PHILIPPINE VETERANS BANK, PETITIONER, VS. THE HON. COURT OF APPEALS, HON. SECRETARY OF THE DEPT. OF AGRARIAN REFORM, DEPT. OF AGRARIAN REFORM ADJUDICATION BOARD, DAVAO CITY AND ...

G.R. No. 132767. January 18, 2000

Ponente: MENDOZA, J.

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MENDOZA, J.:

This is a petition for review of the decision of the Court of Appeals,[1] dated August 28, 1997, affirming the dismissal by the Regional Trial Court, Branch 2, Tagum, Davao, of the petition for judicial determination of the just compensation filed by petitioner for the taking of its property under the Comprehensive Agrarian Reform Program.

The facts are as follows:

Petitioner Philippine Veterans Bank owned four parcels of land in Tagum, Davao, which are covered by Transfer Certificates of Title Nos. T-38666, T-38667, T-6236, and T-27591. The lands were taken by the Department of Agrarian Reform for distribution to landless farmers pursuant to the Comprehensive Agrarian Reform Law (R.A. No. 6657). Dissatisfied with the valuation of the land made by respondents Land Bank of the Philippines and the Department of Agrarian Reform Adjudication Board (DARAB), petitioner filed a petition for a determination of the just compensation for its property. The petition was filed on January 26, 1994 with the Regional Trial Court, Branch 2, Tagum, Davao, which on February 23, 1995, dismissed the petition on the ground that it was filed beyond the 15-day reglementary period for filing appeals from the orders of the DARAB. Its order[2] states in pertinent parts:

> Since this case was filed only on January 26, 1994, the fifteen-day period provided for under Section 51 of Republic Act 6657 which is the Comprehensive Agrarian Reform Law within which to appeal, already lapsed.
>
> Section 51 of Republic Act No. 6657 provides:
>
> Section 51. Finality of Determination. - Any case or controversy before it (DAR) shall be decided within thirty (30) days after it is submitted for resolution. Only one (1) motion for reconsideration shall be allowed. Any order, ruling or decision shall be final after the lapse of fifteen (15) days from receipt of a copy thereof.

On appeal to the Court of Appeals, the decision was affirmed. It was held that:

> Jurisdiction over land valuation cases is lodged in the Department of Agrarian Reform Adjudication Board, as is plainly provided under Rule II of the DARAB Revised Rules of Procedure.
>
> Section 1. Primary and Exclusive Original and Appellate Jurisdiction. The Board shall have primary and exclusive jurisdiction, both original and appellate, to determine and adjudicate all agrarian disputes, involving the implementation of the Comprehensive Agrarian Reform Program (CARP) under Republic Act No. 6657, Executive Order Nos. 228, 229, and 129-A, Republic Act No. 3844 as amended by Republic Act No. 6389,

> Presidential Decree No. 27 and other agrarian laws and their implementing rules and regulations. Specifically, such jurisdiction shall include but not be limited to the following:
>
> . . . .
>
> b) The valuation of land, and determination and payment of just compensation, fixing and collection of lease rentals, disturbance compensation, amortization payments, and similar disputes concerning the functions of the Land Bank of the Philippines.
>
> . . . .
>
> The above provision does not negate the original and exclusive jurisdiction vested in Special Agrarian Court over all petitions for the determination of just compensation to landowners as provided in Section 51 of R.A. 6657.
>
> Note, however, must be taken of Rule XIII, Section 11 of the DARAB Rules of Procedure, which specifically states that,
>
> The decision of the Adjudicator on land valuation and preliminary determination and payment of just compensation shall not be appealable to the Board but shall be brought directly to the Regional Trial Court designated as Special Agrarian Courts within fifteen (15) days from receipt of the notice thereof. Any party shall be entitled to only one motion for reconsideration.
>
> . . . .
>
> In pursuance thereof, it is clear that the right of a landowner who disagrees with the valuation fixed by the DAR to file a petition for the judicial fixing of just compensation before special agrarian courts must be exercised within the period provided in Rule XIII, Section 11.
>
> In this case, appellant neither gives information regarding the date of its receipt of the questioned Order of the DAR Provincial Adjudicator, nor disputes the conclusion made by the trial court that, "(s)ince this case was filed only on January 26, 1994, the fifteen-day period provided for under Section 51 of Republic Act 6657 which is the Comprehensive Agrarian Reform Law within which to appeal already lapsed". The court a quo's conclusion therefore stands. It did not commit an error in dismissing the petition filed by Philippine Veterans Bank for having been filed out of time.[3]

Petitioner filed a motion for reconsideration, but its motion was likewise denied. Hence, this petition for review. Petitioner raises the following issue:

> SHOULD A PETITION FOR THE JUDICIAL FIXING OF JUST COMPENSATION BEFORE SPECIAL AGRARIAN COURT BE [FILED] WITHIN THE PERIOD PROVIDED IN RULE XIII, SECTION 11 OF THE DARAB RULES OF PROCEDURE AND BEFORE THE DECISION OF THE DAR PROVINCIAL ADJUDICATOR BECOMES FINAL AND EXECUTORY?

Petitioner argues that DAR adjudicators have no jurisdiction to determine the just compensation for the taking of lands under the Comprehensive Agrarian Reform Program, because such jurisdiction is vested in Regional Trial Courts designated as Special Agrarian Courts and, therefore, a petition for the fixing of just compensation can be filed beyond the 15-day period of appeal provided from the decision of the DAR adjudicator.

On the other hand, respondents argue that actions for the fixing of just compensation must be filed in the appropriate courts within 15 days from receipt of the decision of the DAR adjudicator, otherwise such decision becomes final and executory, pursuant to §51 of R.A. No. 6657.

Petitioner's contention has no merit.

The pertinent provisions of R.A. No. 6657 provides:

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> Sec. 50. Quasi-Judicial Power of the DAR. - The DAR is hereby vested with primary jurisdiction to determine and adjudicate agrarian reform matters and shall have exclusive original jurisdiction over all matters involving the implementation of agrarian reform, except those falling under the exclusive jurisdiction of the Department of Agriculture (DA) and the Department of Environment and Natural Resources (DENR) . . . .
>
> Sec. 57. Special Jurisdiction. - The Special Agrarian Courts shall have original and exclusive jurisdiction over all petitions for the determination of just compensation to landowners, and the prosecution of all criminal offenses under this Act. The Rules of Court shall apply to all proceedings before the Special Agrarian Courts, unless modified by this Act.
>
> The Special Agrarian Courts shall decide all appropriate cases under their special jurisdiction within thirty (30) days from submission of the case for decision.

There is nothing contradictory between the provision of §50 granting the DAR primary jurisdiction to determine and adjudicate "agrarian reform matters" and exclusive original jurisdiction over "all matters involving the implementation of agrarian reform," which includes the determination of questions of just compensation, and the provision of §57 granting Regional Trial Courts "original and exclusive jurisdiction" over (1) all petitions for the determination of just compensation to landowner, and (2) prosecutions of criminal offenses under R.A. No. 6657.[4] The first refers to administrative proceedings, while the second refers to judicial proceedings. Under R.A. No. 6657, the Land Bank of the Philippines is charged with the preliminary determination of the value of lands placed under land reform program and the compensation to be paid for their taking. It initiates the acquisition of agricultural lands by notifying the landowner of the government's intention to acquire his land and the valuation of the same as determined by the Land Bank.[5] Within 30 days from receipt of notice, the landowner shall inform the DAR of his acceptance or rejection of the offer.[6] In the event the landowner rejects the offer, a summary administrative proceeding is held by the provincial (PARAD), the regional (RARAD) or the central (DARAB) adjudicator, as the case may be, depending on the value of the land, for the purpose of determining the compensation for the land. The landowner, the Land Bank, and other interested parties are then required to submit evidence as to the just compensation for the land. The DAR adjudicator decides the case within 30 days after it is submitted for decision.[7] If the landowner finds the price unsatisfactory, he may bring the matter directly to the appropriate Regional Trial Court.[8]

To implement the provisions of R.A. No. 6657, particularly §50 thereof, Rule XIII, §11 of the DARAB Rules of Procedure provides:

> Land Valuation and Preliminary Determination and Payment of Just Compensation. - The decision of the Adjudicator on land valuation and preliminary determination and payment of just compensation shall not be appealable to the Board but shall be brought directly to the Regional Trial Courts designated as Special Agrarian Courts within fifteen (15) days from receipt of the notice thereof. Any party shall be entitled to only one motion for reconsideration.

As we held in Republic v. Court of Appeals,[9] this rule is an acknowledgment by the DARAB that the power to decide just compensation cases for the taking of lands under R.A. No. 6657 is vested in the courts. It is error to think that, because of Rule XIII, §11, the original and exclusive jurisdiction given to the courts to decide petitions for determination of just compensation has thereby been transformed into an appellate jurisdiction. It only means that, in accordance with settled principles of administrative law, primary jurisdiction is vested in the DAR as an administrative agency to determine in a preliminary manner the reasonable compensation to be paid for the lands taken under the Comprehensive Agrarian Reform Program, but such determination is subject to challenge in the courts.

The jurisdiction of the Regional Trial Courts is not any less "original and exclusive" because the question is first

passed upon by the DAR, as the judicial proceedings are not a continuation of the administrative determination. For that matter, the law may provide that the decision of the DAR is final and unappealable. Nevertheless, resort to the courts cannot be foreclosed on the theory that courts are the guarantors of the legality of administrative action.[10]

Accordingly, as the petition in the Regional Trial Court was filed beyond the 15-day period provided in Rule XIII, §11 of the Rules of Procedure of the DARAB, the trial court correctly dismissed the case and the Court of Appeals correctly affirmed the order of dismissal.

WHEREFORE, the decision of the Court of Appeals is AFFIRMED.

SO ORDERED.

Bellosillo, (Chairman), Quisumbing, Buena, and De Leon, Jr., JJ., concur.

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[1] Per Justice Conrado M. Vasquez, Jr. and concurred in by Justices Consuelo Ynares-Santiago (now Associate Justice of the Supreme Court), and Demetrio G. Demetria.

[2] Dated February 23, 1995; RTC Records, pp. 54-55.

[3] CA Decision, pp. 3-4; Rollo, pp. 27-28.

[4] Quismundo v. Court of Appeals, 201 SCRA 609 (1991)

[5] R.A. No. 6657, §16(a)

[6] Id., §16(b)

[7] Id., §16(d)

[8] Id., §16(f) in relation to §57.

[9] 263 SCRA 750 (1996)

[10] See San Miguel Brewery v. Secretary of Labor, 64 SCRA 56 (1975)

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