

**REPUBLIC OF THE PHILIPPINES, REPRESENTED BY THE
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
(DENR) UNDER THEN MINISTER ERNESTO R. MACEDA; AND FORMER
GOVERNMENT OFFICIALS CAT...**

G.R. No. 149927. March 30, 2004

Ponente: PANGANIBAN, J.

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PANGANIBAN, J.:

A mining license that contravenes a mandatory provision of the law under which it is granted is void. Being a mere privilege, a license does not vest absolute rights in the holder. Thus, without offending the due process and the non-impairment clauses of the Constitution, it can be revoked by the State in the public interest.

The Case

Before us is a Petition for Review[1] under Rule 45 of the Rules of Court, seeking to nullify the May 29, 2001 Decision[2] and the September 6, 2001 Resolution[3] of the Court of Appeals (CA) in CA-GR SP No. 46878. The CA disposed as follows:

“WHEREFORE, premises considered, the appealed Decision is hereby AFFIRMED in toto.”[4]

The questioned Resolution denied petitioners’ Motion for Reconsideration.

On the other hand, trial court’s Decision, which was affirmed by the CA, had disposed as follows:

“WHEREFORE, judgment is hereby rendered as follows: ‘1. Declaring that the cancellation of License No. 33 was done without jurisdiction and in gross violation of the Constitutional right of the petitioners against deprivation of their property rights without due process of law and is hereby set aside.

‘2. Declaring that the petitioners’ right to continue the exploitation of the marble deposits in the area covered by License No. 33 is maintained for the duration of the period of its life of twenty-five (25) years, less three (3) years of continuous operation before License No. 33 was cancelled, unless sooner terminated for violation of any of the conditions specified therein, with due process.

‘3. Making the Writ of preliminary injunction and the Writ of Preliminary Mandatory Injunction issued as permanent.

‘4. Ordering the cancellation of the bond filed by the Petitioners in the sum of 1 Million.

‘5. Allowing the petitioners to present evidence in support of the damages they claim to have suffered from, as a consequence of the summary cancellation of License No. 33 pursuant to the agreement of the parties on such dates as maybe set by the Court; and

‘6. Denying for lack of merit the motions for contempt, it appearing that actuations of the respondents were not contumacious and intended to delay the proceedings or undermine the integrity of the Court.

‘No pronouncement yet as to costs.’”[5]

The Facts

The CA narrated the facts as follows:

“The four (4) petitioners, namely, Dr. Lourdes S. Pascual, Dr. Pedro De la Concha, Alejandro De La Concha, and Rufo De Guzman, after having been granted permission to prospect for marble deposits in the mountains of Biak-na-Bato, San Miguel, Bulacan, succeeded in discovering marble deposits of high quality and in commercial quantities in Mount Mabio which forms part of the Biak-na-Bato mountain range.

“Having succeeded in discovering said marble deposits, and as a result of their tedious efforts and substantial expenses, the petitioners applied with the Bureau of Mines, now Mines and Geosciences Bureau, for the issuance of the corresponding license to exploit said marble deposits.

x x x x x x x x

“After compliance with numerous required conditions, License No. 33 was issued by the Bureau of Mines in favor of the herein petitioners.

x x x x x x x x

“Shortly after Respondent Ernesto R. Maceda was appointed Minister of the Department of Energy and Natural Resources (DENR), petitioners’ License No. 33 was cancelled by him through his letter to ROSEMOOR MINING AND DEVELOPMENT CORPORATION dated September 6, 1986 for the reasons stated therein. Because of the aforesaid cancellation, the original petition was filed and later substituted by the petitioners’ AMENDED PETITION dated August 21, 1991 to assail the same.

“Also after due hearing, the prayer for injunctive relief was granted in the Order of this Court dated February 28, 1992. Accordingly, the corresponding preliminary writs were issued after the petitioners filed their injunction bond in the amount of ONE MILLION PESOS (P1,000,000.00).

x x x x x x x x

“On September 27, 1996, the trial court rendered the herein questioned decision.”[6]

The trial court ruled that the privilege granted under respondents’ license had already ripened into a property right, which was protected under the due process clause of the Constitution. Such right was supposedly violated when the license was cancelled without notice and hearing. The cancellation was said to be unjustified, because the area that could be covered by the four separate applications of respondents was 400 hectares. Finally, according to the RTC, Proclamation No. 84, which confirmed the cancellation of the license, was an ex post facto law; as such, it violated Section 3 of Article XVIII of the 1987 Constitution.

On appeal to the Court of Appeals, herein petitioners asked whether PD 463 or the Mineral Resources Development Decree of 1974 had been violated by the award of the 330.3062 hectares to respondents in accordance with Proclamation No. 2204. They also questioned the validity of the cancellation of respondents’ Quarry License/Permit (QLP) No. 33.

Ruling of the Court of Appeals

Sustaining the trial court in toto, the CA held that the grant of the quarry license covering 330.3062 hectares to respondents was authorized by law, because the license was embraced by four (4) separate applications -- each for an area of 81 hectares. Moreover, it held that the limitation under Presidential Decree No. 463 -- that a quarry license should cover not more than 100 hectares in any given province -- was supplanted by Republic Act No.

7942,[7] which increased the mining areas allowed under PD 463.

It also ruled that the cancellation of respondents' license without notice and hearing was tantamount to a deprivation of property without due process of law. It added that under the clause in the Constitution dealing with the non-impairment of obligations and contracts, respondents' license must be respected by the State.

Hence, this Petition.[8]

Issues

Petitioners submit the following issues for the Court's consideration:

“(1) [W]hether or not QLP No. 33 was issued in blatant contravention of Section 69, P.D. No. 463; and (2) whether or not Proclamation No. 84 issued by then President Corazon Aquino is valid. The corollary issue is whether or not the Constitutional prohibition against ex post facto law applies to Proclamation No. 84”[9]

The Court's Ruling

The Petition has merit.

First Issue:

Validity of License

Respondents contend that the Petition has no legal basis, because PD 463 has already been repealed.[10] In effect, they ask for the dismissal of the Petition on the ground of mootness.

PD 463, as amended, pertained to the old system of exploration, development and utilization of natural resources through licenses, concessions or leases.[11] While these arrangements were provided under the 1935[12] and the 1973[13] Constitutions, they have been omitted by Section 2 of Article XII of the 1987 Constitution.[14]

With the shift of constitutional policy toward “full control and supervision of the State” over natural resources, the Court in *Miners Association of the Philippines v. Factoran Jr.* [15] declared the provisions of PD 463 as contrary to or violative of the express mandate of the 1987 Constitution. The said provisions dealt with the lease of mining claims; quarry permits or licenses covering privately owned or public lands; and other related provisions on lease, licenses and permits.

RA 7942 or the Philippine Mining Act of 1995 embodies the new constitutional mandate. It has repealed or amended all laws, executive orders, presidential decrees, rules and regulations -- or parts thereof -- that are inconsistent with any of its provisions.[16]

It is relevant to state, however, that Section 2 of Article XII of the 1987 Constitution does not apply retroactively to a “license, concession or lease” granted by the government under the 1973 Constitution or before the effectivity of the 1987 Constitution on February 2, 1987.[17] As noted in *Miners Association of the Philippines v. Factoran Jr.*, the deliberations of the Constitutional Commission[18] emphasized the intent to apply the said constitutional provision prospectively.

While RA 7942 has expressly repealed provisions of mining laws that are inconsistent with its own, it nonetheless respects previously issued valid and existing licenses, as follows:

“SECTION 5. Mineral Reservations. — When the national interest so requires, such as when there is a need to preserve strategic raw materials for industries critical to national development, or certain minerals for scientific, cultural or ecological value, the President may establish mineral reservations upon the recommendation of the Director through the Secretary. Mining operations in existing mineral reservations and such other reservations as may thereafter be established, shall be undertaken by the Department or through a

contractor: Provided, That a small scale-mining cooperative covered by Republic Act No. 7076 shall be given preferential right to apply for a small-scale mining agreement for a maximum aggregate area of twenty-five percent (25%) of such mineral reservation, subject to valid existing mining/quarrying rights as provided under Section 112 Chapter XX hereof. All submerged lands within the contiguous zone and in the exclusive economic zone of the Philippines are hereby declared to be mineral reservations.

“X X X X X X X X

“SECTION 7. Periodic Review of Existing Mineral Reservations. — The Secretary shall periodically review existing mineral reservations for the purpose of determining whether their continued existence is consistent with the national interest, and upon his recommendation, the President may, by proclamation, alter or modify the boundaries thereof or revert the same to the public domain without prejudice to prior existing rights.”

“SECTION 18. Areas Open to Mining Operations. — Subject to any existing rights or reservations and prior agreements of all parties, all mineral resources in public or private lands, including timber or forestlands as defined in existing laws, shall be open to mineral agreements or financial or technical assistance agreement applications. Any conflict that may arise under this provision shall be heard and resolved by the panel of arbitrators.”

“SECTION 19. Areas Closed to Mining Applications. -- Mineral agreement or financial or technical assistance agreement applications shall not be allowed: (a) In military and other government reservations, except upon prior written clearance by the government agency concerned;

(b) Near or under public or private buildings, cemeteries, archeological and historic sites, bridges, highways, waterways, railroads, reservoirs, dams or other infrastructure projects, public or private works including plantations or valuable crops, except upon written consent of the government agency or private entity concerned;

(c) In areas covered by valid and existing mining rights;

(d) In areas expressly prohibited by law;

(e) In areas covered by small-scale miners as defined by law unless with prior consent of the small-scale miners, in which case a royalty payment upon the utilization of minerals shall be agreed upon by the parties, said royalty forming a trust fund for the socioeconomic development of the community concerned; and

(f) Old growth or virgin forests, proclaimed watershed forest reserves, wilderness areas, mangrove forests, mossy forests, national parks, provincial/municipal forests, parks, greenbelts, game refuge and bird sanctuaries as defined by law and in areas expressly prohibited under the National Integrated Protected Areas System (NIPAS) under Republic Act No. 7586, Department Administrative Order No. 25, series of 1992 and other laws.”

“SECTION 112. Non-impairment of Existing Mining/ Quarrying Rights. — All valid and existing mining lease contracts, permits/licenses, leases pending renewal, mineral production-sharing agreements granted under Executive Order No. 279, at the date of effectivity of this Act, shall remain valid, shall not be impaired, and shall be recognized by the Government: Provided, That the provisions of Chapter XIV on government share in mineral production-sharing agreement and of Chapter XVI on incentives of this Act shall immediately govern and apply to a mining lessee or contractor unless the mining lessee or contractor indicates his intention to the secretary, in writing, not to avail of said provisions: Provided, further, That no renewal of mining lease contracts shall be made after the expiration of its term: Provided, finally, That such leases, production-sharing agreements, financial or technical assistance agreements shall comply with the applicable provisions of this Act and its implementing rules and regulations.

“SECTION 113. Recognition of Valid and Existing Mining Claims and Lease/Quarry Application. — Holders of valid and existing mining claims, lease/quarry applications shall be given preferential rights to enter into any mode of mineral agreement with the government within two (2) years from the promulgation of the rules and regulations implementing this Act.” (Underscoring supplied)

Section 3(p) of RA 7942 defines an existing mining/quarrying right as “a valid and subsisting mining claim or permit or quarry permit or any mining lease contract or agreement covering a mineralized area granted/issued under pertinent mining laws.” Consequently, determining whether the license of respondents falls under this definition would be relevant to fixing their entitlement to the rights and/or preferences under RA 7942. Hence, the present Petition has not been mooted.

Petitioners submit that the license clearly contravenes Section 69 of PD 463, because it exceeds the maximum area that may be granted. This incipient violation, according to them, renders the license void ab initio.

Respondents, on the other hand, argue that the license was validly granted, because it was covered by four separate applications for areas of 81 hectares each.

The license in question, QLP No. 33,[19] is dated August 3, 1982, and it was issued in the name of Rosemoor Mining Development Corporation. The terms of the license allowed the corporation to extract and dispose of marbleized limestone from a 330.3062-hectare land in San Miguel, Bulacan. The license is, however, subject to the terms and conditions of PD 463, the governing law at the time it was granted; as well as to the rules and regulations promulgated thereunder.[20] By the same token, Proclamation No. 2204 --which awarded to Rosemoor the right of development, exploitation, and utilization of the mineral site -- expressly cautioned that the grant was subject to “existing policies, laws, rules and regulations.”[21]

The license was thus subject to Section 69 of PD 463, which reads:

“Section 69. Maximum Area of Quarry License – Notwithstanding the provisions of Section 14 hereof, a quarry license shall cover an area of not more than one hundred (100) hectares in any one province and not more than one thousand (1,000) hectares in the entire Philippines.” (Italics supplied)

The language of PD 463 is clear. It states in categorical and mandatory terms that a quarry license, like that of respondents, should cover a maximum of 100 hectares in any given province. This law neither provides any exception nor makes any reference to the number of applications for a license. Section 69 of PD 463 must be taken to mean exactly what it says. Where the law is clear, plain, and free from ambiguity, it must be given its literal meaning and applied without attempted interpretation.[22]

Moreover, the lower courts’ ruling is evidently inconsistent with the fact that QLP No. 33 was issued solely in the name of Rosemoor Mining and Development Corporation, rather than in the names of the four individual stockholders who are respondents herein. It likewise brushes aside a basic postulate that a corporation has a separate personality from that of its stockholders.[23]

The interpretation adopted by the lower courts is contrary to the purpose of Section 69 of PD 463. Such intent to limit, without qualification, the area of a quarry license strictly to 100 hectares in any one province is shown by the opening proviso that reads: “Notwithstanding the provisions of Section 14 hereof x x x.” The mandatory nature of the provision is also underscored by the use of the word shall. Hence, in the application of the 100-hectare-per-province limit, no regard is given to the size or the number of mining claims under Section 14, which we quote:

“SECTION 14. Size of Mining Claim. -- For purposes of registration of a mining claim under this Decree, the Philippine territory and its shelf are hereby divided into meridional blocks or quadrangles of one-half minute

(1/2) of latitude and longitude, each block or quadrangle containing area of eighty-one (81) hectares, more or less.

“A mining claim shall cover one such block although a lesser area may be allowed if warranted by attendant circumstances, such as geographical and other justifiable considerations as may be determined by the Director: Provided, That in no case shall the locator be allowed to register twice the area allowed for lease under Section 43 hereof.” (Italics supplied)

Clearly, the intent of the law would be brazenly circumvented by ruling that a license may cover an area exceeding the maximum by the mere expediency of filing several applications. Such ruling would indirectly permit an act that is directly prohibited by the law.

Second Issue:

Validity of Proclamation No. 84

Petitioners also argue that the license was validly declared a nullity and consequently withdrawn or terminated. In a letter dated September 15, 1986, respondents were informed by then Minister Ernesto M. Maceda that their license had illegally been issued, because it violated Section 69 of PD 463; and that there was no more public interest served by the continued existence or renewal of the license. The latter reason, they added, was confirmed by the language of Proclamation No. 84. According to this law, public interest would be served by reverting the parcel of land that was excluded by Proclamation No. 2204 to the former status of that land as part of the Biak-na-Bato national park.

They also contend that Section 74 of PD 463 would not apply, because Minister Maceda’s letter did not cancel or revoke QLP No. 33, but merely declared the latter’s nullity. They further argue that respondents waived notice and hearing in their application for the license.

On the other hand, respondents submit that, as provided for in Section 74 of PD 463, their right to due process was violated when their license was cancelled without notice and hearing. They likewise contend that Proclamation No. 84 is not valid for the following reasons: 1) it violates the clause on the non-impairment of contracts; 2) it is an ex post facto law and/or a bill of attainder; and 3) it was issued by the President after the effectivity of the 1987 Constitution.

This Court ruled on the nature of a natural resource exploration permit, which was akin to the present respondents’ license, in *Southeast Mindanao Gold Mining Corporation v. Balite Portal Mining Cooperative*,^[24] which held:

“x x x. As correctly held by the Court of Appeals in its challenged decision, EP No. 133 merely evidences a privilege granted by the State, which may be amended, modified or rescinded when the national interest so requires. This is necessarily so since the exploration, development and utilization of the country’s natural mineral resources are matters impressed with great public interest. Like timber permits, mining exploration permits do not vest in the grantee any permanent or irrevocable right within the purview of the non-impairment of contract and due process clauses of the Constitution, since the State, under its all-encompassing police power, may alter, modify or amend the same, in accordance with the demands of the general welfare.”^[25]

This same ruling had been made earlier in *Tan v. Director of Forestry*^[26] with regard to a timber license, a pronouncement that was reiterated in *Ysmael v. Deputy Executive Secretary*,^[27] the pertinent portion of which reads:

“x x x. Timber licenses, permits and license agreements are the principal instruments by which the State regulates the utilization and disposition of forest resources to the end that public welfare is promoted. And it can hardly be gainsaid that they merely evidence a privilege granted by the State to qualified entities, and do

not vest in the latter a permanent or irrevocable right to the particular concession area and the forest products therein. They may be validly amended, modified, replaced or rescinded by the Chief Executive when national interests so require. Thus, they are not deemed contracts within the purview of the due process of law clause [See Sections 3(ee) and 20 of Pres. Decree No. 705, as amended. Also, *Tan v. Director of Forestry*, G.R. No. L-24548, October 27, 1983, 125 SCRA 302].”[28] (Italics supplied)

In line with the foregoing jurisprudence, respondents’ license may be revoked or rescinded by executive action when the national interest so requires, because it is not a contract, property or a property right protected by the due process clause of the Constitution.[29] Respondents themselves acknowledge this condition of the grant under paragraph 7 of QLP No. 33, which we quote:

“7. This permit/license may be revoked or cancelled at any time by the Director of Mines and Geo-Sciences when, in his opinion public interests so require or, upon failure of the permittee/licensee to comply with the provisions of Presidential Decree No. 463, as amended, and the rules and regulations promulgated thereunder, as well as with the terms and conditions specified herein; Provided, That if a permit/license is cancelled, or otherwise terminated, the permittee/licensee shall be liable for all unpaid rentals and royalties due up to the time of the termination or cancellation of the permit/license[.]”[30] (Italics supplied)

The determination of what is in the public interest is necessarily vested in the State as owner of all mineral resources. That determination was based on policy considerations formally enunciated in the letter dated September 15, 1986, issued by then Minister Maceda and, subsequently, by the President through Proclamation No. 84. As to the exercise of prerogative by Maceda, suffice it to say that while the cancellation or revocation of the license is vested in the director of mines and geo-sciences, the latter is subject to the former’s control as the department head. We also stress the clear prerogative of the Executive Department in the evaluation and the consequent cancellation of licenses in the process of its formulation of policies with regard to their utilization. Courts will not interfere with the exercise of that discretion without any clear showing of grave abuse of discretion.[31]

Moreover, granting that respondents’ license is valid, it can still be validly revoked by the State in the exercise of police power.[32] The exercise of such power through Proclamation No. 84 is clearly in accord with *jura regalia*, which reserves to the State ownership of all natural resources.[33] This Regalian doctrine is an exercise of its sovereign power as owner of lands of the public domain and of the patrimony of the nation, the mineral deposits of which are a valuable asset.[34]

Proclamation No. 84 cannot be stigmatized as a violation of the non-impairment clause. As pointed out earlier, respondents’ license is not a contract to which the protection accorded by the non-impairment clause may extend.[35] Even if the license were, it is settled that provisions of existing laws and a reservation of police power are deemed read into it, because it concerns a subject impressed with public welfare.[36] As it is, the non-impairment clause must yield to the police power of the state.[37]

We cannot sustain the argument that Proclamation No. 84 is a bill of attainder; that is, a “legislative act which inflicts punishment without judicial trial.”[38] Its declaration that QLP No. 33 is a patent nullity[39] is certainly not a declaration of guilt. Neither is the cancellation of the license a punishment within the purview of the constitutional proscription against bills of attainder.

Too, there is no merit in the argument that the proclamation is an *ex post facto* law. There are six recognized instances when a law is considered as such: 1) it criminalizes and punishes an action that was done before the passing of the law and that was innocent when it was done; 2) it aggravates a crime or makes it greater than it was when it was committed; 3) it changes the punishment and inflicts one that is greater than that imposed by the law annexed to the crime when it was committed; 4) it alters the legal rules of evidence and authorizes conviction

upon a less or different testimony than that required by the law at the time of the commission of the offense; 5) it assumes the regulation of civil rights and remedies only, but in effect imposes a penalty or a deprivation of a right as a consequence of something that was considered lawful when it was done; and 6) it deprives a person accused of a crime of some lawful protection to which he or she become entitled, such as the protection of a former conviction or an acquittal or the proclamation of an amnesty.[40] Proclamation No. 84 does not fall under any of the enumerated categories; hence, it is not an ex post facto law.

It is settled that an ex post facto law is limited in its scope only to matters criminal in nature.[41] Proclamation 84, which merely restored the area excluded from the Biak-na-Bato national park by canceling respondents' license, is clearly not penal in character.

Finally, it is stressed that at the time President Aquino issued Proclamation No. 84 on March 9, 1987, she was still validly exercising legislative powers under the Provisional Constitution of 1986.[42] Section 1 of Article II of Proclamation No. 3, which promulgated the Provisional Constitution, granted her legislative power "until a legislature is elected and convened under a new Constitution." The grant of such power is also explicitly recognized and provided for in Section 6 of Article XVII of the 1987 Constitution.[43]

WHEREFORE, this Petition is hereby GRANTED and the appealed Decision of the Court of Appeals SET ASIDE. No costs.

SO ORDERED.

Davide, Jr., C.J., (Chairman), Ynares-Santiago, Carpio, and Azcuna, JJ., concur.

[1] Rollo, pp. 17-59.

[2] Penned by Justice Eliezer R. de Los Santos and concurred in by Justice Godardo A. Jacinto (chairman, Special Eighth Division) and Justice Hilarion L. Aquino.

[3] Rollo, p. 72.

[4] CA Decision, p. 8; rollo, p. 69.

[5] RTC Decision, pp. 11-12; rollo, pp. 157-158; penned by Judge Pedro M. Areola.

[6] CA Decision, pp. 3-4; rollo, pp. 64-65.

[7] The Mining Act of 1995, effective March 3, 1995.

[8] The Petition was deemed submitted for decision on September 5, 2002, upon the Court's receipt of the Manifestation of respondents, adopting as their Memorandum the Comment to the Petition for Review they had filed on January 28, 2002. Their Manifestation was signed by Atty. Hector Reuben D. Feliciano. Petitioners' Memorandum, which was received by the Court on July 26, 2002, was signed by Assistant Solicitor General Cecilio O. Estoesta and Solicitor Evaristo M. Padilla.

[9] Petitioners' Memorandum, p. 19; rollo, p. 319.

[10] Respondents' Comment to the Petition for Review, p. 22; rollo, p. 252.

[11] *Miners Association of the Philippines, Inc., v. Factoran Jr.*, 240 SCRA 100, 113-114, January 16, 1995.

[12] Section 1, Article XIII of the 1935 Constitution, reads:

“SECTION 1. All agricultural, timber, and mineral lands of the public domain, waters, minerals, coal, petroleum, and other mineral oils, all forces of potential energy, and other natural resources of the Philippines belong to the State, and their disposition, exploitation, development, or utilization shall be limited to citizens of the Philippines, or to corporations or associations at least sixty per centum of the capital of which is owned by such citizens, subject to any existing right, grant, lease, or concession at the time of the inauguration of the Government established under this Constitution. Natural resources, with the exception of public agricultural land, shall not be alienated, and no license, concession, or lease for the exploitation, development, or utilization of any of the natural resources shall be granted for a period exceeding twenty-five years, except as to water rights for irrigation, water supply, fisheries, or industrial uses other than the development of water power, in which cases beneficial use may be the measure and limit of the grant.” (Italics supplied)

[13] Section 8, Article XIV of the 1973 Constitution, is quoted thus:

“SEC. 8. All lands of the public domain, waters, minerals, coal, petroleum and other mineral oils, all forces of potential energy, fisheries, wildlife, and other natural resources of the Philippines belong to the State. With the exception of agricultural, industrial or commercial, residential and resettlement lands of the public domain, natural resources shall not be alienated, and no license, concession, or lease for the exploration, development, exploitation, or utilization of any of the natural resources shall be granted for a period exceeding twenty-five years, renewable for not more than twenty-five years, except as to water rights for irrigation, water supply, fisheries, or industrial uses other than the development of water power, in which cases beneficial use may be the measure and limit of the grant.” (Italics supplied)

[14] The pertinent provision of Section 2 of Article XII of the 1987 Constitution provides:

“Sec. 2. All lands of the public domain, waters, minerals, coal, petroleum, and other mineral oils, all forces of potential energy, fisheries, forests or timber, wildlife, flora and fauna, and other natural resources are owned by the State. With the exception of agricultural lands, all other natural resources shall not be alienated. The exploration, development, and utilization of natural resources shall be under the full control and supervision of the State. The State may directly undertake such activities or it may enter into co-production, joint venture, or production-sharing agreements with Filipino citizens, or corporations or associations at least sixty per centum of whose capital is owned by such citizens. Such agreements may be for a period not exceeding twenty-five years, renewable for not more than twenty-five years, and under such terms and conditions as may be provided by law. In case of water rights for irrigation, water supply, fisheries, or industrial uses other than the development of water power, beneficial use may be the measure and limit of the grant.

x x x x x x x x.” (Italics supplied)

[15] *Supra*, p. 114.

[16] Section 115 of RA 7942.

[17] *Miners Association of the Philippines v. Factoran Jr.*, *supra*, p. 116.

[18] *Ibid*.

[19] *Rollo*, pp. 86-89.

[20] No. 1 of the terms and conditions of the license.

[21] Dispositive provision of Proclamation No. 2204.

[22] *Del Mar v. Philippine Amusement and Gaming Corporation*, 411 Phil. 430, 463, June 19, 2001; *Republic v. CA*, 359 Phil. 530, 559, November 25, 1998; *Land Bank of the Philippines v. CA*, 327 Phil. 1047, 1052, July 5, 1996.

[23] Padilla v. CA, 421 Phil. 883, 894, November 22, 2001; Lim v. CA, 380 Phil. 61, 74, January 24, 2000; Complex Electronics Employees Association v. National Labor Relations Commission, 369 Phil. 666, 681, July 19, 1999.

[24] 380 SCRA 145, April 3, 2002.

[25] Id., pp. 155-156, per Ynares-Santiago, J.

[26] 210 Phil. 244, 265, October 27, 1983.

[27] 190 SCRA 673, October 18, 1990.

[28] Id., p. 684, per Cortes, J.

[29] Oposa v. Factoran Jr., 224 SCRA 792, 811, July 30, 1993.

[30] Rollo, p. 87.

[31] Ysmael Jr. & Co., Inc. v. Deputy Executive Secretary, supra; as cited in C & M Timber Corporation (CMTC) v. Alcala, 339 Phil. 589, 603, June 13, 1997.

[32] Miners Association of the Philippines, Inc. v. Factoran, supra, p. 118; Surigao Electric Co., Inc. v. Municipality of Surigao, 133 Phil. 860, 866, August 30, 1968.

[33] Supra; La Bugal-B'Laan Tribal Association, Inc. v. Ramos, GR No. 127882, p. 46, January 27, 2004; United Paracale Mining Company, Inc. v. Dela Rosa, 221 SCRA 108, 116, April 7, 1993.

[34] United Paracale Mining Company, Inc. v. Dela Rosa, supra; Republic v. Court of Appeals, 160 SCRA 228, 239, April 15, 1988; Santa Rosa Mining Company, Inc. v. Leido, Jr., 156 SCRA 1, pp. 8-9, December 1, 1987.

[35] Oposa v. Factoran Jr., supra, p. 812.

[36] JMM Production and Management, Inc. v. CA, 329 Phil. 87, 101, August 5, 1996.

[37] Bogó-Medellín Sugarcane Planters Association, Inc. v. National Labor Relations Commission, 357 Phil. 110, 126, September 25, 1998; Republic Planters Bank v. Agana Sr., 336 Phil. 1, 12, March 3, 1997; JMM Production and Management, Inc. v. CA, supra, citing Philippine Association of Service Exporters, Inc. v. Drilon, 163 SCRA 386, 397, June 30, 1988. .

[38] Misolas v. Panga, 181 SCRA 648, 659, January 30, 1990; Bataan Shipyard & Engineering Co., Inc. v. Presidential Commission on Good Government, 150 SCRA 181, 233, May 27, 1987.

[39] The second Whereas clause of Proclamation No. 84 provides:

“WHEREAS, the award to Rosemoor Mining and Development Corporation under Proclamation No. 2204 denominated as Quarry License No. 33 dated August 3, 1982, is a patent violation of the then, and presently, existing policy of the Government to limit quarry licenses or permits to cover only an area of not more than one hundred (100) hectares in any one province as provided for in Section 69, Chapter XIII of Presidential Decree No. 463, as amended[.]”

[40] Benedicto v. CA, 416 Phil. 722, 748, September 4, 2001, citing In the Matter of the Petition for the Declaration of the Petitioner’s Rights and Duties under Sec. 8 of RA 6132, 146 Phil. 429, 432, October 22, 1970; Republic v. Desierto, 416 Phil. 59, 74, August 23, 2001.

[41] Sevilleja v. Commission on Elections, 194 Phil. 132, 152, August 31, 1981, citing Santos v. Commission on Elections, 191 Phil. 212, 221, March 31, 1981.

[42] The Provisional Constitution was promulgated under Proclamation No. 3. See *JG Summit Holdings, Inc. v. CA*, 345 SCRA 143, 160, November 20, 2000; *Roxas v. CA*, 378 Phil. 727, 745, December 17, 1999.

[43] Section 6 of the Transitory Provisions reads:

“SEC. 6. The incumbent President shall continue to exercise legislative powers until the first Congress is convened.”

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