconsistent with this Act shall have suppletory effect.

[Emphasis supplied.]

Petitioner thus argued that Section 38 of RA 3844 applies. It provides that “[a]n action to enforce any cause of action. . . shall be barred if not commenced within three years after such cause of action accrued.” Petitioners pointed out the Sorianos only filed their petition on 25 April 2007 which was more than three years from the issuance of the CLOAs in 2000 and 2001.

We are not swayed.

On 08 August 1963, RA 3844 abolished and outlawed share tenancy and put in its stead the agricultural leasehold system. On 10 September 1971, RA 6389 amending RA 3844 declared share tenancy relationships as contrary to public policy. RA 6389 did not entirely repeal, but substantially modified RA 3844. Subsequently, RA 6657 took effect on 15 June 1988. RA 6657 only expressly repealed Section 35 of RA 3844 as amended. Thus, RA 6657 is the governing statute in this case. The harvests in dispute are for the years 2000-2006 or after the effectivity of RA 6657.

It is significant that while RA 6657 expressly repealed specific provisions of prior enactments on agrarian reform, that new law provides that the provisions of RA 3844(1963), Presidential Decree No. 27 (1972) and PD 266 (1973), EO 228 (1987) and EO 229 (1987) and other laws not inconsistent with it would have suppletory effect. The keyword is “suppletory”.

Suppletory is defined as “supplying deficiencies”.[35] It means that the provisions in RA 3844 will be made to apply only where there is an insufficiency in RA 6657.[36] That means whenever there are circumstances which are not expressly governed by RA 6657, these circumstances would be governed by RA 3844 and other laws not inconsistent with RA 6657.

Here, RA 6657 does not provide for Statutory Limitations on the right of a party to bring an action for causes under the law. Thus, Section 38 of RA 3844 may be given suppletory application.

This Court, however, is equipped with nothing from which to reckon prescription. Petitioner failed to allege and prove the date of accrual of the cause of action in question. They thus failed to allege and prove the factual bases for the running of the prescriptive period. They claimed that the action of the Sorianos filed on 25 April 2007 already prescribed since the CLOAs were issued in 2000 and 2001. They assumed that the running of the prescriptive period started on the date of the issuance of their CLOAs. They missed to consider that this case is not about the validity or enforceability of titles to the subject landholdings. This case is about the acts of petitioner ? who are concededly the new owner ? in “harvesting” the standing crops and in “selling” the crops to other party without first allowing the Sorianos to exercise their right of first refusal. Unfortunately, there is no substantial evidence in the records to disturb the factual finding of the Regional Adjudicator and the Board which highlighted the failure of the petitioner to allege and prove the actual knowledge of the Sorianos on the acts complained of. On this score, the Regional Adjudicator, in the Decisions dated 23 April 2008, ruled:

True, the subject lands were registered in the year 2000 and 2001. But the cause of action of petitioners does not pertain to the land but pertain to the right to exercise its right of first refusal and also pertain to the right over the hanging fruits. The registration of the land with the Register of Deeds is therefore immaterial to the issue of the prescriptibility of the instant action.

Respondent Cooperative entered into an agri-ventures agreement with co-respondent TRPI and [LFFCI] on March 03, 2001 and November 17, 2004 without first negotiating with petitioners. Based on the three (3) year statute of limitation, petitioners should have filed the instant action within the three (3) year period from the perfection of the contract because it is from that time that they were being effectively prejudiced by the act of respondent cooperative in entering into the said contracts with third persons. Petitioners should have also instituted proceedings against cooperative within the three (3) year period upon harvesting conducted over the contested hanging fruits sometime in 2000. But it is only now that petitioners institute the instant Petitions asserting their claim against respondents.

It must however be stressed that for the three (3) year prescriptive period to operate, there must be showing that the acts which are the basis of the cause of action in this case have come to the knowledge of petitioners. In other words, respondent cooperative must submit proofs as to the actual knowledge on the part of petitioners of these acts being complained of.

This forum believes petitioners only knew recently these acts committed by respondents that violate their right as the landowners of the subject lands. In fact, petitioners amended twice their Petitions because it is only recently that they knew the existence of the agri-ventures contract between respondent Cooperative and LFFCI. Lack of knowledge on the part of the petitioners as to the existence of the fact constituting their cause of action would bar the prescriptive period from running. The proper view is to reckon the running of the prescriptive period from the knowledge of the aggrieved party as the existence of the fact constituting his or her cause of action. Thus in this case, since petitioners have just recently known of the facts constituting their cause of action against respondents, such causes of action have not yet prescribed.[37]

Indeed, prescription has not yet set in to bar the filing of this case. We find the findings of fact of the Regional Adjudicator, affirmed in all respects by the Board, supported by substantial evidence. Section 54 of RA 6657 provides that “the findings of fact of the DAR shall be final and conclusive if based on substantial evidence”. Jurisprudence teaches us that the appellate court cannot make its own findings of fact and substitute the same for the findings of fact of the DARAB where there is no abuse of discretion on the part of agrarian quasi-judicial agencies.[38] Indeed, prescription has not yet set in to bar the filing of this case.

In fine, this Court finds neither error nor abuse of discretion on the part of the agrarian quasi-judicial agencies in ruling the Consolidated Case Nos. XI-102-CV-07, XI-103-CV-07, and XI-104-CV-07 in favor of the Sorianos.

FOR THESE REASONS, the present petition for review is denied. The assailed DARAB 02 December 2009

Decision and 20 March 2010 Resolution are affirmed in all respects.

SO ORDERED.

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, it is hereby certified that the conclusions in the above decision were reached in consultation before the case was assigned to the writer of the opinion of the Court.

Inting and Perez, JJ., concur.

[1] Rollo, pp. 37-40.

[2] Which is summarized by the DARAB Regional Adjudicator in the Consolidated Decision dated 23 April 2008, adopted by the DARAB Central Office in the Decision dated 02 December 2009, and adopted by petitioner in its Petition for Review; See Rollo, pp. 163-169, 16-19, 43-47.

[3] Rollo, pp. 111-113.

[4] Rollo, pp. 114-115.

[5] Rollo, pp. 127-129.

[6] Rollo, p. 130.

[7] Rollo, pp. 95-97.

[8] Rollo, pp. 98-100.

[9] See Contract of Lease dated 14 June 1972; Rollo, pp. 240-244; See also Amendment of Lease Contract dated 23 September 1986; Rollo, pp. 101-103.

[10] Rollo, pp. 242-243.

[11] Rollo, p. 164.

[12] Rollo, p. 165.

[13] Rollo, pp. 139-147.

[14] Second Amended Petition; Rollo, pp. 90-93. See also Joint Position Paper; Rollo, pp. 155-160.

[15] Consolidated Answer; Rollo, pp. 134-136.

[16] Consolidated Answer; Rollo, p. 134.

[17] Consolidated Answer; Rollo, p. 135.

[18] Ibid.

[19] See Consolidated Position Paper; Rollo, pp. 152-152.

[21] Ibid.

[22] Consolidated Answer; Rollo, p. 135; Consolidated Position Paper; Rollo, p. 153.

[23] Rollo, p. 168.

- [24] Rollo, p. 168.
- [25] Rollo, pp. 168-169.
- [26] Rollo, pp. 179-180.
- [27] Decision; Rollo, pp. 61-69.
- [28] Rollo, pp. 22-77.
- [29] Rollo, pp. 85-87.
- [30] Petition for Review; Rollo, pp. 47-48.
- [31] Rollo, pp. 199-201.
- [32] Rollo, pp. 221-222.
- [33] Agricultural Land Reform Code.
- [34] Comprehensive Agrarian Reform Law of 1988.
- [35] Meriam Webster's Collegiate Dictionary, 10[th] Edition, p. 1184.
- [36] GSIS v. Villaviza et al., G. R. No. 180291, 27 July 2010.
- [37] Rollo, pp. 175-176.
- [38] Qutoriano et al., v. DARAB, G.R. No. 171184, 04 March 2008.

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