DEPARTMENT OF AGRARIAN REFORM, REP. BY SECRETARY HERNANI A. BRAGANZA, PETITIONER, VS. PHILIPPINE COMMUNICATIONS SATELLITE CORP., RESPONDENT.

G.R. No. 152640. June 15, 2006

Ponente: AZCUNA, J.

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AZCUNA, J.:

This is a petition for review on certiorari under Rule 45 of the Rules of Court by the Department of Agrarian Reform (DAR) seeking the nullification of the Decision and Resolution, dated November 23, 2001 and March 7, 2002, respectively, of the Court of Appeals in CA-G.R. SP No. 57435, entitled "Philippine Communications Satellite Corporation (PHILCOMSAT) v. DAR."

The controversy involves a parcel of land owned by respondent PHILCOMSAT situated within the area which had been declared a security zone under Presidential Decree (P.D.) No. 1845, as amended by P.D. No. 1848, entitled "Declaring the Area within a Radius of Three Kilometers surrounding the Satellite Earth Station in Baras, Rizal, a Security Zone."

The facts of the case are as follows:

PHILCOMSAT is the owner of a parcel of land situated in Pinugay, Baras, Rizal, where its Philippine Space Communications Center (PSCC) is located. The PSCC, which principally consists of herein respondent's satellite earth station, serves as the communications gateway of the Philippines to more than two-thirds of the world. Incidentally, the property had been planted with fruit trees, rice and corn by farmers occupying the surrounding areas of the PSCC.

On April 30, 1982, P.D. No. 1845 was promulgated. This decree was amended on July 29, 1982 by P.D. No. 1848, Section 1 of which states:

> Section 1. Declaration of Security Zone. - The entire area surrounding the satellite earth station in Sitio San Miguel, Barrio Pinugay, Municipality of Baras, Province of Rizal, Island of Luzon, within a radius of three kilometers, more or less, from the main satellite earth station, the metes and bounds of such area to be determined by the Minister of National Defense, is hereby declared a security zone. For this purpose, and in the interest of national security, ingress to and egress from the security zone as well as occupancy of portions thereof shall be controlled and regulated, without prejudice to the payments of just compensation to persons whose rights of ownership may be injuriously affected thereby x x x.

The three-kilometer security zone covers an area of 5,654 hectares, which includes the 700 hectares owned by PHILCOMSAT that is being subjected to the Comprehensive Agrarian Reform Program (CARP)[1] of the government. Also included within this three-kilometer radius is the 1.5 kilometers radius from the antenna wherein local harmful Radio Frequency Interference resulting from ignition systems, motor starters, high voltage discharges, and the like, is captured and amplified which can hamper telecommunications services.[2]

Pursuant to the decree, the Ministry of National Defense promulgated the Revised Rules and Regulations to Implement P.D. No. 1845 dated 30 April 1982, as amended, Declaring the Philippine Earth Station (PES) Security Zone. In view of this, the metes and bounds of PHILCOMSAT's satellite earth station in Baras, Rizal, were delineated.

In 1992, a Notice of Coverage was sent to PHILCOMSAT by petitioner DAR informing the former that the land in question shall be placed under CARP's compulsory acquisition scheme.

On January 28, 1994, PHILCOMSAT wrote to DAR seeking an exemption of the subject property from CARP coverage, insisting that the land will be utilized for the expansion of its operations, and for the following reasons:[3]

> 1) The land is being used for national defense in accordance with Section 10 of Republic Act (R.A.) No. 6657 which provides:"Section 10. Exemptions and Exclusions. -- Lands actually, directly and exclusively used and found necessary for parks, wildlife, forest reserves, reforestation, fish sanctuaries and breeding grounds, watersheds and mangroves, national defense x x x, shall be exempt from the coverage of this Act."

2) The company should be free from harmful Radio Frequency Interference (RFI) to maintain highest service reliability;

3) Compliance with the provisions of P.D. No. 1845, as amended by P.D.1848, stating the vitality of the PSCC in the security system within the purview of national defense; and,

4) The development of the area, in response to the Philippines' plan to launch its own national satellite and to address the massive telecommunications build-up in the Asia-Pacific Region.[4]

Respondent's application for exemption from CARP coverage was evaluated by DAR. During the pendency of the application, then DAR Secretary Ernesto D. Garilao, in a letter dated March 21, 1994, suggested that respondent enter into a usufructuary agreement with the occupants of the subject property until such time that it will have to use the property for its planned expansion. The occupants, however, refused to enter into such an agreement.[5]

Meanwhile, the Sangguniang Bayan of Tanay, Rizal, in its Resolution No. 65-94 that was endorsed to DAR, moved for the coverage of the 700-hectare PHILCOMSAT property within the security zone under CARP. The Provincial Agrarian Reform Officer of Teresa, Rizal further opined that subjecting the surrounding agricultural area within the security zone under CARP will not be detrimental to the operations of PHILCOMSAT.[6]

On May 25, 1998, an Order was issued by then Secretary Garilao rejecting PHILCOMSAT's application for exemption from CARP, citing three main reasons:

1) The occupants in the area can be considered as bona fide tenants of the registered owner before PHILCOMSAT acquired the same for its projected expansion of operations as they have been tilling said area for several years;

2) Said occupants had been identified by the Municipal Agrarian Reform Officer (MARO) as potential CARP beneficiaries when the land was placed under the compulsory acquisition scheme; and,

3) The term "security zone" is not embraced within the definition of lands used for national defense under Section 10 of R. A. No. 6657.[7]

Its motion for reconsideration of the aforesaid Order having been denied, PHILCOMSAT filed a Petition for Review with the Court of Appeals.

Granting said petition, the Court of Appeals held:

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> WHEREFORE, premises considered, the instant petition is hereby GRANTED. The Order dated 25 May 1998 issued by respondent Department of Agrarian Reform as well as the Resolution dated 31 January 2000 denying petitioner's motion for reconsideration of the said Order are hereby NULLIFIED and SET ASIDE and a new one is entered, declaring the subject landholdings of petitioner situated at Pinugay, Baras, Rizal, exempted from the CARP coverage, considering that it was declared a security zone under P.D. [No.] 1845, as revised by P.D. [No.] 1848.
>
> SO ORDERED.[8]

A motion for reconsideration of the above decision was filed by DAR but the same was denied by the Court of Appeals in its Resolution, dated March 7, 2002.[9]

Hence, this petition with the following assignment of errors:

> I
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> THE HONORABLE COURT OF APPEALS ERRED WHEN IT DECLARED THAT R.A. NO. 6657 (COMPREHENSIVE AGRARIAN REFORM LAW OF 1988) AND P.D. NO. 1848, WHICH DECLARED THE SUBJECT LANDHOLDING AS A SECURITY ZONE, CANNOT, IN EFFECT, CO-EXIST WITH EACH OTHER;
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> II
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> THE HONORABLE COURT OF APPEALS ERRED WHEN IT APPLIED THE STATUTORY RULE GENERALIA SPECIALIBUS NON DEROGANT; AND,
>
> III
>
> THE HONORABLE COURT OF APPEALS ERRED WHEN IT RULED THAT THE SUBJECT PROPERTY IS EXEMPT FROM THE COVERAGE OF CARP.

Thus, the main issue in this case is whether or not the subject property of PHILCOMSAT which had been declared a security zone under P.D. No. 1845, as amended by P.D. No. 1848, can be subjected to CARP.

P.D. No. 1845, as amended by P.D. No. 1848, was issued way before the effectivity of the Comprehensive Agrarian Reform Law of 1988. The same was issued in 1982 pursuant to an exigency to create a security zone in the surrounding areas of PHILCOMSAT's satellite earth station in order to ensure its security and uninterrupted operation considering the vital role of the earth station in the country's telecommunications and national development. Thus, P.D. No. 1845 provides:

> WHEREAS, the only earth station in the Philippines for world satellite telecommunications is located in a remote and sparsely populated place in sitio San Miguel, Barrio Pinugay, Municipality of Baras, Province of Rizal;
>
> WHEREAS, the said earth station is vital to the existence and maintenance of satellite telecommunications between the Philippines and most countries of the world and plays an invaluable role in the sustenance and development of our political, economic, commercial, and social life;
>
> WHEREAS, in view of its location, it would be easy for saboteurs or criminal elements to destroy or cause damage to the said earth station thereby paralyzing the system and curtailing momentous public service; and
>
> WHEREAS, to protect and insure the safety and uninterrupted operation of this modern media of international communications, it is necessary to establish a security zone all around the said earth station.

P.D. No. 1848, amending P.D. No. 1845, subjected the security zone to the authority of the Ministry of National

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Defense, consequently conferring on the Minister of National Defense the power and authority to determine who can occupy the areas within the security zone, and how the lands shall be utilized, to wit:

> SEC. 3. -- Occupation by Owner. Owners of land within the security zone and/or their bona fide tenants, lessees, or agents can occupy or continue to occupy their respective lands or areas therein subject to prior written permission or authority of the Minister of National Defense.
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> SEC 4. -- In cases where an owner or a bona fide occupant is, in the determination of the Minister of National Defense, not entitled to an occupancy permit, he shall have the option of demanding payment of just compensation for his property rights, or to sell such rights to any person qualified to own or occupy such property.
>
> SEC. 5. -- The Armed Forces of the Philippines may, thru negotiation or expropriation, acquire ownership of any land or area located or situated within the zone.

The law, in effect, by declaring the area a security zone, has granted to the Ministry of National Defense the control and administration of the same. As a rule, where a general power is conferred or duty enjoined, every particular power necessary for the exercise of one or the performance of the other is also conferred.[10]

Upon the passage of the Comprehensive Agrarian Reform Law which became effective on July 15, 1988, all public and private agricultural lands,[11] and other lands of public domain suitable for agriculture, regardless of tenurial arrangement and commodity produced, were declared subject to its coverage.[12]

The area in question which is included within the security zone is agricultural. It has been planted with different crops and fruit trees by its occupants, and has been found by DAR to be suitable for agriculture.

The area, however, should be exempt from CARP coverage by virtue of P.D. No. 1845, as amended, which, as stated earlier, declared the area to be a security zone under the jurisdiction of the Ministry of National Defense.

It is evident from the very wording of the law that the government recognized the crucial role of PHILCOMSAT's operations to national security, thereby necessitating the protection of its operations from unnecessary and even anticipated disruption. Thus, every statute is understood, by implication, to contain all such provisions as may be necessary to effectuate its object and purpose, or to make effective rights, powers, privileges or jurisdiction which it grants, including all such collateral and subsidiary consequences as may be fairly and logically inferred from its terms.[13]

In this regard, the Court agrees with the Court of Appeals when it stated that:

> The subject property is clearly within the scope of the Comprehensive Agrarian Reform Law, in accordance with Chapter II, section 4(d) thereof, had it not been decreed by P.D. No. 1845 that it is a security zone. The very purpose by which P.D. No. 1845 was passed declaring the area within a radius of three kilometers surrounding the satellite earth station in Baras, Rizal a security zone is to protect and insure the safety and uninterrupted operation of the modern media of international communications in the said property, as indicated in the whereas clause of said law. Thus, to subject said security zone to the Comprehensive Agrarian Reform Program of the government would negate the very purpose by which P.D. 1845, as revised by P.D. 1848, was decreed. These laws have never been repealed.
>
> P.D. 1848 is also specific in that occupation of the area, either by the owners or their bona fide tenants, require a prior written permission or authority from the Ministry of the National Defense, now Department of National Defense. It is therefore the Department of National Defense which will determine [x x x] who can occupy the subject property, and not the Department of Agrarian Reform. To subject the property in question to agrarian reform is indirectly giving the Department of Agrarian Reform authority to determine [x x x] who can occupy the property, in violation of the mandate of P.D. 1848.

> We find it not necessary to determine whether or not the subject property is actually, directly, and exclusively used for national defense, to be exempted from the coverage of R.A. 6657. The law which decreed the areas a security zone is very clear in its purpose. It is a principle in statutory construction that where there are two statutes that apply to a particular case, that which was specifically designed for the said case must prevail over the other (Lapid v. Court of Appeals, 334 SCRA 738).[14]

Section 10 of the Comprehensive Agrarian Reform Law or R.A. No. 6657,[15] as amended, provides that lands actually, directly and exclusively used and found to be necessary for national defense shall be exempt from the coverage of the Act. The determination as to whether or not the subject property is actually, directly, and exclusively used for national defense usually entails a finding of fact which this Court will not normally delve into considering that, subject to certain exceptions, in a petition for certiorari under Rule 45 of the Rules of Court, the Court is called upon to review only errors of law.[16] Suffice it to state, however, that as a matter of principle, it cannot seriously be denied that the act of securing a vital communication facilities is an act of national defense. Hence, the law, by segregating an area for purposes of a security zone for such facilities, in effect devoted that area to national defense.

WHEREFORE, the petition is DENIED. The Decision and Resolution of the Court of Appeals in CA-G.R. SP No. 57435, dated November 23, 2001 and March 7, 2002, respectively, are hereby AFFIRMED.

No costs.

SO ORDERED.

Puno, (Chairperson), Sandoval-Gutierrez, Corona, and Garcia, JJ., concur.

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[1] The agrarian reform program is pursuant to the Comprehensive Agrarian Reform Law of 1988 or Republic Act No. 6657, as amended.[2] Rollo, p. 115.[3] Id. at 95.[4] Rollo, pp. 31-32.[5] Id. at 97-98.[6] Id. at 100-101.[7] Rollo, pp. 103-104.[8] Id. at 36.[9] Id. at 10.[10] Angara v. Electoral Commission, 63 Phil. 139 (1936).[11] As provided in Proclamation No. 131 and Executive Order No. 229.[12] Sec. 4, Comprehensive Agrarian Reform Law of 1988.[13] Go Chico v. Martinez, 45 Phil. 256 (1923).[14] Rollo, p. 35.[15] Sec. 10(c) of R.A. No. 6657 provides: "Lands actually, directly, and exclusively used and found to be necessary for national defense, school sites and campuses, including experimental farm stations operated by public or private schools for educational purposes, seeds and seedlings research and pilot production center, church sites and convents appurtenant thereto, mosque sites and Islamic centers appurtenant thereto, communal burial grounds and cemeteries, penal colonies and penal farms actually worked by the inmates, government and private research and quarantine centers and all lands with eighteen (18%) percent slope and over, except those already developed, shall be exempt from the coverage of this Act." (As amended by R.A. No. 7881)[16] "It is not the function of the Supreme Court to re-examine all over again the oral and documentary evidence submitted by the parties unless the findings of facts of the Court of Appeals is not supported by the evidence on record or his judgment is based on misapprehension of facts." (Remalante v. Tibe, No. L-59514, February 25, 1998, 158 SCRA 138.)

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