

JOCELYN S. LIMKAICHONG, PETITIONER, VS. LAND BANK OF THE PHILIPPINES, DEPARTMENT OF AGRARIAN REFORM, REPRESENTED BY THE SECRETARY OF AGRARIAN REFORM, THROUGH THE PROVINCIAL AGRA...*G.R. No. 158464. August 02, 2016*

Ponente: BERSAMIN, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-158464/>**BERSAMIN, J.:**

Being now assailed in this appeal are the decision promulgated by the Court of Appeals (CA) on November 22, 2002 (dismissing the petitioner's petition for certiorari for not being the proper remedy, thereby affirming the dismissal of Civil Case No. 12558 by the trial court on the ground of the valuation by the Department of Agrarian Reform (DAR) having already become final due to her failure as the landowner to bring her action for judicial determination of just compensation within 15 days from notice of such valuation),[1] and the resolution promulgated on June 2, 2003 (denying her motion for reconsideration).[2]

Antecedents

The petitioner was the registered owner of agricultural lands with a total area of 19.6843 hectares situated in Villegas, Guihulngan, Negros Oriental and covered by Original Certificate of Title No. (OCT) FV-34400, OCT No. 34401, OCT No. 34402, and OCT No. 34403, all of the Register of Deeds of Negros Oriental. For purposes of placing those lands within the coverage of Republic Act No. 6657 (R.A. No. 6657),[3] the Department of Agrarian Reform Adjudication Board (DARAB), Office of the Provincial Adjudicator, in Dumaguete City sent to her in 1998 several Notices of Land Valuation and Acquisition by which her lands were valued for acquisition by the DAR as follows:

1. OCT FV-34400- P177,074.93;[4]
2. OCTFV-34401- P171,061.11;[5]
3. OCTFV-34402- P167,626.62;[6] and
4. OCTFV-34403- P140,611.65.[7]

After the petitioner rejected such valuation of her lands, the DARAB conducted summary administrative proceedings for the determination of just compensation.[8] On May 28, 1999, the DARAB issued its order affirming the valuation of the lands upon finding the valuation consistent with existing administrative guidelines on land valuation.[9]

On August 19, 1999, the petitioner filed in the Regional Trial Court (RTC) in Dumaguete City a complaint for the fixing of just compensation for her lands,[10] impleading as defendant the Land Bank of the Philippines (LBP) and the DAR, represented by the DAR Secretary, through the Dumaguete Provincial Agrarian Reform Officer (PARO). Her complaint, docketed as Civil Case No. 12558, prayed that the DARAB valuation be set aside and

declared null and void, and that in its stead the price of her lands be fixed based on the fair market value thereof.

After filing their answer, the respondents filed a manifestation and motion to dismiss,[11] stating that the petitioner's failure to timely appeal the May 28, 1999 DARAB order had rendered the order final and executory pursuant to Section 51[12] of R.A. No. 6657. They attached to the motion to dismiss a June 23, 2000 certification of finality issued by the Clerk of the DARAB,[13] stating that the May 28, 1999 order had become final and executory because there had been no appeal filed within the reglementary period provided by law.

In her opposition to the respondents' motion to dismiss,[14] the petitioner admitted that Civil Case No. 12558 was filed beyond the reglementary period, but insisted that the RTC sitting as special agrarian court (SAC) was not barred from acquiring jurisdiction over the complaint for determination of just compensation, because her cause of action was anchored on the respondents' violation of her right to due process and their taking of her property without just compensation due to the DARAB valuation being too low and having been arbitrarily arrived at. She claimed that the RTC as the SAC should accord her the same treatment it had accorded to other landowners who had been given the chance to be heard on their claim for re-valuation despite the belated filing of their complaints for just compensation.

On June 7, 2001, the RTC as the SAC granted the respondents' motion to dismiss.[15] Citing Section 51 and Section 54[16] of R.A. No. 6657 and Section 11 of Rule XIII of the 1994 DARAB Rules of Procedure,[17] it held that the petitioner's complaint should have been filed within 15 days from notice of the assailed order. It dismissed her argument that the case was anchored on violations of her constitutional rights to due process and just compensation, declaring that the controlling ruling was *Philippine Veterans Bank v. Court of Appeals*,[18] not *Republic v. Court of Appeals*. [19] Thus, applying the ruling in *Philippine Veterans Bank*, the RTC concluded that dismissal was proper because she had filed Civil Case No. 12558 beyond the statutory 15-day period.

The petitioner moved for reconsideration,[20] but to no avail.

Thus, on October 22, 2001, the petitioner brought her petition for certiorari in the CA assailing the dismissal of Civil Case No. 12558.

On November 22, 2002, the CA rendered its decision affirming the dismissal of Civil Case No. 12558, opining that because the June 7, 2001 order of the RTC dismissing Civil Case No. 12558 was a final order, the petitioner's remedy was not the special civil action for certiorari but an appeal in the CA; that she chose the wrong remedy because certiorari could not take the place of an appeal; and that the RTC thus committed no grave abuse of discretion that warranted the issuance of the writ of certiorari.

Issue

The petitioner raises the following issue for resolution:

WHETHER OR NOT ON THE QUESTION OF CONSTITUTIONAL RIGHT TO EQUAL PROTECTION OF LAW, THE COURT OF APPEALS DECISION DATED NOVEMBER 22, 2002 RULING THAT THE PETITION FOR CERTIORARI WAS NOT THE PROPER REMEDY IS CONTRARY TO THE LAW AND JURISPRUDENCE AS APPLIED TO THE EVIDENCE ON RECORD.[21]

The petitioner argues that she is entitled to equal protection and treatment accorded by the very same trial court to other landowners whose landholdings were placed under agrarian reform coverage, listing the cases involving other landowners who had been given the chance to be heard on their claim for re-valuation by the trial court.[22] She justifies her resort to certiorari by claiming that the RTC, in dismissing Civil Case No. 12558, acted whimsically and arbitrarily, and gravely abused its discretion; and that certiorari was necessary to prevent irreparable damage and injury to her resulting from the acquisition by the State of her lands based on wrongful

valuation and without paying her the proper and just compensation.

In their respective comments,[23] the respondents counter that the petitioner's reliance on the equal protection clause of the fundamental law is misplaced and bereft of legal and factual basis; that, on the contrary, they faithfully performed their task in relation to her landholdings, and in accordance with the agrarian laws and guidelines issued in furtherance thereof; that the final and executory DARAB valuation should no longer be disturbed by her frivolous claim of lack of due process; that her failure to properly observe the rules of procedure relative to reglementary periods should not be concealed by a trivial claim of violation of her constitutional rights; that pursuant to Section 60[24] of RA 6657, the decision became final because an appeal by petition for review was not taken from the decision of the RTC as the SAC within 15 days from notice of the decision; and that there was no proof of service on the CA of a copy of the petition as required by Section 3, Rule 45 of the Rules of Court and Circular No. 19-91, thereby warranting the outright dismissal of the petition.

Ruling of the Court

The petition for review is meritorious.

I

Certiorari was a proper remedy despite the availability of appeal

The CA ruled that the proper remedy of the petitioner was not to bring the petition for certiorari but to appeal the dismissal of Civil Case No. 12558 in accordance with the Rules of Court; and that appeal as her proper remedy was already time-barred.

Ostensibly, the assailed dismissal by the RTC was an order that had finally disposed of Civil Case No. 12558; hence, the petitioner's proper recourse therefrom was an appeal taken in due course because the order of dismissal was a final disposition of the case.[25] In that situation, certiorari would not have been appropriate.

However, the petitioner would not be prevented from assailing the dismissal by petition for certiorari provided her resort complied with the requirements of the Rules of Court for the bringing of the petition for certiorari. In that regard, the following requisites must concur for certiorari to prosper, namely: (1) the writ is directed against a tribunal, a board or any officer exercising judicial or quasi-judicial functions; (2) such tribunal, board or officer has acted without or in excess of jurisdiction, or with grave abuse of discretion amounting to lack or excess of jurisdiction; and (3) there is no appeal or any plain, speedy and adequate remedy in the ordinary course of law.[26] Without jurisdiction means that the court acted with absolute lack of authority. There is excess of jurisdiction when the court transcends its power or acts without any statutory authority, Grave abuse of discretion implies such capricious and whimsical exercise of judgment as to be equivalent to lack or excess of jurisdiction; in other words, power - is exercised in an arbitrary or despotic manner by reason of passion, prejudice, or personal hostility; and such exercise is so patent or so gross as to amount to an evasion of a positive duty or to a virtual refusal either to perform the duty enjoined or to act at all in contemplation of law.[27]

Indeed, the Court has held that the availability of an appeal as a remedy is a bar to the bringing of the petition for certiorari only where such appeal is in itself a sufficient and adequate remedy, in that it will promptly relieve the petitioner from the injurious effects of the judgment or final order complained of.[28] The Court does not hesitate or halt on its tracks in granting the writ of certiorari to prevent irreparable damage and injury to a party in cases where the trial judge capriciously and whimsically exercised his judgment, or where there may be a failure of justice;[29] or where the assailed order is a patent nullity; or where the grant of the writ of certiorari will arrest future litigations; or for certain considerations, such as public welfare and public policy.[30]

Here, the petitioner laments that she had not been accorded equal protection and treatment by the trial court which had awarded to other landowners a higher valuation of their property despite the belated filing of their petitions. For sure, the petition for certiorari thereby plainly alleged that the RTC had committed grave abuse of discretion by violating the petitioner's constitutional right to due process or equal protection. Such a petition should not be forthwith dismissed but should be fully heard if only to ascertain and determine if the very serious allegations were true.

II

Dismissal of petitioner's action was unfair and improper

Section 9, Article III of the 1987 Constitution provides that "[p]rivate property shall not be taken for public use without just compensation." The determination of just compensation has been the subject of various discordant rulings of the Court. Although some of the later rulings have supposedly settled the controversy of whether the courts or the DAR should have the final say on just compensation, the conflict has continued, and has caused some confusion to the Bench and the Bar, as well as to the other stakeholders in the expropriation of agricultural landholdings.

Under existing law and regulation, respondent LBP is tasked with the responsibility of initially determining the value of lands placed under land reform and the just compensation to be paid the landowners for their taking.[31] By way of notice sent to the landowner pursuant to Section 16(a)[32] of R.A. No. 6657, the DAR makes an offer to acquire the land sought to be placed under agrarian reform. If the concerned landowner rejects the offer, a summary administrative proceeding is held, and thereafter the provincial adjudicator (PARAD), the regional adjudicator (RARAD) or the central adjudicator (DARAB), as the case may be, fixes the price to be paid for the land, based on the various factors and criteria as determined by law or regulation. Should the landowner disagree with the valuation, he/she may bring the matter to the RTC acting as the SAC.[33] This is the procedure for the determination of just compensation under R.A. No. 6657.[34]

There appears to be no question on the respondents' observance of the proper procedure for acquisition of the petitioner's lands. The remaining issue concerns whether the trial court's dismissal of her petition because of her failure to file it before the decision/order of the DARAB became final and executory pursuant to Section 51 of R.A. No. 6657 was fair and proper.

We rule in the negative.

There have been divergent rulings on whether the courts or another agency of the government could address the determination of just compensation in eminent domain, but the starting point is the landmark 1987 ruling in *Export Processing Zone Authority (EPZA) v. Dulay*,[35] which resolved the challenge against several decrees promulgated by President Marcos. The decrees provided certain measures to the effect that the just compensation for property under expropriation should be either the assessment of the property by the Government or the sworn valuation of the property by the owner, whichever was lower. In declaring the decrees unconstitutional, the Court cogently held:

The method of ascertaining just compensation under the aforecited decrees constitutes impermissible encroachment on judicial prerogatives. It tends to render this Court inutile in a matter which under this Constitution is reserved to it for final determination.

Thus, although in an expropriation proceeding the court technically would still have the power to determine the just compensation for the property, following the applicable decrees, its task would be relegated to simply stating the lower value of the property as declared either by the owner or the assessor. As a necessary

consequence, it would be useless for the court to appoint commissioners under Rule 67 of the Rules of Court. Moreover, the need to satisfy the due process clause in the taking of private property is seemingly fulfilled since it cannot be said that a judicial proceeding was not had before the actual taking. However, the strict application of the decrees during the proceedings would be nothing short of a mere formality or charade as the court has only to choose between the valuation of the owner and that of the assessor, and its choice is always limited to the lower of the two. The court cannot exercise its discretion or independence in determining what is just and fair. Even a grade school pupil could substitute for the judge insofar as the determination of constitutional just compensation is concerned.

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In the present petition, we are once again confronted with the same question of whether the courts under P.D. No. 1533, which contains the same provision on just compensation as its predecessor decrees, still have the power and authority to determine just compensation, independent of what is stated by the decree and to this effect, to appoint commissioners for such purpose.

This time we answer in the affirmative.

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It is violative of due process to deny the owner the opportunity to prove that the valuation in the tax documents is unfair or wrong. And it is repulsive to the basic concepts of justice and fairness to allow the haphazard work of a minor bureaucrat or clerk to absolutely prevail over the judgment of a court promulgated only after expert commissioners have actually viewed the property, after evidence and arguments pro and con have been presented, and after all factors and considerations essential to a fair and just determination have been judiciously evaluated.[36]

The Court has reiterated *EPZA v. Dulay* in its later decisions, stressing that such determination was the function of the courts of justice that no other branch or official of the Government could usurp.

Upon the effectivity of R.A. No. 6657 in 1988, the DAR, as the central implementing agency of the law, promulgated the DARAB Rules of Procedures in 1989, 1994, 2003, and 2009 pursuant to the provisions of Section 49[37] and Section 50[38] of R.A. No. 6657 vesting it with the power to issue rules and regulations, whether substantive or procedural, to carry out the objects and purposes of the CARL. Moreover, Section 57 of the CARL defines the jurisdiction of the RTC sitting as the SAC, viz.:

Section 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.

Republic v. Court of Appeals, [39] which was principally relied upon by the petitioner herein, reiterated that the determination of just compensation for the taking of lands under the CARL was a power vested in the courts and not in administrative agencies, clarifying that the jurisdiction of the SAC was not appellate but original and exclusive, to wit:

Apart from the fact that only a statute can confer jurisdiction on courts and administrative agencies — rules of procedure cannot — it is noteworthy that the New Rules of Procedure of the DARAB, which was adopted on May 30, 1994, now provide that in the event a landowner is not satisfied with a decision of an agrarian adjudicator, the landowner can bring the matter directly to the Regional Trial Court sitting as Special Agrarian

Court. Thus Rule XIII, §11 of the new rules provides:

§11. 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.

This is an acknowledgment by the DARAB that the decision of just compensation cases for the taking of lands under R.A. No. 6657 is a power vested in the courts.

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xxx. In accordance with it, the private respondent's case was properly brought by it in the RTC, and it was error for the latter court to have dismissed the case. In the terminology of §57, the RTC, sitting as a Special Agrarian Court, has "original and exclusive jurisdiction over all petitions for the determination of just compensation to landowners." It would subvert this "original and exclusive" jurisdiction of the RTC for the DAR to vest original jurisdiction in compensation cases in administrative officials and make the RTC an appellate court for the review of administrative decisions.

Consequently, although the new rules speak of directly appealing the decision of adjudicators to the RTCs sitting as Special Agrarian Courts, it is clear from §57 that the original and exclusive jurisdiction to determine such cases is in the RTCs. Any effort to transfer such jurisdiction to the adjudicators and to convert the original jurisdiction of the RTCs into appellate jurisdiction would be contrary to §57 and therefore would be void. What adjudicators are empowered to do is only to determine in a preliminary manner the reasonable compensation to be paid to landowners, leaving to the courts the ultimate power to decide this question.[40]

In the January 18, 2000 ruling in *Philippine Veterans Bank*,[41] the Court, through Justice Vicente V. Mendoza who had penned *Republic v. Court of Appeals*, upheld the DARAB rule to the effect that the adjudicator's preliminary determination of just compensation must be brought to the SAC within 15 days from receipt of the notice thereof; otherwise, the parties would be concluded by the result. The Court then declared:

As we held in *Republic v. Court of Appeals*, 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.

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.[42]

However, in the 2007 ruling in *Land Bank v. Suntay*,[43] the Court opined that the RTC erred in dismissing the Land Bank's petition for determination of just compensation on the ground that it was filed beyond the 15-day

period provided in Section 11, Rule XIII of the DARAB New Rules of Procedure. This Court then emphatically reminded that the SAC's jurisdiction over petitions for the determination of just compensation was original and exclusive; that any effort to transfer such jurisdiction to the adjudicators of the DARAB and to convert the original jurisdiction of the RTC into appellate jurisdiction was void for being contrary to R.A. No. 6657; and that what DARAB adjudicators were empowered to do was only to determine in a preliminary manner the reasonable compensation to be paid to the landowners, leaving to the courts the ultimate power to decide this question.[44]

To purge any uncertainties brought about by the conflicting jurisprudence on the matter, this Court held in its July 31, 2008 resolution in *Land Bank v. Martinez*:^[45]

On the supposedly conflicting pronouncements in the cited decisions, the Court reiterates its ruling in this case that the agrarian reform adjudicator's decision on land valuation attains finality after the lapse of the 15-day period stated in the DARAB Rules. The petition for the fixing of just compensation should therefore, following the law and settled jurisprudence, be filed with the SAC within the said period. This conclusion, as already explained in the assailed decision, is based on the doctrines laid down in *Philippine Veterans Bank v. Court of Appeals and Department of Agrarian Reform Adjudication Board v. Lubrica*.

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The Court notes that the *Suntay* ruling is based on *Republic of the Philippines v. Court of Appeals*, decided in 1996 also through the pen of Justice Vicente V. Mendoza. In that case, the Court emphasized that the jurisdiction of the SAC is original and exclusive, not appellate. *Republic*, however, was decided at a time when Rule XIII, Section 11 was not yet present in the DARAB Rules. Further, *Republic* did not discuss whether the petition filed therein for the fixing of just compensation was filed out of time or not. The Court merely decided the issue of whether cases involving just compensation should first be appealed to the DARAB before the landowner can resort to the SAC under Section 57 of R.A. No. 6657.

To resolve the conflict in the rulings of the Court, we now declare herein, for the guidance of the bench and the bar, that the better rule is that stated in *Philippine Veterans Bank*, reiterated in *Lubrica* and in the August 14, 2007 Decision in this case. Thus, while a petition for the fixing of just compensation with the SAC is not an appeal from the agrarian reform adjudicator's decision but an original action, the same has to be filed within the 15-day period stated in the DARAB Rules; otherwise, the adjudicator's decision will attain finality. This rule is not only in accord with law and settled jurisprudence but also with the principles of justice and equity. Verily, a belated petition before the SAC, e.g., one filed a month, or a year, or even a decade after the land valuation of the DAR adjudicator, must not leave the dispossessed landowner in a state of uncertainty as to the true value of his property.[46] (Emphasis supplied)

In all of the foregoing rulings of the Court as well as in subsequent ones, it could not have been overemphasized that the determination of just compensation in eminent domain is a judicial function. However, the more recent jurisprudence uphold the preeminence of the pronouncement in *Philippine Veterans Bank* to the effect that the parties only have 15 days from their receipt of the decision/order of the DAR within which to invoke the original and exclusive jurisdiction of the SAC; otherwise, the decision/order attains finality and immutability.

It remains uncontested that the petitioner filed her complaint in the RTC for the determination of just compensation after more than two and a half months had already elapsed from the time the DARAB issued the assailed valuation. Following the pronouncement in *Philippine Veterans Banks*, her failure to file the complaint within the prescribed 15-day period from notice would have surely rendered the DARAB's valuation order final and executory. As such, it would seem that there was sufficient ground for the dismissal of the petitioner's complaint for having been filed out of time.

However, we cannot fairly and properly hold that the petitioner's complaint for the determination of just

compensation should be barred from being tried and decided on that basis. The prevailing rule at the time she filed her complaint on August 19, 1999 was that enunciated in *Republic v. Court of Appeals* on October 30, 1996.[47] The pronouncement in *Philippine Veterans Bank* was promulgated on January 18, 2000 when the trial was already in progress in the RTC. At any rate, it would only be eight years afterwards that the Court en banc unanimously resolved the jurisprudential conundrum through its declaration in *Land Bank v. Martinez* that the better rule was that enunciated in *Philippine Veterans Bank*. The Court must, therefore, prospectively apply *Philippine Veterans Bank*. The effect is that the petitioner's cause of action for the proper valuation of her expropriated property should be allowed to proceed. Hence, her complaint to recover just compensation was properly brought in the RTC as the SAC, whose dismissal of it upon the motion of *Land Bank* should be undone.

WHEREFORE, we GRANT the petition for review on certiorari, and REVERSE the decision of the Court of Appeals dated November 22, 2002; and DIRECT the Regional Trial Court, Branch 30, in Dumaguete City to resume the proceedings in Civil Case No. 12558 for the determination of just compensation of petitioner Jocelyn S. Limkaichong's expropriated property.

No pronouncement on costs of suit.

SO ORDERED.

Sereno, C.J., Leonardo-De Castro, Peralta, Del Castillo, Perez, Mendoza, Reyes, Perlas-Bernabe, Jardeleza, and Caguioa, JJ., concur.

Carpio, J., I join the Separate Opinion of Justice Velasco.

Velasco, Jr., J., Please see Separate Concurring Opinion.

Brion, J., on leave.

Leonen, J., see separate concurring opinion.

Jardeleza, J., see separate concurring opinion.

NOTICE OF JUDGMENT

Sirs/Mesdames:

Please take notice that on August 2, 2016 a Decision/Resolution, copy attached herewith, was rendered by the Supreme Court in the above-entitled case, the original of which was received by this Office on August 19, 2016 at 3:01 p.m.

Very truly yours,

(SGD)FELIPA G. BORLONGAN-ANAMA

Clerk of Court

[1] Rollo, pp. 165-169; penned by Associate Justice Perlita J. Tria Tirona (retired), with the concurrence of Associate Justice Roberto A. Barrios (retired/deceased) and Associate Justice Edgardo F. Sundiam (retired/deceased).

[2] Id. at 189-190.

[3] Comprehensive Agrarian Reform Law, signed by President Corazon Aquino on June 10, 1988.

[4] Rollo, pp. 69-70.

[5] Id. at 71-72.

[6] Id. at 76.

[7] Id. at 73-74.

[8] Docketed as DARAB Case Nos. VII-203-NO-98, VII-204-NO-98, VII-213-NO-98, and VII-228-NO-98.

[9] Rollo, pp. 98-103.

[10] Id. at 82-85.

[11] Id. at 104-105.

[12] 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 consideration shall be allowed. Any order, ruling or decision shall be final after the lapse of fifteen (15) days from receipt of a copy thereof.

[13] Rollo, p. 106.

[14] Id. at 107-110.

[15] Id. at 116-121.

[16] Section 54. Certiorari. - Any decision, order, award or ruling of the DAR on any agrarian dispute or on any matter pertaining to the application, implementation, enforcement, or interpretation of this Act and other pertinent laws on agrarian reform may be brought to the Court of Appeals by certiorari except as otherwise provided in this Act within fifteen (15) days from receipt of a copy thereof.

[17] Section 11. 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.

[18] G.R. No. 132767, January 18, 2000, 322 SCRA 139.

[19] G.R. No. 122256, October 30, 1996, 263 SCRA 758.

[20] Rollo, pp. 122-135.

[21] Id. at 18.

[22] Id. at 19-24, 138-155.

[23] Id. at 215-228, 232-250.

[24] Section 60. Appeals. - An appeal may be taken from the decision of the Special Agrarian Courts by filing a petition for review with the Court of Appeals fifteen (15) days from receipt of notice of the decision; otherwise, the decision shall become final.

An appeal from the decision of the Court of Appeals, or from any order, ruling or decision of DAR, as the case may be, shall be by a petition for review with the Supreme Court within a non-extendible period of fifteen (15) days from receipt of a copy of said decision.

[25] Heirs of Spouses Teofilo M. Reterta and Elisa Reterta v. Lopez, G.R. No. 159941, August 17, 2011, 655

SCRA 580, 590-591.

[26] *De los Santos v. Court of Appeals*, G.R. No. 169498, December 11, 2008, 573 SCRA 690, 700.

[27] *Id.*

[28] *Metropolitan Bank and Trust Company, Inc. v. National Wages and Productivity Commission*, G.R. No. 144322, February 6, 2007, 514 SCRA 346, 358; *Silvestre v. Torres and Oben*, 57 Phil. 885, 890 (1933).

[29] *Rodriguez v. Court of Appeals*, G.R. No. 85723, June 19, 1995, 245 SCRA 150, 152.

[30] *Bristol Myers Squibb, (Phils.), Inc. v. Vilorio*, G.R. No. 148156, September 27, 2004, 439 SCRA 202, 211.

[31] Executive Order No. 405 (VESTING IN THE LAND BANK OF THE PHILIPPINES THE PRIMARY RESPONSIBILITY TO DETERMINE THE LAND VALUATION AND COMPENSATION FOR ALL LANDS COVERED UNDER REPUBLIC ACT NO. 6657, KNOWN AS THE COMPREHENSIVE AGRARIAN REFORM LAW OF 1988), dated June 14, 1990.

[32] Section 16. Procedure for Acquisition and Distribution of Private Lands.- For purposes of acquisition of private lands, the following procedures shall be followed:

(a) After having identified the land, the landowners and the beneficiaries, the DAR shall send its notice to acquire the land to the owners thereof, by personal delivery or registered mail, and post the same in a conspicuous place in the municipal building and barangay hall of the place where the property is located. Said notice shall contain the offer of the DAR to pay a corresponding value in accordance with the valuation set forth in Sections 17, 18, and other pertinent provisions hereof.

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[33] Section 51 of R.A. No. 6657; Section 11 of Rule XIII of the 1994 DARAB Rules of Procedure.

[34] *Republic v. Court of Appeals*, *supra* note 19, at 764-765.

[35] G.R. No. L-59603, April 29, 1987, 149 SCRA 305.

[36] *Id.* at 311-316.

[37] Section 49. Rules and Regulations. The PARC and the DAR shall have the power to issue rules and regulations, whether substantive or procedural, to carry out the objects and purposes of this Act. Said rules shall take effect ten (10) days after publication in two (2) national newspapers of general circulation.

[38] Section 50. Quasi-Judicial Powers of the DAR. The DAR is hereby vested with the 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).

It shall not be bound by technical rules of procedure and evidence but shall proceed to hear and decide all cases, disputes or controversies in a most expeditious manner, employing all reasonable means to ascertain the facts of every case in accordance with justice and equity and the merits of the case. Toward this end, it shall adopt a uniform rule of procedure to achieve a just, expeditious and inexpensive determination for every action or proceeding before it.

It shall have the It shall have the power to summon witnesses, administer oaths, take testimony, require submission of reports, compel the production of books and documents and answers to interrogatories and issue

subpoena, and subpoena duces tecum and to enforce its writs through sheriffs or other duly deputized officers. It shall likewise have the power to punish direct and indirect contempt in the same manner and subject to the same penalties as provided in the Rules of Court

Representatives of farmer leaders shall be allowed to represent themselves, their fellow farmers or their organizations in any proceedings before the DAR: Provided, however, that when there are two or more representatives for any individual or group, the representatives should choose only one among themselves to represent such party or group before any DAR proceedings.

Notwithstanding an appeal to the Court of Appeals, the decision of the DAR shall be immediately executory except a decision or portion thereof involving solely the issue of just compensation.

[39] Supra note 20.

[40] Id. at 764-765.

[41] Supra note 19.

[42] Id. at 145-147.

[43] G.R. No. 157903, October 11, 2007, 535 SCRA 605.

[44] Id. at 618-619.

[45] G.R. No. 169008, July 31, 2008, 560 SCRA 776.

[46] Id. at 781-783.

[47] Supra note 19.

SEPARATE CONCURRING OPINION

VELASCO, JR., J.:

I concur with the well-crafted ponencia of my esteemed colleague, Associate Justice Lucas P. Bersamin.

While the grant of the petition is moored on the pronouncement in *Republic v. Court of Appeals (Republic)*,^[1] as reinforced later in *Land Bank of the Philippines v. Suntay*,^[2] I submit that the petition should be granted on the ground that the fifteen (15)-day period to file the case with the Special Agrarian Court (SAC) required by the 1994 DARAB Rules of Procedure (1994 DARAB Rules) and adopted in the 2009 version is null and void, it being a gross breach of Section 57 of Republic Act No. 6657 (RA 6657), otherwise known as the Comprehensive Agrarian Reform Law (CARL).

I am in complete agreement with the ponencia's application herein of the doctrine in *Republic*, as reiterated in *Suntay*, to the end that there is no statutory period within which the issue of just compensation must be brought before the proper Regional Trial Court (RTC) acting as the SAC. But while the ponencia is of the position that the rulings in *Republic* and *Suntay* have already been superseded, I respectfully submit that the doctrine is as valid and applicable now as it were before.

The issue in the case at bar originated from the petition of Jocelyn S. Limkaichong (Limkaichong) for the determination of the amount of just compensation that she is entitled to under the CARL, Pursuant to Sec. 16 of the law, the Department of Agrarian Reform (DAR) "shall conduct summary administrative proceedings to

determine the compensation for the land"[3] if the landowner rejects the initial offer of compensation from the government; and "[a]ny party who disagrees with the decision may bring the matter to the court of proper jurisdiction for final determination of just compensation." [4]

None of the parties doubts that the proper court in this case is the RTC in Dumaguete City designated as the SAC. Respondents postulate, however, that the judicial remedy is subject to a 15-day reglementary period reckoned from the date of receipt of the DAR's valuation, citing Sec. 54 of the CARL, as well as Sec. 11, Rule XIII of the 1994 DARAB Rules. The rule provides:

Sec.11 Land Valuation and Preliminary Determination and Payment of Just Compensation. - The decision of the Adjudicator on land valuation and preliminary determination 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.

Replicated in Sec. 6, Rule XIX of the 2009 DARAB Rules is the imposition of the 15-day reglementary period. The provision reads:

Sec. 6. Filing of Original Action with the Special Agrarian Court for Final Determination. - The party who disagrees with the decision of the Board/Adjudicator may contest the same by filing an original action with the Special Agrarian Court (SAC) having jurisdiction over the subject property within fifteen (15) days from his receipt of the Board/Adjudicator's decision, (emphasis added)

Since it was not disputed herein, as it was in fact admitted, that petitioner Limkaichong availed of the judicial remedy after about two-and-a-half months had elapsed from receipt of notice, respondents claim that the SAC ought to have dismissed her petition outright.

Respondents' argument fails to persuade.

Discussion

The determination of just compensation is a judicial function

The payment of just compensation is a constitutional limitation to the government's exercise of eminent domain. Despite making numerous appearances in various provisions of the fundamental law,[5] it was the understanding among the members of the Constitutional Commission that the concept of "just compensation" would nevertheless bear the same jurisprudentially-settled meaning throughout the document.[6]

As settled, the term "just compensation" refers to the full and fair equivalent of the property taken from its owner by the expropriator. The measure is not the taker's gain, but the owner's loss. The word "just" is used to qualify the meaning of the word "compensation" and to convey thereby the idea that the amount to be tendered for the property to be taken shall be real, substantial, full and ample.[7]

The determination of just compensation is essentially a judicial function, consistent with the Court's roles as the guardian of the fundamental rights guaranteed by the due process and equal protection clauses, and as the final arbiter over transgressions committed against constitutional rights.[8] This was the teaching in the landmark *Export Processing Zone Authority v. Dulay* (Dulay)[9] wherein the Court held that:

The determination of "just compensation" in eminent domain cases is a judicial function. The executive department or the legislature may make the initial determinations but when a party claims a violation of the guarantee in the Bill of Rights that private property may not be taken for public use without just compensation, no statute, decree, or executive order can mandate that its own determination shall prevail over the court's findings. Much less can the courts be precluded from looking into the "just-ness" of the decreed compensation.

(emphasis added)

Dulay involved an expropriation case for the establishment of an export processing zone. There, the Court declared provisions of Presidential Decree Nos. 76, 464, 794, and 1533 as unconstitutional for encroaching on the prerogative of the judiciary to determine the amount of just compensation to which the affected landowners were entitled. The Court further held that, at the most, the valuation in the decrees may only serve as guiding principles or factors in determining just compensation, but it may not substitute the court's own judgment as to what amount should be awarded and how to arrive at such amount.[10]

The seminal case of Dulay paved the way for similar Court pronouncements in other expropriation proceedings. Thus, in *National Power Corporation v. Zabala*,[11] as in the catena of cases that preceded it,[12] the Court refused to apply Sec. 3-A of Republic Act No. 6395, as amended,[13] in determining the amount of just compensation to which the landowner therein was entitled. As held:

xxx The payment of just compensation for private property taken for public use is guaranteed no less by our Constitution and is included in the Bill of Rights. As such, no legislative enactments or executive issuances can prevent the courts from determining whether the right of the property owners to just compensation has been violated. It is a judicial function that cannot "be usurped by any other branch or official of the government." Thus, we have consistently ruled that statutes and executive issuances fixing or providing for the method of computing just compensation are not binding on courts and, at best, are treated as mere guidelines in ascertaining the amount thereof.

To reiterate, the concept of just compensation is uniform across all forms of exercise of eminent domain. There is then neither rhyme nor reason to treat agrarian reform cases differently insofar as the determination of just compensation is concerned. I therefore express my concurrence to the line of cases that ruled that the land valuation by DAR is only preliminary and is not, by any means, final and conclusive upon the landowner or any other interested party, for, in the end, the courts still have the right to review with finality the determination in the exercise of what is admittedly a judicial function.[14]

The jurisdiction of the SAC is original and exclusive

Congress bestowed on the SACs "original and exclusive jurisdiction" over petitions for the determination of just compensation relating to government-taking of properties under the CARL. This could not be any clearer from the language of Sec. 57 of the law, to wit:

Section 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. (emphasis added)

The fundamental tenet is that jurisdiction can only be granted through legislative enactments,[15] and once conferred cannot be diminished by the executive branch. It can neither be expanded nor restricted by executive issuances in the guise of law enforcement. Thus, although the DAR has the authority to promulgate its own. rules of procedure,[16] it cannot modify the "original and exclusive jurisdiction" to settle the issue of just compensation accorded the SACs. Stated in the alternative, the DAR is precluded from vesting upon itself the power to determine the amount of just compensation to which a landowner is entitled.

This further finds support under Sec. 18 of the CARL, to wit:

Section 18. Valuation and Mode of Compensation. — The LBP shall compensate the landowner in such amounts as may be agreed upon by the landowner and the DAR and the LBP, in accordance with the criteria provided for in Sections 16 and 17, and other pertinent provisions hereof, or as may be finally determined by

the court, as the just compensation for the land. (emphasis added)

As can be gleaned, the CARL contemplates of only two modes of fixing the proper amount of just compensation: either by agreement of the parties, or by court ruling. Should the parties then fail to agree, the only remaining option is to seek court intervention. Notably, the law does not leave to any other body, not even the DAR, the final determination of just compensation. The jurisdiction of the SAC on this matter, therefore, remains to be original and exclusive.

This is consistent with the oft-cited ruling that the taking of property under RA 6657 is an exercise of the power of eminent domain by the State, and that the valuation of property or determination of just compensation in eminent domain proceedings is essentially a judicial function which is vested with the courts and not with administrative agencies.[17] As held in *Land Bank of the Philippines v. Court of Appeals*:[18]

It is clear from Sec. 57 that the RTC, sitting as a Special Agrarian Court, has original and exclusive jurisdiction over all petitions for the determination of just compensation to landowners. This original and exclusive jurisdiction of the RTC would be undermined if the DAR would vest in administrative officials original jurisdiction in compensation cases and make the RTC an appellate court for the review of administrative decisions. Thus, although the new rules speak of directly appealing the decision of adjudicators to the RTCs sitting as Special Agrarian Courts, it is clear from Sec. 57 that the original and exclusive jurisdiction to determine such cases is in the RTCs. Any effort to transfer such jurisdiction to the adjudicators and to convert the original jurisdiction of the RTCs into appellate jurisdiction would be contrary to Sec. 57 and therefore would be void. Thus, direct resort to the SAC by private respondent is valid. (emphasis added)

The Court has applied this holding in numerous other cases. *Heirs of Vidad v. Land Bank of the Philippines*[19] (*Heirs of Vidad*) summarized the Court's jurisprudence on this point thusly:

In *Land Bank of the Philippines v. Wycoco*,[20] the Court upheld the RTCs jurisdiction over Wycoco's petition for determination of just compensation even where no summary administrative proceedings was held before the DARAB which has primary jurisdiction over the determination of land valuation. xxx

In *Land Bank of the Philippines v. Court of Appeals*,[21] the landowner filed an action for determination of just compensation without waiting for the completion of DARAB's re-evaluation of the land. xxx

In *Land Bank of the Philippines v. Natividad*,[22] wherein Land Bank questioned the alleged failure of private respondents to seek reconsideration of the DAR's valuation, but instead filed a petition to fix just compensation with the RTC xxx.

In *Land Bank of the Philippines v. Celada*,[23] where the issue was whether the SAC erred in assuming jurisdiction over respondent's petition for determination of just compensation despite the pendency of the administrative proceedings before the DARAB xxx. (emphasis added)

In the cases cited in *Heirs of Vidad*, the Court has invariably upheld the original and exclusive jurisdiction of the SACs over petitions for the determination of just compensation, notwithstanding the seeming failure to exhaust administrative remedies before the DAR.

More recently, in *Land Bank of the Philippines v. Montalvan*,[24] therein petitioner argued that the landowner's filing with the SAC of a separate complaint for the determination of just compensation was premature because the revaluation proceedings in the DAR were still pending. The Court ruled, however, that the pendency of the DAR proceedings could not have ousted the SAC from its original and exclusive jurisdiction over the petition for judicial determination of just compensation since "the function of fixing the award of just compensation is properly lodged with the trial court and is not an administrative undertaking." [25]

Direct resort to the SAC is, therefore, valid. The Court never considered the issuance of a prior DAR valuation as neither a jurisdictional requirement nor a condition precedent, and in its absence, as a fatal defect.

Allowing the DAR valuation to attain finality diminishes the jurisdiction of the SAC

The dictum allowing the valuation by the DAR to attain finality if not brought before the SAC within 15 days is inconsistent with the above disquisitions. The DAR's valuation, being preliminary in nature, could not attain finality, as it is only the courts that can resolve the issue on just compensation.[26] Administrative rules that impose a reglementary period for filing a petition before the SAC, consequently allowing the DAR's preliminary valuation to attain finality, unduly diminish the original and exclusive jurisdiction of the SAC, and convert it into an appellate one.

To clarify, the doctrine of "finality of judgment" is reserved only to those rendered by judicial or quasi-judicial bodies in the valid exercise of their jurisdiction. Dispositions of judicial and quasi-judicial bodies on matters within their jurisdiction or competence to decide are valid and binding.[27] On the other hand, a judgment issued without jurisdiction is no judgment at all and cannot attain finality no matter how long a period has elapsed.

The imposition of the 15-day reglementary period ought to then be construed as a claim of jurisdiction. By decreeing that its valuation is capable of attaining finality, the DAR effectively arrogated unto itself the power to make a final determination, a binding judgment, on the amount of just compensation the landowner is entitled to, a power expressly bestowed exclusively upon the courts under Secs. 18 and 57 of the CARL. Consequently, it rendered the proceedings before the SACs appellate in nature, rather than originally commenced thereon.

Moreover, it contravened the Court's doctrine in the landmark case of *Dulay* wherein we held that the judicial branch can never be barred from resolving the issue of just compensation. Apropos herein is a reproduction of the Court's holding in *Dulay*:

The determination of "just compensation" in eminent domain cases is a judicial function. The executive department or the legislature may make the initial determinations but when a party claims a violation of the guarantee in the Bill of Rights that private property may not be taken for public use without just compensation, no statute, decree, or executive order can mandate that its own determination shall prevail over the court's findings. Much less can the courts be precluded from looking into the "just-ness" of the decreed compensation. (emphasis added)

The Court's pronouncement in *Republic*[28] should, therefore, be upheld. There, the landowner filed a petition for the determination of just compensation before the SAC beyond the reglementary period mandated by the DAR rules. Nevertheless, the Court held that the outright dismissal of the case was not warranted. Instead, it endeavored to preserve the original and exclusive jurisdiction of the SACs in the following wise:[29]

In accordance with [the procedure for the determination of compensation cases under R.A. No. 6657], the private respondent's case was properly brought by it in the RTC, and it was error for the latter court to have dismissed the case. In the terminology of [Sec.] 57 [of the CARL], the RTC, sitting as a Special Agrarian Court, has original and exclusive jurisdiction over all petitions for the determination of just compensation to landowners. It would subvert this original and exclusive jurisdiction of the RTC for the DAR to vest original jurisdiction in compensation cases in administrative officials and make the RTC an appellate court for the review of administrative decisions.

Consequently, although the new rules speak of directly appealing the decision of adjudicators to the RTCs sitting as Special Agrarian Courts, it is clear from [Sec.] 57 that the original and exclusive jurisdiction to determine such cases is in the RTCs. Any effort to transfer such jurisdiction to the adjudicators and to convert the original jurisdiction of the RTCs into appellate jurisdiction would be contrary to [Sec] 57 and therefore

would be void. What adjudicators are empowered to do is only to determine in a preliminary manner the reasonable compensation to be paid to landowners, leaving to the courts the ultimate power to decide this question. (emphasis added)

Invoking this doctrine, the Court, in *Suntay*[30] emphasized that the petition before the SAC is an original action, and not an appeal. It echoed that "[a]ny effort xxx to convert the original jurisdiction of the RTCs into appellate jurisdiction would be contrary to Section 57 and therefore would be void." [31] Resultantly, the Court ruled that the filing of the petition beyond the 15-day period in that case did not bar the SAC from exercising its original and exclusive jurisdiction in resolving the issue of just compensation.

In line with this ruling, the Court resolved in *Heirs of Vidad*[32] that:

xxx RA 6657 does not make DARs valuation absolutely binding as the amount payable by LBP. A reading of Section 18 of RA 6657 shows that the courts, and not the DAR, make the final determination of just compensation. It is well-settled that the DAR's land valuation is only preliminary and is not, by any means, final and conclusive upon the landowner or any other interested party. The courts will still have the right to review with finality the determination in the exercise of what is admittedly a judicial function. (emphasis added)

All told, the DAR's valuation cannot be treated as the amount of just compensation the landowner is entitled to, notwithstanding the lapse of 15 days from receipt of notice thereof. It is not in the nature of an award that was "finally determined by the court," for, aside from the DAR not being a court of law, the postulation would render the subsequent petition before the SAC an appeal. This would, in turn, contravene the clear and categorical tenor of the law that the jurisdiction of the SAC, with respect to the issue of just compensation, is original and exclusive.

The 15-day reglementary period has no statutory basis

The inapplicability of the 15-day reglementary period is further bolstered by Sec. 16 of the CARL, which outlined the procedure for the acquisition of private lands under the law.[33] While the provision states that the party who disagrees with the valuation by the DAR may bring the issue to court,[34] the law is silent as to the period for doing so.

It is plain error for respondents to claim that the 15-day period finds basis under Sec. 54 of the CARL, which pertinently reads:

Section 54. Certiorari. — Any decision, order, award or ruling of the DAR on any agrarian dispute or on any matter pertaining to the application, implementation, enforcement, or interpretation of this Act and other pertinent laws on agrarian reform may be brought to the Court of Appeals by certiorari except as otherwise provided in this Act within fifteen (15) days from the receipt of a copy thereof.

The title of the provision itself evinces that the period only applies to certiorari petitions before the Court of Appeals (CA) for purposes of reviewing DAR rulings falling within its jurisdiction. It serves to distinguish petitions for certiorari under the CARL from those filed under the Rules of Court, which are allowed a 60-day leeway for filing.[35]

Moreover, any party desiring to appeal a ruling to the CA or to this Court is mandated to do so within fifteen (15) days, as provided under Sec. 60 the CARL.[36] Thus, if Congress intended for the same period to likewise apply to the filing of petitions for the determination of just compensation before the SAC, reckoned from the date of notice from the DAR ruling, then the law would have expressly provided the same.

Succinctly put, there is no basis for requiring the petition for the determination of just compensation to be filed

within 15 days from receipt of notice of the DAR's valuation. The validity of Sec. 11, Rule XIII of the 1994 Rules, as reincarnated in Sec. 6, Rule XIX of the 2009 Rules, cannot then be sustained and, instead, must be struck down as void and of no legal effect.

Aside from lacking statutory basis, the imposition of the 15-day reglementary period likewise unduly diminishes the jurisdiction vested on the SACs, as earlier discussed. Guilty of reiteration, the duty to fix just compensation is a judicial function, and the jurisdiction of the SACs to set the appropriate value for it is original and exclusive. This is the clear import of Sec. 57 of the CARL. These cardinal doctrines, however, are violated by the imposition of a 15-day reglementary period under Sec. 11, Rule XIII of the 1994 Rules of Procedure and Sec. 6, Rule XIX of the 2009 Rules of Procedure. These rules supplement the perceived silence of the CARL with a provision that contradicts Sec. 57 thereof—vesting the DAR with the authority to render a binding judgment on the valuation of the subject property, and converting the original action before the SAC into an appellate one.

It is settled jurisprudence that a rule or regulation cannot offend or collide with a legal provision. In cases of conflict between the law and the rules and regulations implementing the same, the law must always prevail.[37] The Court said as much in *Miners Association of the Philippines, Inc. v. Factoran*: [38]

We reiterate the principle that the power of administrative officials to promulgate rules and regulations in the implementation of a statute is necessarily limited only to carrying into effect what is provided in the legislative enactment. The principle was enunciated as early as 1908 in the case of *United States v. Barrias*. The scope of the exercise of such rule-making power was clearly expressed in the case of *United States v. Tupasi Molina*, decided in 1914, thus: "Of course, the regulations adopted under legislative authority by a particular department must be in harmony with the provisions of the law, and for the sole purpose of carrying into effect its general provisions. By such regulations, of course, the law itself cannot be extended. So long, however, as the regulations relate solely to carrying into effect its general provisions. By such regulations, of course, the law itself cannot be extended. So long, however, as the regulations relate solely to carrying into effect the provision of the law, they are valid." (emphasis added, citations omitted)

The spring cannot rise higher than its source. And just as a statute cannot be at variance with the Constitution, so too must the implementing rules conform to the language of the law.[39] Rules and regulations cannot go beyond the terms and provisions of the basic law they seek to implement. The power to promulgate Rules and Regulations cannot be extended to amending or expanding the statutory requirements or to embrace matters not covered by the statute. Rules that subvert the statute cannot be sanctioned.[40]

Such being the case, Sec. 11, Rule XIII of the 1994 Rules of Procedure and Sec. 6, Rule XIX of the 2009 Rules of Procedure are null and void and of no legal effect. There is no period expressly nor impliedly prescribed by RA 6657 within which landowners may bring an action with the SAC for the determination of the just value of their lots.

Nevertheless, the government, in the interim, is not precluded from proceeding to take the property in issue, provided that the necessary deposit has been made. Thus, while landowners may take their sweet time to institute the said case, the fact that the DAR will proceed to cancel the title of lot owners and replace the same with a Certificate of Land Ownership is more than ample reason for them to file the case with the SAC posthaste. The expropriation process is then, in a manner of speaking, self-policing since the landowners are compelled to litigate and file a case for just compensation if they are unsatisfied with the government's deposit. The inapplicability of the 15-day reglementary period is, therefore, of no moment.

In view of the foregoing, I respectfully register my vote to GRANT the instant petition, The 15-day requirement under Sec. 11, Rule XIII of the 1994 DARAB Rules of Procedure and Sec. 6, Rule XIX of the 2009 DARAB Rules of Procedure should be declared NULL and VOID and of no legal effect for being contrary to Sec. 57 of the

CARL.

[1] G.R. No. 122256, October 30, 1996.

[2] G.R. No. 157903, October 11, 2007.

[3] RA 6657, Sec. 16(d).

[4] Id., Sec. 16(f).

[5] Article III. Bill of Rights

Section 9. Private property shall not be taken for public use without just compensation.

Article XII. National Economy and Patrimony

Section 18. The State may, in the interest of national welfare or defense, establish and operate vital industries and, upon payment of just compensation, transfer to public ownership utilities and other private enterprises to be operated by the Government.

Article XIII. Social Justice and Human Rights

Section 4. The State shall, by law, undertake an agrarian reform program founded on the right of farmers and regular farmworkers who are landless, to own directly or collectively the lands they till or, in the case of other farmworkers, to receive a just share of the fruits thereof. To this end, the State shall encourage and undertake the just distribution of all agricultural lands, subject to such priorities and reasonable retention limits as the Congress may prescribe, taking into account ecological, developmental, or equity considerations, and subject to the payment of just compensation. In determining retention limits, the State shall respect the right of small landowners. The State shall further provide incentives for voluntary land-sharing. (emphasis added)

[6] Record of the Constitutional Commission Proceedings and Debates, Vol. 3, pp. 16-21; Minutes of the Constitutional Commission dated August 7, 1986.

[7] National Power Corporation v. Spouses Zabala, G.R. No. 173520, January 30, 2013, citing Republic v. Rural Bank of Kabacan, Inc., G.R. No. 185124, January 25, 2012, 664 SCRA 233, 244; National Power Corporation v. Manubay Agro-Industrial Development Corporation, 480 Phil. 470, 479 (2004).

[8] EPZA v. Dulay, G.R. No. L-59603, April 29, 1987.

[9] Id.

[10] Id.

[11] G.R. No. 173520, January 30, 2013.

[12] Republic v. Lubinao, G.R. No. 166553, July 30, 2009, 594 SCRA 363, 378; National Power Corporation v. Tuazon, G.R. No. 193023, June 29, 2011, 653 SCRA 84, 95; and National Power Corporation v. Saldares, G.R. No. 189127, April 25, 2012, 671 SCRA 266, 277-278.

[13] Sec. 3A. xxx

In determining the just compensation of the property or property sought to be acquired through expropriation proceedings, the same shall:

(a) With respect to the acquired land or portion thereof, not to exceed the market value declared by the owner or

administrator or anyone having legal interest in the property, or such market value as determined by the assessor, whichever is lower.

(b) With respect to the acquired right-of-way easement over the land or portion thereof, not to exceed ten percent (10%) of the market value declared by the owner or administrator or anyone having legal interest in the property, or such market value as determined by the assessor whichever is lower.

xxxx

[14] Heirs of Vidad v. Land Bank of the Philippines, G.R. No. 166461, April 30, 2010.

[15] Magno v. People, G.R. No. 171542, April 6, 2011; citing Machado v. Gatdula, G.R. No. 156287, February 16, 2010, 612 SCRA 546, 559; Spouses Vargas v. Spouses Caminas, G.R. Nos. 137839-40, June 12, 2008, 554 SCRA 305, 317; Metromedia Times Corporation v. Pastorin, G.R. No. 154295, July 29, 2005, 465 SCRA 320, 335; and Dy v. National Labor Relations Commission, 229 Phil. 234, 242 (1986).

[16] RA 6657, Sec. 49.

[17] Land Bank of the Philippines v. Montalvan, G.R. No. 190336, June 27, 2012; citing Land Bank of the Philippines v. Court of Appeals, 376 Phil. 252 (1999); and Land Bank of the Philippines v. Celada, 515 Phil. 467 (2006).

[18] 376 Phil. 252 (1999).

[19] G.R. No. 166461, April 30, 2010.

[20] G.R. No. 140160, January 13, 2004.

[21] 376 Phil. 252 (1999).

[22] G.R. No. 127198, May 16, 2005.

[23] G.R. No. 164876, January 23, 2006.

[24] G.R. No. 190336, June 27, 2012.

[25] Land Bank of the Philippines v. Montalvan, G.R. No. 190336, June 27, 2012.

[26] Heirs of Vidad v. Land Bank of the Philippines, G.R. No. 166461, April 30, 2010; citing Association of Small Landowners in the Philippines, Inc. v. Secretary of Agrarian Reform, G.R. No. 78742, July 14, 1989, 175 SCRA 343, 382.

[27] Vios v. Patangco, G.R. No. 163103, February 6, 2009.

[28] G.R. No. 122256, October 30, 1996.

[29] Republic v. Court of Appeals, G.R. No. 122256, October 30, 1996.

[30] G.R. No. 157903, October 11, 2007.

[31] Land Bank of the Philippines v. Suntay, G.R. No. 157903, October 11, 2007.

[32] G.R. No. 166461, April 30, 2010.

[33] Section 16. Procedure for Acquisition of Private Lands. — For purposes of acquisition of private lands, the following procedures shall be followed:

(a) After having identified the land, the landowners and the beneficiaries, the DAR shall send its notice to acquire the land to the owners thereof, by personal delivery or registered mail, and post the same in a conspicuous place in the municipal building and barangay hall of the place where the property is located. Said notice shall contain the offer of the DAR to pay a corresponding value in accordance with the valuation set forth in Sections 17, 18, and other pertinent provisions hereof.

(b) Within thirty (30) days from the date of receipt of written notice by personal delivery or registered mail, the landowner, his administrator or representative shall inform the DAR of his acceptance or rejection of the offer.

(c) If the landowner accepts the offer of the DAR, the Land Bank of the Philippines (LBP) shall pay the landowner the purchase price of the land within thirty (30) days after he executes and delivers a deed of transfer in favor of the government and surrenders the Certificate of Title and other muniments of title.

(d) In case of rejection or failure to reply, the DAR shall conduct summary administrative proceedings to determine the compensation for the land requiring the landowner, the LBP and other interested parties to submit evidence as to the just compensation for the land, within fifteen (15) days from the receipt of the notice. After the expiration of the above period, the matter is deemed submitted for decision. The DAR shall decide the case within thirty (30) days after it is submitted for decision.

(e) Upon receipt by the landowner of the corresponding payment or, in case of rejection or no response from the landowner, upon the deposit with an accessible bank designated by the DAR of the compensation in cash or in LBP bonds in accordance with this Act, the DAR shall take immediate possession of the land and shall request the proper Register of Deeds to issue a Transfer Certificate of Title (TCT) in the name of the Republic of the Philippines. The DAR shall thereafter proceed with the redistribution of the land to the qualified beneficiaries.

(f) Any party who disagrees with the decision may bring the matter to the court of proper jurisdiction for final determination of just compensation.

[34] RA 6657, Sec. 16(f).

[35] RULES OF COURT, Rule 65, Sec. 4.

[36] Section 60. Appeals. — An appeal may be taken from the decision of the Special Agrarian Courts by filing a petition for review with the Court of Appeals within fifteen (15) days receipt of notice of the decision; otherwise, the decision shall become final.

An appeal from the decision of the Court of Appeals, or from any order, ruling or decision of the DAR, as the case may be, shall be by a petition for review with the Supreme Court within a non-extendible period of fifteen (15) days from receipt of a copy of said decision.

[37] Commissioner of Internal Revenue v. Bicolandia Drug, G.R. No. 148083, July 21, 2006.

[38] G.R. No. 98332, January 16, 1995.

[39] Republic of the Philippines v. Bajao, G.R. No. 160596, March 20, 2009.

[40] People v. Maceren, No. L-32166, October 18, 1977, 79 SCRA 450; citing University of Santo Tomas v. Board of Tax Appeals, 93 Phil. 376, 382 (1953), citing 12 C.I. 845-46. As to invalid regulations, see Collector of Internal Revenue v. Villaflores, 69 Phil. 319 (1940); Wise & Co. v. Meer, 78 Phil. 655, 676 (1947); Del Mar v. Phil. Veterans Administration, No. L-27299, June 27, 1973, 51 SCRA 340, 349.

SEPARATE CONCURRING OPINION

LEONEN, J.:

I concur with the ponencia. The original and exclusive jurisdiction of Special Agrarian Courts to determine just compensation should not be superseded by an executive determination. Therefore, provisions that limit the period when landowners can assert their right to just compensation should be struck down for being outside the constitutional confines of the eminent domain powers of the state.

The ponencia correctly upheld the doctrine in *Export Processing Zone Authority v. Dulay*.^[1] The valuation of the Department of Agrarian Reform is merely preliminary.^[2] It is even superfluous since the determination of just compensation is a settled role of the judiciary.^[3] Nevertheless, Section 16 of Republic Act No. 6657^[4] allows the Department of Agrarian Reform to conduct a summary administrative proceeding to determine just compensation. The most relevant portion of this procedure is paragraph (f), which states that "[a]ny party who disagrees with the decision may bring the matter to the court of proper jurisdiction for final determination of just compensation."^[5]

On the jurisdiction over petitions for the determination of just compensation, Section 57 of Republic Act No. 6657 provides:

SECTION 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. (Emphasis supplied)

Thus, Regional Trial Courts sitting as Special Agrarian Courts have "original and exclusive jurisdiction over all petitions for the determination of just compensation to landowners."^[6] The jurisdiction is original, which means that petitions for determination of just compensation may be initiated before Special Agrarian Courts. The jurisdiction is exclusive, which means that no other court or quasi-administrative tribunal has the same original jurisdiction over these cases.^[7] There are no ambiguities in Section 57. No administrative process can subvert this grant of original and exclusive jurisdiction to Special Agrarian Courts.

The right to just compensation is constitutionally enshrined. Article III, Section 9 of the Constitution states that "[p]rivate property shall not be taken for public use without just compensation."^[8] Article XIII, Section 4^[9] of the Constitution also recognizes the landowner's right to just compensation. As a constitutional right, the determination of just compensation is ultimately a judicial matter. Thus, in *Export Processing Zone Authority*:

The determination of "just compensation" in eminent domain cases is a judicial function. The executive department or the legislature may make the initial determinations but when a party claims a violation of the guarantee in the Bill of Rights that private property may not be taken for public use without just compensation, no statute, decree, or executive order can mandate that its own determination shall prevail over the court's findings. Much less can the courts be precluded from looking into the "just-ness" of the decreed compensation.^[10]

Section 57, which vests in the courts original and exclusive jurisdiction to determine just compensation, is consistent with the Constitution.

Although Section 54 of Republic Act No. 6657 states that "[a]ny decision, order, award or ruling of the Department [of] Agrarian Reform on any agrarian dispute or on any matter pertaining to the application,

implementation, enforcement, or interpretation of this Act . . . may be brought to the Court of Appeals by certiorari,"[11] this must be read in relation to Section 57.

Section 54 generally covers all decisions, orders, awards, or rulings of the Department of Agrarian Reform. On the other hand, Section 57 is a more specific provision that expressly vests special jurisdiction over the determination of just compensation in Special Agrarian Courts.

Further, agrarian dispute under Section 3 is defined as follows:

SECTION 3. Definitions. - ...

(d)

Agrarian Dispute refers to any controversy relating to tenurial arrangements, whether leasehold, tenancy, stewardship or otherwise, over lands devoted to agriculture, including disputes concerning farmworkers' associations or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of such tenurial arrangements.

It includes any controversy relating to compensation of lands acquired under this Act and other terms and conditions of transfer of ownership from landowners to farmworkers, tenants and other agrarian reform beneficiaries, whether the disputants stand in the proximate relation of farm operator and beneficiary, landowner and tenant, or lessor and lessee.

An agrarian dispute generally refers to conflicts between farmers, or between farmers and their landlords. The conflict between landowners and government, in instances of expropriation, is not included.

Although "any controversy relating to compensation of lands acquired under this Act"[12] is an agrarian dispute under Section 3, paragraph 2 of Republic Act No. 6657, this cannot encompass just compensation for a landowner. This contemplation would be in direct conflict with the unambiguous text of Section 57, as well as the constitutional right to just compensation.

Moreover, there are two (2) types of compensation that may take place under agrarian reform. The first is the just compensation that must be paid by government upon condemnation, or the taking of land from a landowner. The second is the compensation that may be paid by farmer-beneficiaries who acquire ownership over land through a certificate of land ownership award.[13] Thus, compensation under Section 3 refers only to the second type of compensation.

The ponencia described the nature of the original and exclusive jurisdiction of Special Agrarian Courts.[14] The original jurisdiction of the Special Agrarian Court means that it is not exercising its appellate jurisdiction; hence, it is not tasked with reviewing the executive's determination of just compensation. The Department of Agrarian Reform's determination is, at best, recommendatory to the courts. The courts have the discretion of disregarding the recommendation of the Department of Agrarian Reform. Nothing in the Constitution mandates the judiciary to follow recommendations coming from the executive.

Section 57 does not provide a time period for a landowner to file a petition for the determination of just compensation, even in the context of agrarian reform. Ordinary rules on prescription should apply. An action to recover just compensation over expropriated land constitutes a real action over an immovable. Under Article 1141[15] of the Civil Code, this kind of action prescribes after 30 years.

Petitioner filed her Petition to determine just compensation within one (1) year after the Department of Agrarian Reform released the Notice of Valuation and Acquisition.[16] This Court should not count prescription from the Department of Agrarian Reform's final order on the valuation of the property as it would shift the nature of the

action as appellate.

It is when government showed that it would acquire petitioner's property that petitioner's right to file an action relating to just compensation began. This action may be brought concurrently with the proceedings before the Department of Agrarian Reform, assuming that the landowner no longer challenges the right of government to expropriate.

Petitioner's action has not yet prescribed since she filed the Petition within one (1) year after finding out that government would acquire her land. Hence, the Special Agrarian Court should not have dismissed the case and proceeded to determine just compensation, as tasked under our Constitution and the law.

In addition, the Court of Appeals erred in affirming the dismissal of Civil Case No. 12558 solely on the ground that petitioner chose the wrong remedy. This Court has repeatedly ruled against the dismissal of appeals based purely on strict application of technicalities.^[17] Instead of summarily dismissing the case, the Court of Appeals should have treated the Petition for Certiorari as an appeal filed under Rule 41 of the Rules of Court; it should have endeavored to resolve the case on its merits:

[C]ases should be determined on the merits, after all parties have been given full opportunity to ventilate their causes and defenses, rather than on technicalities or procedural imperfections. In that way, the ends of justice would be served better. Rules of procedure are mere tools designed to expedite the decision or resolution of cases and other matters pending in court. A strict and rigid application of rules, resulting in technicalities that tend to frustrate rather than promote substantial justice, must be avoided. In fact, Section 6 of Rule 1 states that the Rules [on Civil Procedure] shall be liberally construed in order to promote their objective of ensuring the just, speedy and inexpensive disposition of every action and proceeding.^[18] (Emphasis in the original)

In cases that involve fundamental rights, such as this, the Court of Appeals should observe a reasonable relaxation of the rules of procedure.

ACCORDINGLY, I vote to GRANT the Petition. The case is remanded to Branch 30 of the Regional Trial Court of Dumaguete City for determination of just compensation over petitioner Jocelyn S. Limkaichong's expropriated property.

[1] 233 Phil. 313 (1987) [Per J. Gutierrez, Jr., En Banc].

[2] Id. at 326.

[3] Id.

[4] Rep. Act No. 6657 is otherwise known as the Comprehensive Agrarian Reform Law of 1988.

[5] Rep. Act No. 6657 (1988), sec. 16(f).

[6] Rep. Act No. 6657 (1988), sec. 57.

[7] *Ong v. Parel*, 240 Phil. 734, 742-743 (1987) [Per J. Gutierrez, Jr., Third Division].

[8] CONST., art. III, sec. 9.

[9] CONST., art. XIII, sec. 4 provides:

SECTION 4. The State shall, by law, undertake an agrarian reform program founded on the right of farmers and regular farmworkers, who are landless, to own directly or collectively the lands they till or, in the case of other farmworkers, to receive a just share of the fruits thereof. To this end, the State shall encourage and undertake the

just distribution of all agricultural lands, subject to such priorities and reasonable retention limits as the Congress may prescribe, taking into account ecological, developmental, or equity considerations, and subject to the payment of just compensation. In determining retention limits, the State shall respect the right of small landowners. The State shall further provide incentives for voluntary land-sharing.

[10] *Export Processing Zone Authority v. Dulay*, 233 Phil. 313, 326 (1987) [Per J. Gutierrez, Jr., En Banc].

[11] Rep. Act No. 6657 (1988), sec. 54.

[12] Rep. Act No. 6657 (1988), sec. 3(d).

[13] Rep. Act No. 6657 (1988), sec. 21 provides:

SEC. 21. Payment of Compensation by Beneficiaries Under Voluntary Land Transfer. - Direct payment in cash or in kind may be made by the farmer-beneficiary to the landowner under terms to be mutually agreed upon by both parties, which shall be binding upon them, upon registration with and approval by the DAR. Said approval shall be considered given, unless notice of disapproval is received by the farmer-beneficiary within 30 days from the date of registration.

In the event they cannot agree on the price of the land, the procedure for compulsory acquisition as provided in Section 16 shall apply. The LBP shall extend financing to the beneficiaries for purposes of acquiring the land.

[14] Ponencia, p. 11.

[15] CIVIL CODE, art. 1141 provides:

ARTICLE 1141. Real actions over immovables prescribe after thirty years.

This provision is without prejudice to what is established for the acquisition of ownership and other real rights by prescription.

[16] Ponencia, p. 2, citing rollo, pp. 82-85.

[17] *Catindig v. Court of Appeals*, 111 Phil. 624, 630 (1979) [Per J. De Castro, First Division].

[18] *Ching v. Cheng*, G.R. No. 175507, October 8, 2014, 737 SCRA 610, 634-635 [Per J. Leonen, Second Division], citing *Posadas-Moya and Associates Construction Co., Inc. v. Greenfield Development Corporation*, 451 Phil. 647, 661 (2003) [Per J. Panganiban, Third Division], in turn citing *Jara v. Court of Appeals*, 427 Phil. 532, 548 (2002) [Per J. Carpio, Third Division]; *Paras v. Baldado*, 406 Phil. 589, 596 (2001) [Per J. Gonzaga-Reyes, Third Division]; *Cusi-Hernandez v. Diaz*, 390 Phil. 1245, 1252 (2000) [Per J. Panganiban, Third Division]; *Republic v. Court of Appeals*, 354 Phil. 252, 260 (1998) [Per J. Mendoza, Second Division]; *Malonzo v. Zamora*, 370 Phil. 240, 257 (1999) [Per J. Romero, En Banc]; and *Fortich v. Corona*, 352 Phil. 461, 481-482 (1998) [Per J. Martinez, Second Division].

SEPARATE CONCURRING OPINION

JARDELEZA, J.:

I concur with the ponencia of my esteemed colleague Associate Justice Lucas P. Bersamin who, with his lucidity of exposition and fealty to the due process tenet of prospective application of new doctrine, masterfully secured our unanimous vote today.

The ponencia reaffirms our unanimous en banc declaration in *Land Bank of the Philippines v. Martinez*[1] that:

[T]he agrarian reform adjudicator's decision on land valuation attains finality after the lapse of the 15-day period stated in the DARAB Rules. The petition for the fixing of just compensation should therefore, following the law and settled jurisprudence, be filed with the SAC within the said period.

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[W]hile a petition for the fixing of just compensation with the SAC is not an appeal from the agrarian reform adjudicator's decision but an original action, the same has to be filed within the 15-day period stated in the DARAB Rules; otherwise, the adjudicator's decision will attain finality.[2] (Citations omitted, emphasis supplied.)

In no uncertain terms, Justice Bersamin underscores that the Court made its declaration in *Martinez* "to purge any uncertainties brought upon by the conflicting jurisprudence on the matter"[3] and to "unanimously resolve[d] [a] jurisprudential conundrum." [4] After today, there should be no more doubt about the "preeminence of the pronouncement xxx that the parties only have 15 days from their receipt of the decision/order of the DAR within which to invoke the original and exclusive jurisdiction of the SAC; otherwise, the decision/order attains finality and immutability." [5]

I write only to address the concurring opinions of Justice Presbitero J. Velasco and Justice Marvic M. V. F. Leonen.

I

Article VIII, Section 1 of the 1987 Constitution[6] provides that "(j)udicial power includes the duty of the courts of justice to settle actual controversies involving rights which are legally demandable and enforceable."

The right of a landowner to just compensation for the taking of his or her private property is a legally demandable and enforceable right guaranteed by no less than the Bill of Rights, under Section 9, Article III of the Constitution.[7] Thus, the determination of just compensation in cases of eminent domain is an actual controversy that calls for the exercise of judicial power by the courts. This is what the Court means when it said that "[t]he determination of 'just compensation' in eminent domain cases is a judicial function." [8]

There is, however, no constitutional provision, policy, principle, value or jurisprudence that places the determination of any justiciable controversy beyond the reach of Congress' constitutional power and prerogative to require, through a grant of primary jurisdiction, that a controversy be first referred to an expert administrative agency for adjudication, subject to subsequent judicial review.

The authority of Congress to create administrative agencies and grant them preliminary jurisdiction flows not only from the exercise of its plenary legislative power[9] but also from its constitutional power to apportion and diminish the jurisdiction of courts inferior to the Supreme Court.[10]

In *Tropical Homes, Inc. v. National Housing Authority*, [11] it has been settled that "[t]here is no question that a statute may vest exclusive original jurisdiction in an administrative agency over certain disputes and controversies falling within the agency's special expertise." [12] Rule 43 of the Revised Rules of Court, which provides for a uniform procedure for appeals from a long list of quasi-judicial agencies to the Court of Appeals, is a loud testament to the power of Congress to vest myriad agencies with the preliminary jurisdiction to resolve controversies within their particular areas of expertise and experience.

On June 10, 1988, Congress enacted Republic Act No. 6657[13] (RA 6657) to implement a comprehensive agrarian reform program. In sharp contrast to Presidential Decree No. 27[14] (PD 27), which covered only rice

and corn lands, RA 6657 sought to cover all private and public agricultural lands. It is the Government's most ambitious land reform program ever, subjecting an estimated 7.8 million hectares of land for acquisition and redistribution to landless farmer and farmworker beneficiaries.[15]

With a project of such scale, the Congress decided to, among others, vest the DAR with primary jurisdiction to determine just compensation, subject, to final review by the courts. Thus, Section 16 of RA 6657 provides:

Section 16. Procedure for Acquisition of Private Lands. - For purposes of acquisition of private lands, the following procedures shall be followed:

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(d) In case of rejection or failure to reply, the DAR shall conduct summary administrative proceedings to determine the compensation for the land requiring the landowner, the LBP and other interested parties to submit evidence as to the just compensation for the land, within fifteen (15) days from the receipt of the notice. After the expiration of the above period, the matter is deemed submitted for decision. The DAR shall decide the case within thirty (30) days after it is submitted for decision. (Emphasis supplied.)

In case a party disagrees with the DAR's decision on the amount of compensation, Section 16 and related provisions allow him to bring the matter to the courts for final determination, as follows:

Section 16. Procedure for Acquisition of Private Lands. - For purposes of acquisition of private lands, the following procedures shall be followed:

xxx

(f) Any party who disagrees with the [DAR's] decision may bring the matter to the court of proper jurisdiction for final determination of just compensation.

xxx

Section 56. Special Agrarian Court. - The Supreme Court shall designate at least one (1) branch of the Regional Trial Court (RTC) within each province to act as a Special Agrarian Court. xxx

Section 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. (Emphasis supplied.)

Appeals from SAC decisions may thereafter be taken to the Court of Appeals (and later the Supreme Court) via a petition for review.[16]

The validity of the grant by Congress to the DAR of the primary jurisdiction to determine just compensation, under the summary administrative process in Section 16 of RA 6657, has been settled by this Court more than twenty-five (25) years ago in the landmark case of *Association of Small Landowners in the Philippines, Inc. v. Secretary of Agrarian Reform*. [17] There, this Court upheld the constitutionality of RA 6657 and, with specific reference to Section 16, declared:

Objection is raised, however, to the manner of fixing the just compensation, which it is claimed is entrusted to the administrative authorities in violation of judicial prerogatives. Specific reference is made to Section 16(d), which provides that in case of the rejection or disregard by the owner of the offer of the government to buy his land—

xxx the DAR shall conduct summary administrative proceedings to determine the compensation for the land by

requiring the landowner, the LBP and other interested parties to submit evidence as to the just compensation for the land, within fifteen (15) days from the receipt of the notice. After the expiration of the above period, the matter is deemed submitted for decision. The DAR shall decide the case within thirty (30) days after it is submitted for decision.

To be sure, the determination of just compensation is a function addressed to the courts of justice and may not be usurped by any other branch or official of the government. xxx

xxx

A reading of the aforecited Section 16(d) will readily show that it does not suffer from the arbitrariness that rendered the challenged decrees [in *EPZA v. Dulay*] constitutionally objectionable. Although the proceedings are described as summary, the landowner and other interested parties are nevertheless allowed an opportunity to submit evidence on the real value of the property. But more importantly, the determination of the just compensation by the DAR is not by any means final and conclusive upon the landowner or any other interested party, for Section 16(f) clearly provides:

Any party who disagrees with the decision may bring the matter to the court of proper jurisdiction for final determination of just compensation.

The determination made by the DAR is only preliminary unless accepted by all parties concerned. Otherwise, the courts of justice will still have the right to review with finality the said determination in the exercise of what is admittedly a judicial function.[18] (Emphasis and underscoring supplied).

At this point, it should be emphasized that Congress in RA 6657 provided for a heightened judicial review of the DAR's preliminary determination of just compensation pursuant to Section 16. In case of a proper challenge, SACs are actually empowered to conduct a *de novo* review of the DAR's decision. Under RA 6657, a full trial is held where SACs are authorized to (1) appoint one or more commissioners,[19] (2) receive, hear, and retake the testimony and evidence of the parties, and (3) make findings of fact anew. In other words, in exercising its exclusive and original jurisdiction to determine just compensation under RA 6657, the SAC is possessed with exactly the same powers and prerogatives of a Regional Trial Court (RTC) under Rule 67 of the Revised Rules of Court.

In such manner, the SAC thus conducts a more exacting type of review, compared to the procedure provided either under Rule 43 of the Revised Rules of Court, which governs appeals from decisions of administrative agencies to the Court of Appeals, or under Book VII, Chapter 4, Section 25[20] of the Administrative Code of 1987,[21] which provides for a default administrative review process. In both cases, the reviewing court decides based on the record, and the agency's findings of fact are held to be binding when supported by substantial evidence.[22] The SAC, in contrast, retries the whole case, receives new evidence, and holds a full evidentiary hearing.

In this light, until and unless this Court's ruling in *Association of Small Landowners* is reversed, a becoming modesty and respectful courtesy towards a co-equal branch of government demand that the Court defer to the Congress' grant of primary jurisdiction to the DAR.

The grant of primary jurisdiction to administrative agencies over otherwise immediately justiciable controversies is constitutionally permissible because, as explained in the case of *Far East Conference v. United States*,[23] courts and agencies are both instrumentalities of justice, with complementary roles in the pursuit of similar ends:

[C]ourt and agency are not to be regarded as wholly independent and unrelated instrumentalities of justice, each acting in the performance of its prescribed statutory duty without regard to the appropriate function of the

other in securing the plainly indicated objects of the statute. Court and agency are the means adopted to attain the prescribed end, and, so far as their duties are defined by the words of the statute, those words should be construed so as to attain that end through coordinated action. Neither body should repeat in this day the mistake made by the courts of law when equity was struggling for recognition as an ameliorating system of justice; neither can rightly be regarded by the other as an alien intruder, to be tolerated if must be, but never to be encouraged or aided by the other in the attainment of the common aim. (Citations omitted, emphasis supplied.)

II

Justice Velasco, citing *Heirs of Lorenzo and Carmen Vidad v. Land Bank of the Philippines*,^[24] opines that direct resort to the SAC is valid as the Court has never considered the issuance of a prior DAR valuation a jurisdictional requirement or condition precedent.^[25]

Justice Leonen argues that the determination of the DAR is "superfluous," being only "recommendatory to the courts."^[26] Since "nothing in the Constitution mandates the judiciary to follow recommendations coming from the executive," he asserts that the DAR's determination can even be disregarded by the courts.^[27]

I disagree.

We read *Heirs of Lorenzo and Carmen Vidad v. Land Bank of the Philippines* differently. It held that the determination by DAR of the amount of just compensation becomes final if not elevated "on time" to SAC:

It must be emphasized that the taking of property under RA 6657 is an exercise of the State's power of eminent domain. The valuation of property or determination of just compensation in eminent domain proceedings is essentially a judicial function which is vested with the courts and not with administrative agencies. When the parties cannot agree on the amount of just compensation, only the exercise of judicial power can settle the dispute with binding effect on the winning and losing parties. On the other hand, the determination of just compensation in the RARAD/DARAB requires the voluntary agreement of the parties. Unless the parties agree, there is no settlement of the dispute before the RARAD/DARAB, except if the aggrieved party fails to file a petition for just compensation on time before the RTC.^[28] (Citations omitted, emphasis and underscoring supplied.)

Neither landowner nor agency can disregard the administrative process provided under RA 6657 without offending the constitutional prerogative of the Congress to grant primary jurisdiction to the DAR.

xxx [I]n cases raising issues of fact not within the conventional experience of judges or cases requiring the exercise of administrative discretion, agencies created by Congress for regulating the subject matter should not be passed over. This is so even though the facts after they have been appraised by specialized competence serve as a premise for legal consequences to be judicially defined. Uniformity and consistency in the regulation of business entrusted to a particular agency are secured, and the limited functions of review by the judiciary are more rationally exercised, by preliminary resort for ascertaining and interpreting the circumstances underlying legal issues to agencies that are better equipped than courts by specialization, by insight gained through experience, and by more flexible procedure.^[29] (Emphasis supplied.)

The adjudication by the DAR on just compensation is not an executive recommendation or a superfluity to be blithely dismissed by the courts. They are, rather, quasi-judicial decisions reached as a result of what the Administrative Code of 1987 considers as a contested case, where "legal rights, duties or privileges asserted by specific parties as required by the Constitution or by law are xxx determined after hearing."^[30] These decisions become final and immutable if not timely challenged before the SAC. The SAC, in resolving such challenge, must dispose, affirm or reverse the administrative agency's determination by way of a full decision, expressing "clearly and distinctly the facts and the law" on which the SAC decision is based.^[31]

III

The requirement for a fifteen-day period to file with the SAC is expressly provided for in RA 6657 and its validity foreclosed by our ruling in *Martinez*.

Justice Velasco is, however, of the view that there is no statutory basis for the imposition of a fifteen-day period and asserts that Section 11, Rule XIII of the 1994 Department of Agrarian Reform Adjudication Board (DARAB) Rules of Procedure and Section 6, Rule XIX of the 2009 DARAB Rules of Procedure must be struck down as void and of no legal effect.^[32]

Again, I disagree.

The fifteen-day period is provided for in Sections 51 and 54, in relation to Section 57, of RA 6657, which provides as follows:

Section 51. Finality of Determination. - Any case or controversy before it 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.

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Section 54. Certiorari. - Any decision, order, award or ruling of the DAR on any agrarian dispute or on any matter pertaining to the application, implementation, enforcement, or interpretation of this Act and other pertinent laws on agrarian reform may be brought to the Court of Appeals by certiorari except as otherwise provided in this Act within fifteen (15) days from the receipt of a copy thereof. The findings of fact of the DAR shall be final and conclusive if based on substantial evidence.

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Section 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. (Emphasis supplied.)

While Section 51 expressly provides for the fifteen-day period, Section 54 states that any decision of the DAR on any agrarian dispute or matter pertaining to the implementation of the Act (including, perforce, determination of just compensation) may be brought to the Court of Appeals within fifteen (15) days from receipt of a copy of the DAR decision, "except as otherwise provided in the Act." The proviso refers to the exception provided under Section 57, namely, the special jurisdiction of the SAC to determine just compensation. On top of Section 51, Sections 54 and 57, read together, provide that decisions of the DAR become final within fifteen (15) days from receipt of the decision, unless brought to the Court of Appeals under Section 54, or to the SAC under Section 57.

Even assuming *arguendo* Justice Velasco is correct in stating that RA 6657 does not provide for the fifteen-day period, the constitutional and statutory authority of the DAR to promulgate its own rules of procedure is not in issue in this case. Neither is the validity of the DARAB Rules of Procedure. The DARAB Rules of Procedure were promulgated under authority of Sections 49 and 50 of RA 6657, which grant the DAR the power to "issue rules and regulations, whether substantive or procedural, to carry out"^[33] RA 6657 and "adopt a uniform rule of procedure to achieve a just, expeditious and inexpensive determination for every action or proceeding before it."^[34]

This Court, in *Eastern Shipping Lines, Inc. v. Philippine Overseas Employment Authority*,^[35] has recognized the

power of administrative bodies to "fill in the details" to implement the policies laid down in a statute through supplementary regulation.

More, the Administrative Code of 1987 which provides for, among others, a default uniform procedure for the judicial review of decisions of administrative agencies, also provides that decisions of administrative agencies become final after fifteen (15) days from receipt of the agency order.[36] The Administrative Code of 1987 provides, in pertinent part:

Book VII
Administrative Procedure

xxx

Chapter 3
Adjudication

xxx

Section 14. Decision. - Every decision rendered by the agency in a contested case shall be in writing and shall state clearly and distinctly the facts and the law on which it is based. The agency shall decide each case within thirty (30) days following its submission. The parties shall be notified of the decision personally or by registered mail addressed to their counsel of record, if any, or to them.

Section 15. Finality of Order. - The decision of the agency shall become final and executory fifteen (15) days after the receipt of a copy thereof by the party adversely affected unless within that period an administrative appeal or judicial review, if proper, has been perfected. One motion for reconsideration may be filed, which shall suspend the running of the said period.

xxx

Chapter 4
Administrative Appeal in Contested Cases

xxx

Section 23. Finality of Decision of Appellate Agency. - In any contested case, the decision of the appellate agency shall become final and executory fifteen (15) days after the receipt by the parties of a copy thereof.

xxx

Section 25. Judicial Review. -

(1)

Agency decisions shall be subject to judicial review in accordance with this chapter and applicable laws.

(2)

Any party aggrieved or adversely affected by an agency decision may seek judicial review.

(3)

The action for judicial review may be brought against the agency, or its officers, and all indispensable and necessary parties as defined in the Rules of Court.

(4)

Appeal from an agency decision shall be perfected by filing with the agency within fifteen (15) days from

receipt of a copy thereof a notice of appeal, and with the reviewing court a petition for review of the order. Copies of the petition shall be served upon the agency and all parties of record. The petition shall contain a concise statement of the issues involved and the grounds relied upon for the review, and shall be accompanied with a true copy of the order appealed from, together with copies of such material portions of the records as are referred to therein and other supporting papers. The petition shall be under oath and shall show, by stating the specific material dates, that it was filed within the period fixed in this chapter.

(5)

The petition for review shall be perfected within fifteen (15) days from receipt of the final administrative decision. One (1) motion for reconsideration may be allowed. If the motion is denied, the movant shall perfect his appeal during the remaining period for appeal reckoned from receipt of the resolution of denial. If the decision is reversed on reconsideration, the appellant shall have fifteen (15) days from receipt of the resolution to perfect his appeal.

(6)

The review proceeding shall be filed in the court specified by statute or, in the absence thereof, in any court of competent jurisdiction in accordance with the provisions on venue of the Rules of Court.

(7)

Review shall be made on the basis of the record taken as a whole. The findings of fact of the agency when supported by substantial evidence shall be final except when specifically" provided otherwise by law. (Emphasis supplied.)

The Revised Rules of Court finally also provide, under Rule 43, Section 4, for a fifteen-day period of finality for agency action.[37]

IV

Justice Leonen suggests that the applicable time limit to bring the DAR decision to the SAC is the thirty (30) year prescriptive period over real actions provided under the Civil Code.[38]

I disagree.

A thirty-year period is unreasonable. It is oppressive to the landowner, to the DAR and the Land Bank of the Philippines (LBP) because it violates the Constitution's command that "[a]ll persons shall have the right to a speedy disposition of their cases before all judicial, quasi-judicial, or administrative bodies." [39] It also defeats the primordial objective of the Revised Rules of Court "of securing a just, speedy and inexpensive disposition of every action and proceeding." [40]

A thirty-year period will also impermissibly erode the "justness" of the just compensation inasmuch as just compensation requires that the payment be made closest to the taking:

The concept of just compensation embraces not only the correct determination of the amount to be paid to the owners of the land, but also the payment of the land within a reasonable time from its taking. Without prompt payment, compensation cannot be considered "just" inasmuch as the property owner is being made to suffer the consequences of being immediately deprived of his land while being made to wait for a decade or more before actually receiving the amount necessary to cope with his loss.[41] (Citations omitted, emphasis supplied.)

Finally, the constitutional guarantee of equal protection of the laws demands that a thirty-year period should be available to both the landowner and the DAR/LBP. Under this regime, landowners would be tempted to speculate on receiving interest if they postpone the filing of the action to determine just compensation, thus, shifting the

burden of the risk of inflation to the Government. This, in turn, will disturb the Government's budget process and consequently increase the cost to be incurred by the Government in implementing land reform. Conversely, unscrupulous DAR/LBP functionaries may be tempted to unduly delay appeal for corrupt reasons. This will leave a landowner uncertain, for the duration of the thirty-year period, as to the true value of his property, the very evil he is sought to be protected from by Martinez:

xxx This rule is not only in accord with law and settled jurisprudence but also with the principles of justice and equity. Verily, a belated petition before the SAC, e.g., one filed a month, or a year, or even a decade after the land valuation of the DAR adjudicator, must not leave the dispossessed landowner in a state of uncertainty as to the true value of his property.[42]

I vote to GRANT the petition.

[1] G.R. No. 169008, July 31, 2008, 560 SCRA 776.

[2] Ponencia, pp. 11-12.

[3] Id. at 11.

[4] Id. at 13.

[5] Id. at 12, emphasis supplied.

[6] Sec. 1. The judicial power shall be vested in one Supreme Court and in such lower courts as may be established by law.

Judicial power includes the duty of the courts of justice to settle actual controversies involving rights which are legally demandable and enforceable, and to determine whether or not there has been a grave abuse of discretion amounting to lack or excess of jurisdiction on the part of any branch or instrumentality of the Government.

[7] This section provides: "Private property shall not be taken for public use without just compensation."

[8] Export Processing Zone Authority (EPZA) v. Dulay, G.R. No. L-59603, April 29, 1987, 149 SCRA 305, 316.

[9] Bank of Commerce v. Planters Development Bank, G.R. Nos. 154470-71 & 154589-90, September 24, 2012, 681 SCRA 521.

[10] Pambujan Sur United Mine Workers v. Samar Mining Co., Inc., 94 Phil. 932, 938 (1954). See also CONSTITUTION, Article VIII, Sec. 2.

[11] G.R. No. L-48672, July 31, 1987, 152 SCRA 540.

[12] Id. at 548.

[13] Comprehensive Agrarian Reform Law of 1988.

[14] Decreeing The Emancipation Of Tenants From The Bondage Of The Soil, Transferring To Them The Ownership Of The Land They Till And Providing The Instruments And Mechanism Therefor (1972).

[15] Q and A on CARP <<http://www.dar.gov.ph/q-and-a-on-carp/english>> (Last accessed on August 5, 2016.)

[16] RA 6657, Sec. 60. Appeals. - An appeal may be taken from the decision of the Special Agrarian Courts by filing a petition for review with the Court of Appeals within fifteen (15) days receipt of notice of the decision; otherwise, the decision shall become final. An appeal from the decision of the Court of Appeals, or from any

order, ruling or decision of the DAR, as the case may be, shall be by a petition for review with the Supreme Court within a non-extendible period of fifteen (15) days from receipt of a copy of said decision.

[17] G.R. No. 78742, July 14, 1989, 175 SCRA 343.

[18] Id. at 380-382.

[19] RA 6657, Sec. 58.

[20] This provision reads as follows:

Sec. 25. Judicial Review. —

(1)

Agency decisions shall be subject to judicial review in accordance with this chapter and applicable laws.

(2)

Any party aggrieved or adversely affected by an agency decision may seek judicial review.

(3)

The action for judicial review may be brought against the agency, or its officers, and all indispensable and necessary parties as defined in the Rules of Court.

(4)

Appeal from an agency decision shall be perfected by filing with the agency within fifteen (15) days from receipt of a copy thereof a notice of appeal, and with the reviewing court a petition for review of the order. Copies of the petition shall be served upon the agency and all parties of record. The petition shall contain a concise statement of the issues involved and the grounds relied upon for the review, and shall be accompanied with a true copy of the order appealed from, together with copies of such material portions of the records as are referred to therein and other supporting papers. The petition shall be under oath and shall how, by stating the specific material dates, that it was filed within the period fixed in this chapter.

(5)

The petition for review shall be perfected within fifteen (15) days from receipt of the final administrative decision. One (1) motion for reconsideration may be allowed. If the motion is denied, the movant shall perfect his appeal during the remaining period for appeal reckoned from receipt of the resolution of denial. If the decision is reversed on reconsideration, the appellant shall have fifteen (15) days from receipt of the resolution to perfect his appeal.

(6)

The review proceeding shall be filed in the court specified by statute or, in the absence thereof, in any court of competent jurisdiction in accordance with the provisions on venue of the Rules of Court.

(7)

Review shall be made on the basis of the record taken as a whole. The findings of fact of the agency when supported by substantial evidence shall be final except when specifically provided otherwise by law.

[21] Executive Order No. 292.

- [22] See Section 25(7), Chapter 4, Book VII of the Administrative Code of 1987 and *NGEI Multi-Purpose Cooperative, Inc. v. Filipinas Palmoil Plantation, Inc.*, G.R. No. 184950, October 11, 2012, 684 SCRA 152, 163.
- [23] *Far East Conference v. United States*, 342 U.S. 570 (1952).
- [24] G.R. No. 166461, April 30, 2010, 619 SCRA 609.
- [25] Dissenting Opinion of Justice Velasco, p. 7.
- [26] Dissenting Opinion of Justice Leonen, pp. 1, 4.
- [27] Dissenting Opinion of Justice Leonen, p. 4.
- [28] G.R. No. 166461, April 30, 2010, 619 SCRA 609, 630.
- [29] *Far East Conference v. United States*, *supra*.
- [30] Sec. 2(5), Chapter 1, Book VII of the Administrative Code of 1987.
- [31] CONSTITUTION, Art. VIII, Sec. 14.
- [32] Dissenting Opinion of Justice Velasco, p. 10.
- [33] RA 6657, Sec. 49.
- [34] RA 6657, Sec. 50.
- [35] G.R. No. L-76633, October 18, 1988, 166 SCRA 533.
- [36] Chapters 3 and 4, Book VII, Administrative Code of 1987.
- [37] Rule 43, Sec. 4. Period of appeal. - The appeal shall be taken within fifteen (15) days from notice of the award, judgment, final order or resolution, or from the date of its last publication, if publication is required by law for its effectivity, or of the denial of petitioner's motion for new trial or reconsideration duly filed in accordance with the governing law of the court or agency a quo. xxx
- [38] Dissenting Opinion of Justice Leonen, p. 4.
- [39] CONSTITUTION, Art. III, Sec. 16.
- [40] RULES OF COURT, Rule 1, Sec. 6.
- [41] *Apo Fruits Corporation v. Court of Appeals*, G.R. No. 164195, February 6, 2007, 514 SCRA 537, 557-558.
- [42] *Supra* note 1 at 783.

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