

ANIBAN NG NAGKAKAISANG MAMAMAYAN NG HACIENDA DOLORES (ANMHD/ANIBAN), INC. PETITIONER, VS. FL PROPERTIES AND MANAGEMENT CORPORATION AND LLL HOLDINGS, INC., RESPONDENTS.

G.R. No. 224457. January 23, 2023

Ponente: LEONEN, SAJ.

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LEONEN, SAJ.:

The Department of Agrarian Reform is authorized to revoke previously issued exemption orders if the conditions for exemptions no longer exist.

This Court resolves the consolidated Petitions for Review on Certiorari,[1] separately filed by petitioners Aniban ng Nagkakaisang Mamamayan ng Hacienda Dolores, Inc.[2] (ANIBAN) and the Department of Agrarian Reform against respondents FL Properties and Management Corporation (FL Properties) and LLL Holdings, Inc. (LLL Holdings).[3] Both petitions assail the Court of Appeals October 16, 2015 Decision[4] and April 28, 2016 Resolution[5] (Assailed Issuances).

Through the Assailed Issuances, which originated from the proceedings of Administrative Case No. A-9999-03-CV-157-12 (Administrative Case) before the Department of Agrarian Reform, the Court of Appeals:

(a)

dismissed the Amended Petitions for Coverage filed by ANIBAN before the Department of Agrarian Reform;[6] and

(b)

permanently enjoined the Department of Agrarian Reform from settling said Administrative Case and other proceedings in relation to the landholdings of respondents FL Properties and LLL Holdings.[7]

FL Properties owns a 456.6653-hectare parcel of land in Barangays Dolores and Banaba, Porac, Pampanga, while LLL Holdings owns five contiguous and adjacent parcels of land with an aggregate area of 298.3094 hectares in Porac, Pampanga.[8] These farmlands, which are also referred to as Hacienda Dolores, are owned by FL Properties and LLL Holdings.[9]

On October 24, 2005, and on March 9, 2006, the Department of Agrarian Regional Office No. III (Regional Office) separately issued two orders[10] (collectively, the Exemption Orders), exempting Hacienda Dolores from the coverage of the Comprehensive Agrarian Reform Program (CARP) because the lands have slopes of at least 18% and were agriculturally undeveloped.[11]

In the first Exemption Order, the Regional Director granted LLL Holdings' application for exemption. The dispositive portion of which reads:

WHEREFORE, on the basis of the foregoing premises, Order is hereby issued:

- GRANTING the application for exemption from the coverage of CARP pursuant to Administrative Order No. 13, Series of 1990 as amended by Administrative Order No. 10, Series of 1994, the above-described landholdings registered in the name of LLL Holdings, Inc.;
- DIRECTING the applicant/landowners to pay disturbance compensation to farm workers, or bonafide occupants, if there is any and qualified, in such amount or kinds as may mutually [be] agreed upon and shall be paid within sixty days from the date of receipt by the applicant-landowners of this Order, proof of such payment to be copy furnished the [Regional Center for Land Use Policy Planning and Implementation] Secretariat within five days from the expiration of the aforementioned 60-day period;

SO ORDERED.

Finally, this Office reserves the right to withdraw, cancel and/or revoke, in case of misrepresentation of facts material in the issuance of this Order.[12] (Emphasis in the original)

In the second Exemption Order, the Regional Director granted the application for exemption to FL Properties. The dispositive portion of which reads:

WHEREFORE, on the basis of the foregoing premises, Order is hereby issued:

- GRANTING the application for exemption from the coverage of CARP pursuant to Administrative Order No. 13, Series of 1990 as amended by Administrative Order No. 10, Series of 1994, the above-described landholdings registered in the name of F.L. Properties and Management Corporation;
- DIRECTING the applicant/landowners to pay disturbance compensation to farm workers, or bonafide occupants, if there is any and qualified, in such amount or kinds as may mutually [be] agreed upon and shall be paid within sixty days from the date of receipt by the applicant-landowners of this Order, proof of such payment to be copy furnished the [Regional Center for Land Use Policy Planning and Implementation] Secretariat within five days from the expiration of the aforementioned 60-day period;

SO ORDERED.

Finally, this Office reserves the right to withdraw, cancel and or revoke, in case of misrepresentation of facts material in the issuance of this Order.[13] (Emphasis in the original)

These Exemption Orders were declared as final on March 9, 2006 for FL Properties; and April 27, 2006, for LLL Holdings.[14]

On June 7, 2011, or five years from finality of the Exemption Orders, ANIBAN, an organization of farmers in Hacienda Dolores, filed two separate petitions on the landholdings exempted by the Regional Director.[15] Both petitions were denominated as "Renewed Petitions for Revocation/Recall/Withdrawal of Order of Exemption and Issuance of Notice of Coverage" and docketed as Administrative Case No. A-9999-03-CV-157-12.[16]

These petitions were then forwarded by the Department of Agrarian Reform to the Office of the Department of Agrarian Reform Secretary (Office of the DAR Secretary).[17] Afterwards, on December 5, 2011, the Office of the DAR Secretary considered these as petitions for coverage and remanded the records to the Regional Office for appropriate action.[18] Thereafter, the Regional Office created a task force to conduct an inspection of FL Properties and LLL Holdings's landholdings (Task Force).[19]

Through an April 30, 2012 Order,[20] the Regional Office dismissed ANIBAN'S Amended Petitions for Coverage.[21]

On June 18, 2012, ANIBAN filed for reconsideration[22] of this April 30, 2012 Order with the Office of the DAR Secretary.[23] The Office of the DAR Secretary referred this to the Regional Office for disposition.[24]

In an August 23, 2012 Order,[25] the Regional Office partially modified the April 30, 2012 Order and held that portions of FL Properties and LLL Holdings's landholdings were below 18% in slope[26] and were agriculturally developed.[27] Thus, the Regional Office lifted the exemption orders previously issued, as follows:[28]

While this Office issued earlier an Order exempting the entire properties from CARP coverage on the basis of its slope of more than 18%, however upon re-validation made by the DAR, through the investigating team, of the subject properties, particularly in respect of the slope, it was established that certain portions thereof are flat or less than 18% slope with trees of sort are planted therein.

With the established factual situation, the present status of the said portions, and provided that the said areas were agriculturally developed on or before the effectivity of Republic Act No. 6657, then, it can be safely presumed therefrom that the same falls short of the required condition/s set forth by law.

WHEREFORE, foregoing premises considered, the Order issued in the above-captioned case dated April 30, 2012 is hereby partially modified. Accordingly, the portions of the subject properties as heretofore found by the investigating team to be flat or below the slope of 18% and agriculturally developed before the effectivity of Republic Act No. 6657, are hereby identified for the appropriate lifting of the exemption order corresponding to the same.

As regards all other areas, this Office MAINTAINS its disposition embodied in the Orders both dated October 24, 2005 with respect to the Applications for Exemption filed by F.L. Properties And Management Corporation and LLL Holdings, Incorporated.

SO ORDERED.[29]

On September 24, 2012, FL Properties and LLL Holdings filed for reconsideration of the August 23, 2012 Order, citing among others, the finality of the Exemption Orders.[30] ANIBAN filed a Notice of Appeal from the August 23, 2012 Order.[31]

Through an October 9, 2012 Order,[32] the Regional Office denied FL Properties and LLL Holdings's motion for reconsideration and elevated the case to the Department of Agrarian Reform Central Office (Central Office), through the Bureau of Agrarian Legal Assistance, for further disposition.[33]

Before the Court of Appeals, FL Properties and LLL Holdings filed a Petition for Certiorari and Prohibition to annul and set aside the Regional Office's August 23, 2012 Order, which lifted the Exemption Orders,[34] as well as the October 9, 2012 Order, which denied their motion for reconsideration.[35] For its part, ANIBAN also appealed this October 9, 2012 Order.[36] This case was docketed as CA-G.R. SP No. 127228.[37] In a November 15, 2012 Resolution,[38] the Court of Appeals dismissed the petition for having been filed under a wrong mode of appeal, stating that the proper remedy was to appeal before the Department of Agrarian Reform.[39] The Court of Appeals subsequently denied FL Properties and LLL Holdings's motion for reconsideration of its November 13, 2014 Resolution.[40]

On July 1, 2013, ANIBAN filed an Urgent Motion for the Immediate Issuance of a Cease and Desist Order before the Department of Agrarian Reform, which was referred for reception of evidence and clarificatory hearing.[41] Thereafter, FL Properties and LLL Holdings filed a Manifestation on the Application of the Judicial Affidavit Rule and Motion to Postpone and Reset Hearing, etc., which was denied in an October 16, 2013 Order.[42] FL Properties and LLL Holdings's motion for reconsideration of the October 16, 2013 Order was denied on December 2, 2013.[43]

Thus, on December 23, 2013, FL Properties and LLL Holdings filed a petition for review[44] with the Office of the President, assailing the October 16, 2013 Order and seeking the dismissal of ANIBAN's Amended Petitions for Coverage.[45]

In an October 1, 2014 Order,[46] the Office of the President denied FL Properties and LLL Holdings' petition, remanded the records to the Department of Agrarian Reform, and ordered the continuation of clarificatory hearings for the issuance of a Cease and Desist Order.[47]

On December 2, 2014, FL Properties and LLL Holdings filed an Urgent Motion to Dismiss ANIBAN's Amended Petitions for Coverage, based on the following grounds: (a) the alleged expiry on June 30, 2014 of the authority of the Department of Agrarian Reform to conduct land acquisition and distribution, and (b) the alleged finality of the April 30, 2012 Order of the Regional Office which dismissed ANIBAN's Amended Petitions for Coverage[48] due to ANIBAN's belated filing of a motion for reconsideration.

On the same date, FL Properties and LLL Holdings also filed an Urgent Motion to Suspend Proceedings, praying that the proceedings on the clarificatory hearings on the issuance of a Cease and Desist Order be suspended and held in abeyance pending the resolution of their motion to dismiss.[49]

In a February 26, 2015 Interlocutory Order,[50] the Undersecretary for Legal Affairs denied the Urgent Motion to Suspend Proceeding and reiterated the resumption of the Task Force to conduct an ocular inspection and ground survey.[51] The dispositive portion of the February 26, 2015 Interlocutory Order reads:

WHEREFORE, premises considered, the Motion to Suspend Proceeding dated December 01, 2014 is hereby DENIED. Accordingly, Order is hereby issued:

- DIRECTING the Provincial Agrarian Reform Adjudicator (PARAD) of Pampanga to schedule clarificatory hearings within five (5) days from receipt of this Order and continue conducting such hearings, without further delay, pursuant to the 26 November 2014 Order issued by this Office, until its termination and submission of the pertinent report and recommendation, as well as the Transcript of Stenographic Notes (TSN), including all documentary evidence submitted by the parties, within five (5) days from receipt of this Order;
- DIRECTING the PARAD to take note of any motion, pleading or objections that will be filed by either parties in the course of the clarificatory hearings, without interrupting the scheduled hearings;
- DIRECTING the Task Force to conduct an ocular inspection and ground survey simultaneously with an investigation on 16-20 March 2015 over the subject landholdings;
- DIRECTING the Provincial Agrarian Reform Program Officer (PARPO) of Pampanga to personally inform the parties concerned of the scheduled ocular inspection and ground survey, and investigation.
- DIRECTING the DAR Regional Office No. III to coordinate with the Municipal Agricultural Office (MAO), and the pertinent field office of the Provincial Agricultural Officer (PAO) and/or the Department of Environment and Natural Resources (DENR) to provide technical employees as members of the Task Force in the ocular inspection and ground survey to be conducted on the above date;
- DIRECTING both the presidents of [ANIBAN ng Nagkakaisang Mamamayan ng Hacienda Dolores] and AMRHD to submit the names of their respective members to this Office, within five (5) days from receipt of this Order.

While AMRHD did not formally intervene in the proceedings, they continuously manifest interest over the subject landholding by submitting letters and other documents. Thus, their participation over the said investigation is necessary in order to have a complete determination of the merits of this case.

Only those listed shall be interviewed and their absence in the investigation shall be construed as a declaration of lack of interest on their part, unless such absence is justifiable;

- MANDATING all the parties and their counsel to be present at the DAR Regional Office No. III for pre-ocular inspection and ground survey, and investigation conference on 16 March 2015 at 9 a.m. During the said conference, ANMHD and FLPMC/LLLHI shall designate not more than two (2) representatives each to join the ocular inspection and ground survey team.

The parties and their counsel during the said conference are required to bring with them proof of their identification and documents to support and prove their claim, if available. With or without their presence, the ocular inspection and ground survey shall proceed;

- DIRECTING the DAR Regional Office No. III to request assistance from the Philippine National Police (PNP) to maintain peace and order during the conduct of the ground survey and ocular inspection; and

- DIRECTING the Task Force to submit a written report thereon, together with the corresponding agrarian laws, rules and regulations, and pertinent jurisprudences, if any, applicable thereto, within twenty (20) days from the termination of the said ocular inspection and ground survey and investigation.

SO ORDERED.[52] (Emphasis in the original)

Instead of filing a motion for reconsideration of the February 26, 2015 Interlocutory Order, FL Properties and LLL Holdings filed a petition[53] for certiorari with a prayer for temporary restraining order directly before the Court of Appeals, docketed as CA-G.R. SP No. 139472,[54] claiming that the Department of Agrarian Reform acted with grave abuse of discretion in refusing to rule on their Urgent Motion to Dismiss before resolving the administrative case and issuance of the February 26, 2015 Interlocutory Order.[55] Pending resolution of the petition, the Provincial Agrarian Reform Office set an ocular inspection and ground survey to be conducted on the landholdings from March 16 to 20, 2015.[56] To this, FL Properties and LLL Holdings filed a motion, praying for the suspension of the scheduled ocular inspection.[57] Pending resolution of this motion, the ocular inspection and ground survey were deferred.[58]

However, in a March 31, 2015 Order,[59] the Undersecretary for Legal Affairs denied the motion to cancel ocular inspection and investigation and directed the Regional Director and the head of the Task Force (created pursuant to the February 26, 2015 Interlocutory order) to immediately conduct a pre-ocular inspection conference and to submit a report on the conference.[60]

On April 10, 2015, the Department of Agrarian Reform issued an Abiso/Pabatid,[61] setting forth the guidelines and schedule which the parties should follow for an orderly and peaceful investigation and ocular inspection of FL Properties and LLL Holdings's landholdings.[62]

In a Supplementary Petition filed before the Court of Appeals in CA--G.R. SP No. 139472, FL Properties and LLL Holdings alleged that the foregoing circumstances showed that the Department of Agrarian Reform was determined to continue with the proceedings in acquiring and distributing their landholdings long after the Department of Agrarian Reform's power and authority to do so had allegedly expired on June 30, 2014.[63] FL Properties and LLL Holdings further alleged that the inaction on their Motion to Dismiss amounts to its virtual denial.[64]

In its October 16, 2015 Decision,[65] the Court of Appeals granted FL Properties and LLL Holdings's petition in CA-G.R. SP No. 139472.

Preliminarily, the Court of Appeals excused FL Properties and LLL Holdings's non-filing of a motion for reconsideration because of the presence of exceptional circumstances, namely: (a) urgent necessity for the

resolution of the question; (b) filing of a motion for reconsideration would be useless; (c) the issue raised, regarding the Department of Agrarian Reform's jurisdiction, is one purely of law.[66] It found that the Department of Agrarian Reform was bent on proceeding with the acquisition and distribution of FL Properties and LLL Holdings's landholdings, notwithstanding the pending motion to dismiss.[67]

The Court of Appeals found that the Department of Agrarian Reform acted with grave abuse of discretion when it failed to rule on the motion to dismiss the Amended Petitions for Coverage, and proceeded with the inspection and survey of the landholdings, as well as, the conduct of hearings pursuant to the February 26, 2015 Interlocutory Order, because the ground raised in the motion to dismiss was lack of jurisdiction.[68] The Court of Appeals further stated that this jurisdictional issue must first be resolved before proceeding with the exercise of this questioned jurisdiction.[69] In this regard, since ANIBAN failed to timely file for reconsideration, the two Exemption Orders had become final. In view of the finality of the April 30, 2012 Order, the Regional Office could not have lifted the Exemption Orders in his August 23, 2012 Order.[70] Thus, the Court of Appeals dubbed that "the exemption orders attained double finality"[71] and therefore immutable.[72]

The dispositive portion of the Court of Appeals October 16, 2015 Decision in CA-G.R. SP No. 139472 reads:

WHEREFORE, premises considered, the instant petition for certiorari and supplemental petition are GRANTED. Private respondent's amended petitions for coverage are DISMISSED. Accordingly, the public respondents are PERMANENTLY ENJOINED from continuing with the proceedings in [Administrative] Case No. A-9999-03-CV-157-12, as well as other proceedings in connection with the acquisition and distribution process involving the petitioners' landholdings.

SO ORDERED.[73] (Emphasis in the original)

ANIBAN and the Department of Agrarian Reform separately filed their motions for reconsideration. However, in its April 28, 2016 Resolution,[74] the Court of Appeals denied both. As regards ANIBAN's motion for reconsideration, the Court of Appeals found that it was a mere rehash of ANIBAN's prior submissions.[75] As regards the Department of Agrarian Reform's motion for reconsideration, the Court of Appeals noted under Section 5, Rule 65 of the Rules of Court, the Department of Agrarian Reform is only a nominal party who, unless directed by this Court, shall not "appear, file an answer or comment nor participate in the proceedings." [76] Even assuming that it was a real party in interest, the Department of Agrarian Reform must be represented by the Office of the Solicitor General.[77]

Hence, ANIBAN and the Department of Agrarian Reform separately filed the present Petitions for Review on Certiorari before this Court.

In its petition, ANIBAN argues that FL Properties and LLL Holdings committed procedural errors by directly filing a petition for certiorari before the Court of Appeals in CA-G.R. SP No. 139472. It asserts that, in giving due course to FL Properties and LLL Holdings's petition without a motion for reconsideration filed with the Department of Agrarian Reform, the Court of Appeals violated the doctrines of exhaustion of administrative remedies and primary jurisdiction.[78] Thus, it should have dismissed the petition for certiorari outright.[79]

Furthermore, despite its assertion that only questions of law were raised and concluding that ANIBAN failed to timely file its motion for reconsideration of the April 30, 2012 Order, the Court of Appeals determined a question of fact, that is, the date of filing of said motion.[80] This factual finding is contrary to the Regional Office's August 23, 2012 Order, which expressly stated that ANIBAN timely filed a motion for reconsideration.[81] Therefore, the Court of Appeals had no factual bases to justify the nonapplication of the doctrine of exhaustion of administrative remedies and of primary jurisdiction.[82] As such, it should have given the Department of Agrarian Reform the first opportunity to rule on FL Properties and LLL Holdings's motion to dismiss.[83]

ANIBAN additionally contended that the Court of Appeals went beyond the limitations of its certiorari powers when it reviewed facts and declared void the Regional Office's August 23, 2012 and October 9, 2012 Orders.[84] These Orders validly modified the Exemption Orders previously issued and have become final and executory due to FL Properties and LLL Holdings's failure to appeal them to the Office of the DAR Secretary.[85]

Moreover, ANIBAN submits that estoppel by laches should bar FL Properties and LLL Holdings's claim of lack of jurisdiction because said issue was never raised by FL Properties and LLL Holdings for more than two years and despite actively participating in the proceedings before the Regional Office.[86] It was only in their Supplemental Petition before the Court of Appeals where FL Properties and LLL Holdings raised the issue of finality of the April 30, 2012 Order.[87]

ANIBAN also reiterated its prior argument that FL Properties and LLL Holdings are guilty of forum shopping as they filed numerous actions before the Department of Agrarian Reform, Office of the President, and Court of Appeals, all of which showed identity of parties, rights and reliefs sought.[88] In particular, FL Properties and LLL Holdings filed two petitions for certiorari with the Court of Appeals based on a single cause of action.[89]

For its part, the Department of Agrarian Reform argues that the Court of Appeals erred in ruling on the petition for certiorari since FL Properties and LLL Holdings made several procedural errors. First, FL Properties and LLL Holdings's non-filing of a motion for reconsideration was unjustified and does not warrant application of the exemption to the general rule that filing of a motion for reconsideration is a prerequisite to filing a petition for certiorari under Rule 65 of the Rules of Court.[90] Second, FL Properties and LLL Holdings failed to exhaust the available administrative remedies because an appeal from an order of the Undersecretary for Legal Affairs should be raised before the Office of the President, and not with the Court of Appeals.[91]

The Department of Agrarian Reform also submitted that FL Properties and LLL Holdings failed to substantiate how it allegedly acted with grave abuse of discretion with regard to its issuance of the February 26, 2015 Interlocutory Order.[92] In any case, it claims to have acted within its authority when it continued the proceedings in relation to the Amended Petitions for Coverage pursuant to the October 1, 2014 Decision of the Office of the President.[93]

Additionally, it asserts that, contrary to the ruling of the Court of Appeals, (a) it is a real party in interest pursuant to its mandate to "implement all agrarian reform laws and distribute all public alienable lands;"[94] (b) it is not required that it be exclusively represented by the Office of the Solicitor General;[95] and (c) the doctrine of immutability of judgment cannot be applied to previously issued exemption orders because it allegedly "will not lose jurisdiction over lands declared exempted, although with finality, if the purpose for the grant of exemption no longer exists[.]"[96]

Finally, it asserts that under Sections 55[97] and 68[98] of Republic Act No. 6657 and Supreme Court Administrative Circular No. 29-02,[99] courts are prohibited from issuing any restraining order or preliminary injunction against the Department of Agrarian Reform. Thus, the Court of Appeals gravely erred when it permanently enjoined the agency from proceeding with Administrative Case No. A-9999-03-CV-157-12.[100]

On July 18, 2016, this Court consolidated the petitions filed by ANIBAN and the Department of Agrarian Reform.[101]

In their Consolidated Comment,[102] FL Properties and LLL Holdings claimed that, as public respondent, the Department of Agrarian Reform is "not a real party-in-interest vested with personality to file and prosecute the present appeal"[103] By filing the petition, it manifested a personal interest in the case involving FL Properties and LLL Holdings's landholdings.[104] Even assuming that it is a real party in interest, the Office of the Solicitor

General, and not its Legal Service-Legal Affairs Office, has the authority to represent it in this case; thus, its petition is an unauthorized pleading which should have been dismissed outright.[105]

Moreover, FL Properties and LLL Holdings assert that, pursuant to Rule II, Section 7 of Department of Agrarian Reform Administrative Order No. 03, the Regional Director acted with jurisdiction in issuing the October 24, 2005 Exemption Orders,[106] as well as the April 30, 2012 Order.[107] In affirming the finality of the Exemption Orders, the Department of Agrarian Reform is estopped to assert otherwise.[108]

FL Properties and LLL Holdings also argued that, based on regulations, the continuing authority of the Department of Agrarian Reform to review and verify the status of lands exempted from CARP does not apply to lands with slopes above 18% or undeveloped as of June 15, 1998.[109] Such continuing authority is only confined to lands actually, directly, and exclusively used for agriculture.[110] Once these realties are devoted to purposes other than those justifying their exemption, then their exemption status is lifted.[111]

FL Properties and LLL Holdings also denied engaging in forum--shopping because the cases it filed were founded upon different causes of action and involved separate subject matters and issues.[112] They also refuted the claims that they violated the doctrines of primary jurisdiction and exhaustion of administrative remedies as these are not applicable to the present case.[113]

In their Consolidated Reply,[114] ANIBAN stated that Exemption Orders may be validly revoked by the Department of Agrarian Reform because they bore the statement, "this Office reserves the right to withdraw, cancel, and or revoke, in case of misrepresentation in the issuance of this [o]rder." [115] It was also never a party to the proceedings for exemptions; thus, the Exemption Orders did not constitute res judicata.[116] On the other hand, what became final and executory are the August 23, 2012 and October 9, 2012 Orders, which FL Properties and LLL Holdings failed to appeal.[117]

ANIBAN also asserted that FL Properties and LLL Holdings are guilty of forum shopping for filing a second petition for certiorari (CA-G.R. SP No. 139472) during the pendency of Case A-9999-03-CV-157-12 with the Court of Appeals.[118] While the two suits seemed to be based on different grounds, they sought the same reliefs.[119]

In any case, FL Properties and LLL Holdings also are estopped from questioning the jurisdiction of the Office of the Secretary because it filed 13 motions, comments, and petitions in three to four separate administrative agencies and before the Court of Appeals without contesting the Department of Agrarian Reform's jurisdiction.[120]

Thus, the issues for resolution before this Court are the following:

First, whether the Department of Agrarian Reform is a real party in interest;

Second, whether the Department of Agrarian Reform may be represented only by the Office of the Solicitor General;

Third, whether the direct filing of a petition for certiorari by FL Properties and LLL Holdings before the Court of Appeals was proper;

Fourth, whether FL Properties and LLL Holdings are guilty of forum--shopping;

Fifth, whether the October 24, 2005 exemption orders are final and immutable;

Sixth, whether the Department of Agrarian Reform committed grave abuse of discretion in issuing the February 26, 2015 Interlocutory Order; and

Lastly, whether the act of the Court of Appeals of permanently enjoining the Department of Agrarian Reform from proceeding with Administrative Case No. A-9999-03-CV-157-12 is proper.

We grant the Petitions.

I

Respondents argue that petitioner Department of Agrarian Reform is only a nominal party and not a real party in interest in this case.[121] On the other hand, the Department of Agrarian Reform asserts that the October 16, 2015 Decision of the Court of Appeals effectively precludes them from exercising their mandate to implement agrarian law reform policies.[122]

The Rules of Court defines a real party in interest as:

Section 2. Parties-in-interest. – A real party-in-interest is the party who stands to be benefited or injured by the judgment in the suit, or the party entitled to the avails of the suit. Unless otherwise authorized by law or these Rules, every action must be prosecuted or defended in the name of the real party-in-interest.[123] (Emphasis supplied)

In *Awayan v. Sulu Resources Development Corp.*,[124] this Court described that the right of a real party in interest must be "direct, substantial, and material." [125] Such must also be a "present substantial interest, not a mere expectancy, or a future, contingent, subordinate, or consequential interest." [126]

Executive Order No. 129-A defines the mandate and enumerates the power of the Department of Agrarian Reform:

SECTION. 4. Mandate. — The Department shall be responsible for implementing the Comprehensive Agrarian Reform Program and, for such purpose, it is authorized to:

....

i) Undertake land use management and land development studies and projects in agrarian reform areas;

k) Approve or disapprove the conversion, restructuring or readjustment of agricultural lands into non-agricultural uses;

l) Monitor and evaluate the progress of agrarian reform implementation;

....

SECTION. 5. Powers and Functions. — Pursuant to the mandate the Department, and in order to ensure the successful implementation of the Comprehensive Agrarian Reform Program, the department is hereby authorized to:

....

b) Implement all agrarian laws, and for this purpose, punish for contempt and issue subpoena, subpoena duces tecum, writs of execution of its decisions, and other legal processes to ensure successful and expeditious program implementation; the decisions of the Department may in proper cases, be appealed to the Regional Trial Courts but shall be immediately executory notwithstanding such appeal;

c) Establish and promulgate operational policies, rules and regulations and priorities for agrarian reform implementation;

....

e) Acquire, administer, distribute, and develop agricultural lands for agrarian reform purposes;

f) Undertake surveys of lands covered by agrarian reform;

....

l) Have exclusive authority to approve or disapprove conversion of agricultural lands for residential, commercial, industrial, and other land uses as may be provided for by law[.][127]

Republic Act No. 6657, otherwise known as the Comprehensive Agrarian Reform Law, as amended, also states:

SECTION 50. Quasi-Judicial Powers of the [Department of Agrarian Reform] — The [Department of Agrarian Reform] is hereby vested with primary jurisdiction to determine and adjudicate agrarian reform matters and shall have exclusive original jurisdiction over all matters involving the implementation of agrarian reform except those falling under the exclusive jurisdiction of the Department of Agriculture (DA) and the Department of Environment and Natural Resources (DENR).[128] (Emphasis supplied)

The aforementioned laws are clear in stating that the Department of Agrarian Reform has exclusive and original jurisdiction in settling all issues and matters relating to the implementation of CARP. Among these include the authority to determine which lands should be included and excluded from CARP coverage.[129] Thus, it is the Department of Agrarian Reform that adjudicates over petitions for coverage and manages land acquisition and distribution.[130]

In its October 16, 2015 Decision, the Court of Appeals not only dismissed the Amended Petitions for Coverage filed by petitioner ANIBAN, it also issued a permanent injunction against the Department of Agrarian Reform from proceeding with any action in relation to the Administrative Case No. A-9999-03-CV-157-12 and acquisition and distribution of Hacienda Dolores.[131]

The October 16, 2015 Decision has repercussions on the power of the Department of Agrarian Reform to exercise its mandate. By dismissing the Amended Petitions for Coverage, the Court of Appeals directly ruled on matters that were within the jurisdiction of the Department of Agrarian Reform. The present Petitions also involve issues in relation to the power of the Department of Agrarian Reform to lift its exemption orders and to conduct continuing review of exempted lands.

Thus, the interest of petitioner Department of Agrarian Reform in this case is present and substantial which will qualify it to be a real party in interest.

II

Respondents also question the authority of the Department of Agrarian Reform to represent itself. They argue that, as a government agency, the Department of Agrarian Reform may only be represented by the Office of the Solicitor General.[132]

Under the Administrative Code of 1987, the Office of the Solicitor General is recognized as the legal counsel of the Philippine government and its agencies, instrumentalities, and officials in any proceeding or case:

SECTION 35. Powers and Functions. — The Office of the Solicitor General shall represent the Government of the Philippines, its agencies and instrumentalities and its officials and agents in any litigation, proceeding, investigation or matter requiring the services of a lawyer. When authorized by the President or head of the office concerned, it shall also represent government-owned or controlled corporations. The Office of the Solicitor General shall constitute the law office of the Government and, as such, shall discharge duties requiring the services of a lawyer.[133]

However, this Court has recognized the independence of the Office of the Solicitor General in taking a position contrary to that of the government agency it will represent.[134] On this occasion, the Court has allowed government agencies to represent themselves:

In such an instance the government office adversely affected by the position taken by the Solicitor General, if it still believes in the merit of its case, may appear in its own behalf through its legal personnel or representative.[135]

Here, the Department of Agrarian Reform sought legal assistance from the Office of the Solicitor General in filing a motion for reconsideration on the October 16, 2015 Decision of the Court of Appeals. However, the Office of the Solicitor General believed that there is no necessity to file such action.[136] Thus, the Department of Agrarian Reform filed on its own the motion for reconsideration and the present Petition.

III (A)

We find that respondents failed to justify their nonobservance of procedural rules in this case.

"Procedural rules are essential in the administration of justice." [137] The rules are designed to ensure that the substantial rights of parties are protected "through the orderly and speedy administration of justice" [138] where there is "a system under which suitors may be heard in the correct form and manner and at the prescribed time in a peaceful confrontation before a judge whose authority they acknowledge." [139]

Although there are instances when the application of the rules may be relaxed in the interest of justice, there must be a showing of a clear and plausible justification of why a liberal application of the procedural rules is proper. [140] In *Daikoku Electronics Phils., Inc. v. Raza*, [141] this Court explained:

To be sure, the relaxation of procedural rules cannot be made without any valid reasons proffered for or underpinning it. To merit liberality, petitioner must show reasonable cause justifying its non-compliance with the rules and must convince the Court that the outright dismissal of the petition would defeat the administration of substantive justice[.]

....

We must stress that the bare invocation of "the interest of substantial justice" line is not some magic wand that will automatically compel this Court to suspend procedural rules. Procedural rules are not to be belittled, let alone dismissed simply because their non-observance may have resulted in prejudice to a party's substantial rights. Utter disregard of the rules cannot be justly rationalized by harping on the policy of liberal construction. [142] (Citations omitted)

This Court acknowledges that the procedural rules were dispensed with by the direct filing of the petition for certiorari before the Court of Appeals. However, we are not convinced that there are justifiable reasons for the diversion from procedure. Respondents committed several procedural errors which cannot be overlooked.

III (B)

Rules 65 of the Rules of Court provides:

Section 1. Petition for certiorari. — When any tribunal, board or officer exercising judicial or quasi-judicial functions has acted without or in excess its or his jurisdiction, or with grave abuse of discretion amounting to lack or excess of jurisdiction, and there is no appeal, or any plain, speedy, and adequate remedy in the ordinary course of law, a person aggrieved thereby may file a verified petition in the proper court, alleging the facts with certainty and praying that judgment be rendered annulling or modifying the proceedings of such tribunal, board or officer, and granting such incidental reliefs as law and justice may require.

A petition for certiorari is considered as an extraordinary remedy [143] which is availed of when a party has no other available remedy under the law. Thus, a motion for reconsideration is often required before a party may file a petition for certiorari as proof that the party has indeed exhaust all available remedies. [144] "Its purpose is to grant an opportunity for the court to correct any actual or perceived error attributed to it by re-examination of the

legal and factual circumstances of the case." [145]

This rule admits of certain exceptions wherein the filing of a motion for reconsideration may be dispensed with:

(a) where the order is a patent nullity, as where the court a quo has no jurisdiction; (b) where the questions raised in the certiorari proceedings have been duly raised and passed upon by the lower court, or are the same as those raised and passed upon in the lower court; (c) where there is an urgent necessity for the resolution of the question and any further delay would prejudice the interests of the Government or of the petitioner or the subject matter of the action is perishable; (d) where, under the circumstances, a motion for reconsideration would be useless; (e) where petitioner was deprived of due process and there is extreme urgency for relief; (f) where, in a criminal case, relief from an order of arrest is urgent and the granting of such relief by the trial court is improbable; (g) where the proceedings in the lower court are a nullity for lack of due process; (h) where the proceeding were ex parte or in which the petitioner had no opportunity to object; and (i) where the issue raised is one purely of law or where public interest is involved. [146] (Citation omitted)

A party must clearly demonstrate that the exceptions truly exist. [147]

Here, the Court of Appeals gave due course to the petition for certiorari despite the non-filing of a motion for reconsideration on the ground that there exist circumstances in this case that would allow for the exemption from the general rule:

Evidently, there is an urgent necessity for the resolution of the question involved (i.e., whether or not the [Department of Agrarian Reform] still have jurisdiction to continue with the proceedings below) because from the tenor itself of the assailed order, the [Department of Agrarian Reform], particularly public respondent Pañgulayan, are bent on proceeding with the acquisition and distribution process of the petitioners' landholdings. This is clearly prejudicial to the petitioners' interests since they are being subjected to a proceeding, and their landholdings, to acquisition and distribution process, which may turn out to be unnecessary and a nullity and thus vexatious, should it later be declared that the public respondents no longer have the authority and jurisdiction to do so. Moreover, a motion for reconsideration would be useless given the determined stance of the public respondents of proceeding with the case below, as further evidenced by their setting of the proceedings for hearings, ocular inspection and ground survey while petitioner's motion to dismiss remains unresolved. Finally the issue involved – whether or not the public respondents still have jurisdiction to take cognizance of the private respondents' amended petitions – is purely a legal one. In view of the foregoing, therefore, the prerequisite filing of a motion for reconsideration before resorting to the instant petition for certiorari may be dispensed with this case. [148]

This Court does not agree. The reasons provided by the Court of Appeals were mere speculations without any legal basis. Respondents were unable to substantiate their claims that the filing of a motion for reconsideration will be futile. The filing of a petition for certiorari is thus warranted.

III (C)

Another component of the requirement that there be no other plain, speedy, and adequate remedy before a party may file a petition for certiorari is that all applicable administrative remedies should have been exhausted.

In *Association of Medical Clinics for Overseas Workers, Inc. v. GCC Approved Medical Centers Association, Inc.*, [149] this Court emphasized:

In every case, remedies within the agency's administrative process must be exhausted before external remedies can be applied. Thus, even if a governmental entity may have committed a grave abuse of discretion, litigants should, as a rule, first ask reconsideration from the body itself, or a review thereof before the agency concerned. This step ensures that by the time the grave abuse of discretion issue reaches the court, the administrative agency concerned would have fully exercised its jurisdiction and the court can focus its attention on the questions of law presented before it. [150]

Furthermore, the doctrine of non-exhaustion of administrative remedies also ensures that the separation of powers among the branches of government is preserved.[151] It acknowledges the technical knowledge and expertise of the agencies to resolve matters that are well within their jurisdiction.[152]

Here, there were other modes of appeal prescribed by the regulations that the respondents have failed to avail.

By the time the February 26, 2015 Interlocutory Order was issued, the prevailing procedural rules on the implementation of CARP was Department of Agrarian Reform Administrative Order (AO) No. 03, series of 2003, otherwise known as the 2003 Rules of Procedure for Agrarian Law Implementation Cases. This covers the procedure involved in the applications for coverage[153] and the identification of exempted lands.[154]

The procedure for appeals from the Office of the Undersecretary for Legal Affairs is outlined as follows:

SECTION 32. Motion for Reconsideration. A party may file only one (1) motion for reconsideration of the decision of the Secretary or deciding authority, and may do so only within a non-extendible period of fifteen (15) calendar days from receipt of the Secretary's decision, furnishing a copy of the motion to all other parties. The filing of the motion interrupts the running of the reglementary period within which to appeal. Upon receipt if the resolution on the motion/or reconsideration, the losing party may elevate the matter to the Office of the President (OP).

SECTION 33. Appeal. Appeals from the decision of the Secretary may be taken to the [Office of the President] within fifteen (15) days from receipt thereof. The filing of an appeal within the proper period stays execution of the subject decision, unless the OP orders immediate execution of the DAR decision upon such terms and conditions that are just and reasonable, pursuant to Section 4 of OP Administrative Order (AO) No. 18 dated 12 February 1987, or the applicable rule.[155] (Emphasis supplied)

A party aggrieved with a ruling of the Undersecretary for Legal Affairs must first file a motion for reconsideration and proceed with an appeal before the Office of the President. Respondent cannot feign ignorance of this procedure. In fact, they actually availed of this mode of appeal when they questioned before the Office of the President the October 16, 2013 Order of the Undersecretary of Legal Affairs which directed the immediate conduct of the hearings for the Cease and Desist Order filed by petitioner ANIBAN.[156] However, instead of following the same procedure, respondents assailed the February 26, 2015 Interlocutory Order by directly filing a petition for certiorari with the Court of Appeals.

In *Roxas & Co., Inc. v. Court of Appeals*,[157] this Court recognized that there are also instances when direct resort to the courts is allowed even if there are available administrative remedies:

Among these exceptions are: (1) when the question raised is purely legal; (2) when the administrative body is in estoppel; (3) when the act complained of is patently illegal; (4) when there is urgent need for judicial intervention; (5) when the respondent acted in disregard of due process; (6) when the respondent is a department secretary whose acts, as an alter ego of the President, bear the implied or assumed approval of the latter; (7) when irreparable damage will be suffered; (8) when there is no other plain, speedy, and adequate remedy; (9) when strong public interest is involved; (10) when the subject of the controversy is a private land; and (11) in quo warranto proceedings.[158] (Citation omitted)

Again, respondents have not demonstrated to this Court the existence of any of the exemptions.

Therefore, we disagree with the ruling of the Court of Appeals that it was proper for respondent to file a petition for certiorari without first exhausting the available administrative remedies.

IV

Petitioner ANIBAN also argues that respondents are guilty of forum shopping for having filed numerous actions

before various tribunals with essentially the same reliefs.[159] The Court of Appeals found that the respondents are not guilty of forum shopping since the petition for certiorari sought for a different relief from the previous cases that respondents have filed.[160]

The Court in *Dy et al. v. Yu*[161] identified the test to determine whether a party has committed forum shopping:

To determine whether a party violated the rule against forum shopping, the most important factor to ask is whether the element of *litis pendentia* is present, or whether a final judgment in one case will amount to *res judicata* in another. Otherwise stated, the test for determining forum shopping is whether in the two (or more) cases pending, there is identity of parties, rights or causes of action, and reliefs sought. If a situation of *litis pendentia* or *res judicata* arises by virtue of a party's commencement of a judicial remedy identical to one which already exists (either pending or already resolved), then a forum shopping infraction is committed.[162] (Citations omitted)

The concept of forum shopping is intimately related with *litis pendentia*, the elements of which are the following: "(a) the identity of parties, or at least such as representing the same interests in both actions; (b) the identity of rights asserted and relief prayed for, the relief being founded on the same facts; and (c) the identity of the two cases such that judgment in one, regardless of which party is successful, would amount to *res judicata* in the other." [163]

Meanwhile, *res judicata* exists when: "(1) the judgment sought to bar the new action must be final; (2) the decision must have been rendered by a court having jurisdiction over the subject matter and the parties; (3) the disposition of the case must be a judgment on the merits; and (4) there must be as between the first and second action, identity of parties, subject matter, and causes of action." [164]

Thus, for a party to be found guilty of forum shopping, it is imperative to show that the resolution in one case would essentially result to *res judicata* in the other. One of the elements of *res judicata* pertains to the fact that the disposition of the case must be judgment on the merits where "there is an unequivocal determination of the rights and obligations of the parties with respect to the causes of action and the subject matter." [165]

Before filing the petition for certiorari in CA-G.R. SP No. 139472, respondents have already filed a previous petition for certiorari docketed as CA-G.R. SP No. 127228 before the Court of Appeals where they assailed the August 23, 2012 and October 9, 2012 Orders of the Department of Agrarian Reform.[166] They also filed an appeal before the Office of the President where they questioned the October 16, 2013 Order of the Undersecretary for Legal Affairs and sought for the dismissal of the October 24, 2005 exemption orders.[167]

A reading of the November 15, 2012 Resolution in CA-G.R. SP No. 127228 reveals that the action was dismissed based on the wrong mode of appeal availed by the respondents.[168] The October 1, 2014 Order of the Office of the President merely directed parties to proceed with an immediate action on the Cease and Desist Order filed by petitioner ANIBAN.[169] These cannot be considered as judgment on the merits as they do not clearly delineate the rights and responsibilities of the involved parties. Thus, the resolution in either case will not constitute as *res judicata* to the petition for certiorari in CA-G.R. SP No. 139472.

Thus, we agree with the Court of Appeals that respondents are not guilty of forum shopping.

Nevertheless, there still exists glaring procedural errors with the direct filing of the petition for certiorari before the Court of Appeals which this Court cannot ignore. Respondents offered no substantial justification as to why they should be accorded the liberal application of the rules of procedure. The Court of Appeals should not have given due course to the petition for certiorari based on the procedural mistakes committed by respondent.

V

This Court also does not give merit to the contentions of the respondents on the substantial issues.

Respondents assert that the Court of Appeals correctly ruled that the Department of Agrarian Reform acted in grave abuse of discretion when it issued the February 26, 2015 Interlocutory Order.[170]

Grave abuse of discretion is defined as:

By grave abuse of discretion is meant such capricious and whimsical exercise of judgment as is equivalent to lack of jurisdiction. The abuse of discretion must be grave as where the power is exercised in an arbitrary or despotic manner by reason of passion or personal hostility and must be so patent and gross as to amount to an evasion of positive duty or to a virtual refusal to perform the duty enjoined by or to act at all in contemplation of law.

Grave abuse of discretion refers not merely to palpable errors of jurisdiction; or to violations of the Constitution, the law and jurisprudence. It refers also to cases in which, for various reasons, there has been a gross misapprehension of facts.[171] (Citations omitted)

A party alleging the existence of grave abuse of discretion must substantially show before this Court that the opposing party acted in an "arbitrary, capricious, whimsical, or despotic manner."[172]

The Court of Appeals found that the Department of Agrarian Reform gravely erred in issuing directives to proceed with Administrative Case No. A-9999-03-CV-157-12 as stated in the February 26, 2015 Interlocutory Order, instead of ruling on the Urgent Motion to Dismiss filed by respondents.[173]

The Department of Agrarian Reform contends that it only acted within its jurisdiction to settle matters involving the implementation of CARP. The directives stated in the February 26, 2015 Interlocutory Order complied with the October 1, 2014 Order of the Office of the President which ordered the continuation of the proceedings in Administrative Case No. A-9999-03-CV-157-12.[174]

We do not find that the Department of Agrarian Reform acted with grave abuse of discretion. A reading of the directives enumerated in the February 26, 2015 Interlocutory Order reveals that these involve preliminary work, such as the conduct of clarificatory hearings and ocular inspection and ground survey, which are reasonable steps in resolving the issues of whether Hacienda Dolores should be included in CARP coverage and whether the October 24, 2005 exemption orders should be revoked.[175] As previously discussed, the determination of which lands should be included or excluded in CARP coverage is a matter that is well within the exclusive jurisdiction of the Department of Agrarian Reform.[176]

Respondents have not demonstrated how the issuance of the February 26, 2015 Interlocutory Order equates to an "arbitrary and despotic" act on the part of the Department of Agrarian Reform. They cannot demand that their Urgent Motion to Dismiss be ruled immediately when the agency has taken steps to ensure that a proper resolution of the case will be reached. Although there is a need for the resolution to be done in an expeditious manner it cannot be done at the expense of prudence and compliance with procedure.

Thus, we do not agree with the finding of the Court of Appeals that the Department of Agrarian Reform gravely abused its discretion when it issued the February 26, 2015 Interlocutory Order.

VI

The Court of Appeals ruled that the October 24, 2005 exemption orders already attained "double finality" since the exemption orders "were never formally revoked or lifted in a proceeding conducted for this specific purpose"[177] even after five years of having been declared final. Even when petitioner ANIBAN filed the Amended Petitions for Coverage, these were dismissed in the April 30, 2012 Order. The Court of Appeals found that ANIBAN had failed to file a timely motion for reconsideration.[178] Thus, the doctrine of immutability of

judgments shall apply.

The doctrine of immutability of judgments states:

A decision that has acquired finality becomes immutable and unalterable, and may no longer be modified in any respect, even if the modification is meant to correct erroneous conclusions of fact or law, and whether it will be made by the court that rendered it or by the highest court of the land. This doctrine of finality and immutability of judgments is grounded on fundamental considerations of public policy and sound practice to the effect that, at the risk of occasional error, the judgments of the courts must become final at some definite date set by law.[179] (Citations omitted)

This Court has recognized that the doctrine of immutability of judgments shall also apply to decisions and rulings of administrative agencies, such as the Department of Agrarian Reform.[180]

Petitioner Department of Agrarian Reform argues that the doctrine will not apply to exemption orders that were previously issued. This is pursuant to its authority to conduct continuing review and verification of exempted lands.[181]

We agree with the petitioner.

Republic Act No. 6657, as amended, identifies the lands which shall be excluded from CARP coverage:

SECTION 10. Exemptions and Exclusions. — Lands actually, directly and exclusively used and found to be necessary for parks, wildlife, forest reserves, reforestation, fish sanctuaries and breeding grounds, watersheds, and mangroves, national defense, school sites and campuses including experimental farm stations operated by public or private schools for educational purposes, seeds and seedlings research and pilot production centers, church sites and convents appurtenant thereto, mosque sites and Islamic centers appurtenant thereto, communal burial grounds and cemeteries, penal colonies and penal farms actually worked by the inmates, government and private research and quarantine centers and all lands with eighteen percent (18%) slope and over, except those already developed shall be exempt from the coverage of this Act.

Lands may be exempted based on either their purpose, i.e., they are being used for non-agricultural purposes, or the fact they have a slope of 18% or over. These are conditions which are susceptible to change. Thus, the Department of Agrarian Reform is authorized to conduct a periodic review of the exempted lands:

F. REVIEW AND REVISION/REVOCATION OF ORDER

The Undersecretary for Legal Affairs shall monitor and evaluate the implementation of this Order and submit a quarterly report to the Secretary relative thereto. For this purpose, [they] shall cause the periodic review of all Certificates of Exemption to determine whether the condition/s for which the exemptions were granted still exist. If not, [they] shall recommend the revision or revocation of the Certificates as the case may be.[182] (Emphasis supplied)

The doctrine on immutability of judgments is not absolute and admits of certain exceptions, namely: "(1) the correction of clerical errors; (2) the so--called nunc pro tunc entries which cause no prejudice to any party; (3) void judgments; and (4) whenever circumstances transpire after the finality of the decision rendering its execution unjust and inequitable." [183]

This Court considers that the doctrine of immutability of judgment shall not apply to the exemption orders issued by the Department of Agrarian Reform. Exemption orders are prone to supervening events. In *Natalia Realty, Inc. v. Court of Appeals*, [184] this Court described the concept of supervening events:

Supervening events refer to facts which transpire after judgment has become final and executory or to new circumstances which developed after the judgment has acquired finality, including matters which the parties

were not aware of prior to or during the trial as they were not yet in existence at that time.

Before an event can be considered a supervening event, justifying the modification or alteration of a final judgment, the event must have transpired after the judgment has become final and executory.[185] (Citations omitted)

A parcel of land that was initially declared as exempted land may be used for a different purpose, or it may already have a slope that falls below the 18% threshold. There is a possibility that the conditions that once qualified a land to be excluded from CARP coverage may not exist anymore. Thus, the Department of Agrarian Reform is tasked to exercise its authority to conduct continuing review and verification of the lands. It also has the authority to revoke such exemption orders.[186]

These varying circumstances that may surround exempted lands may occur even after the exemption order has been issued and finalized. Thus, these circumstances may be considered as supervening events that would exempt them from the application of the doctrine of immutability of judgments.

Here, the October 24, 2005 exemption orders were already final.[187] However, upon review of the Department of Agrarian Reform, it found that there are portions of lands that have slopes below 18% and no longer qualify as exempted lands under the law.[188] Thus, through an August 23, 2012 Order, the Department of Agrarian Reform partially revoked the October 24, 2005 exemption orders and included select portions of Hacienda Dolores to CARP coverage.[189]

There is no error on the part of the Department of Agrarian Reform in issuing the August 23, 2012 Order and partially lifting the October 24, 2005 exemption orders. There is no violation of the doctrine of immutability of judgments and the agency has acted within its authority.

This Court also does not consider that the April 30, 2012 Order, which initially dismissed the Amended Petitions for Coverage, to have attained finality. The Court of Appeals made a mistake when it ruled that petitioner ANIBAN filed the motion for reconsideration only on June 18, 2012. Upon a review of the records, petitioner ANIBAN filed a timely motion for reconsideration on the April 30, 2012 Order.[190]

The Order was issued on April 30, 2012.[191] Based on the rules, a party has 15 days from issuance of the Order to file a motion for reconsideration.[192] The Department of Agrarian Reform in its August 23, 2012 Order acknowledged that ANIBAN filed a motion for reconsideration on June 14, 2012 which is within the reglementary period.[193]

Thus, we disagree with the findings of the Court of Appeals that the October 24, 2005 exemption orders attained finality.

VII (A)

Petitioner Department of Agrarian Reform assails the permanent injunction issued by the Court of Appeals in its October 16, 2015 Decision. Respondents failed to demonstrate that they have a right that needs to be protected by the courts. Under the laws, the Court of Appeals also has no authority to issue injunction orders against the Department of Agrarian Reform.[194]

In the October 16, 2015 Decision, the Court of Appeals argued that the Department of Agrarian Reform already lost its jurisdiction to settle the matter.[195] While in the April 28, 2016 Resolution, it contends that it is not prohibited from issuing final injunctive reliefs.[196] The prohibition against issuing injunctions under the law only covers ancillary or provisional reliefs.[197]

The Court of Appeals is mistaken. The issuance of the permanent injunction was improper.

Section 55 of Republic Act No. 6657, as amended by Republic Act No. 9700, clearly states:

SEC. 55. No Restraining Order or Preliminary Injunction. — Except for the Supreme Court, no court in the Philippines shall have jurisdiction to issue any restraining order or writ of preliminary injunction against the [Presidential Agrarian Reform Council], the [Department of Agrarian Reform], or any of its duly authorized or designated agencies in any case, dispute or controversy arising from, necessary to, or in connection with the application, implementation, enforcement, or interpretation of this Act and other pertinent laws on agrarian reform.[198] (Emphasis supplied)

Contrary to the position of the Court of Appeals, there is nothing explicit in the provision that states that the prohibition is limited only to ancillary or preliminary injunctive reliefs. This provision guarantees that the authority of the Department of Agrarian Reform in performing its mandate will not be interrupted. The provision emphasizes the exclusive and original jurisdiction of the Department of Agrarian Reform "over all matters involving the implementation of agrarian reform." [199]

VII (B)

Further, respondents have not substantially proven that they are entitled to a permanent injunction. In *BP Philippines, Inc. v. Clark Trading Corporation*, [200] this Court enumerated the requisites that must be fulfilled before a court may issue a writ of injunction:

[T]he writ of injunction would issue:

Upon the satisfaction of two requisites, namely: (1) the existence of a right to be protected; and (2) acts which are violative of said right. In the absence of a clear legal right, the issuance of the injunctive relief constitutes grave abuse of discretion. Injunction is not designed to protect contingent or future rights. Where the complainant's right is doubtful or disputed, injunction is not proper. The possibility of irreparable damage without proof of actual existing right is not a ground for an injunction.[201]

Respondents failed to identify any right on their part that will be violated if the Department of Agrarian Reform proceeds with Administrative Case No. A-9-999-03-CV-157-12. As discussed, the directives in the February 26, 2015 Interlocutory Order were only preliminary steps such as the conduct of clarificatory hearings and ocular inspections in order to properly resolve the matter. There is no final resolution yet on the Amended Petitions for Coverage with the issuance of February 26, 2015 Interlocutory Order. Thus, respondents cannot claim that their rights will be violated at this point of the proceeding.

VII (C)

In permanently enjoining the Department of Agrarian Reform from proceeding with Administrative Case No. A-9999-03-CV-157-12, the Court of Appeals essentially curtailed the agency from performing its mandate and exercising its jurisdiction.

This also violates the doctrine of primary jurisdiction which states that "if a case is such that its determination requires the expertise, specialized training and knowledge of an administrative body, relief must first be obtained in an administrative proceeding before resort to the courts is had even if the matter may well be within their proper jurisdiction." [202]

In issuing the permanent injunction, the Court of Appeals asserts that the Department of Agrarian Reform already lost its jurisdiction because it acted with grave abuse of discretion in issuing the February 26, 2015 Interlocutory Order. As previously resolved, the Department of Agrarian Reform acted within its authority when it issued the February 26, 2015 Interlocutory Order. Thus, it maintained its jurisdiction over Administrative Case No. A-9999-03-CV-157-12 and is in a better position to resolve the case on account of its expertise and specialty. The Court of Appeals should not have overstepped the jurisdiction of the Department of Agrarian Reform.

Thus, the Court of Appeals erred in permanently enjoining the Department of Agrarian Reform from continuing with Administrative Case No. A-9999-03-CV-157-12 and other proceedings in relation to the acquisition and distribution of Hacienda Dolores.

ACCORDINGLY, the Petitions are GRANTED. The October 16, 2015 Decision and April 28, 2016 Resolution of the Court of Appeals in CA-G.R. SP No. 139472 are REVERSED and SET ASIDE.

The permanent injunction issued by the Court of Appeals in its October 16, 2015 Decision is REVERSED and SET ASIDE.

Administrative Case No. A-9999-03-CV-157-12 is REMANDED to the Department of Agrarian Reform for further proceedings.

SO ORDERED.

Lazaro-Javier, M. Lopez, J. Lopez, and Kho, Jr., JJ., concur.

[*] "FL PROPERTIES MANAGEMENT CORPORATION" is also referred to as "F.L. Properties and Management Corporation."

[1] RULES OF COURT, Rule 45.

[2] Docketed as G.R. No. 224457.

[3] Docketed as G.R. No. 224965.

[4] Rollo (G.R. No. 224457), pp. 16-37; rollo (G.R. No. 224965), pp. 102-123. The October 16, 2015 Decision in CA-G.R. SP No. 139472 was penned by Associate Justice Mariflor P. Punzalan Castillo and concurred in by Associate Justices Florito S. Macalino and Zenaida T. Galapate-Laguilles of the Tenth Division of Court of Appeals, Manila.

[5] Rollo (G.R. No. 224457), pp. 39-50; rollo (G.R. No. 224965), pp. 88-99. The April 28, 2016 Resolution in CA-G.R. SP No. 139472 was penned by Associate Justice Mariflor P. Punzalan Castillo and concurred in by Associate Justices Florito S. Macalino and Zenaida T. Galapate-Laguilles of the Tenth Division of Court of Appeals, Manila.

[6] Rollo (G.R. No. 224457), p. 37. Rollo (G.R. No. 224965), p. 123.

[7] Id.

[8] Id. at 17, 318. See also rollo (G.R. No. 224965), p. 103.

[9] Rollo (G.R. No. 224457), pp. 37, 85; rollo (G.R. No. 224965), p. 123.

[10] Docketed as Docket No. 304-101805. Rollo (G.R. No. 224457), pp. 446-449, 450, 453-456. The March 9, 2006 Order was penned by OIC-Regional Director Teofilo Q. Inocencio and October 24, 2005 Order was penned by Regional Director Narciso B. Nieto of the Department of Agrarian Reform Regional Office III.

[11] Rollo (G.R. No. 224457), p. 17; rollo (G.R. No. 224965), p. 103.

[12] Rollo (G.R. No. 224457), pp. 455-456.

[13] Id. at 448-449.

[14] Id. at 17. See also rollo (G.R. No. 224457), p. 450. The April 27, 2006 Order penned by OIC-Regional Director Teofilo Q. Inocencio of the Department of Agrarian Reform Regional Office III.

[15] Id.

[16] Rollo (G.R. No. 224457), p. 17.

[17] Id.

[18] Id.

[19] Id.

[20] The Records do not appear to contain a copy of the Order dated April 30, 2012; nonetheless, both ANIBAN and the DAR in their pleadings both assert the same contents as regards the said April 30, 2012 Order.

[21] Rollo (G.R. No. 224457), pp. 17, 57. See also rollo (G.R. No. 224965), p. 21. The Records do not appear to contain a copy of the Order dated April 30, 2012; nonetheless, both ANIBAN and the DAR in their pleadings both assert the same contents as regards the said April 30, 2012 Order.

[22] Rollo (G.R. No. 224457), pp. 465-469. See also rollo (G.R. No. 224457), pp. 492-496; rollo (G.R. No. 224965), pp. 307-315.

[23] Rollo (G.R. No. 224457), pp. 492-496. Pending resolution of the initial motion for reconsideration, ANIBAN filed a Supplemental Motion for Reconsideration with Oath taking Request and Manifestation, praying that Regional Office direct the administration of oath to farmers regarding information provided in its motion for reconsideration.

[24] Id. at 17.

[25] Id. at 492-496. The August 23, 2012 Order was penned by Regional Director Teofilo Q. Inocencio of the Department of Agrarian Reform, Regional Office III, San Fernando, Pampanga.

[26] About 35 hectares of FL Properties's landholdings and about 47 hectares of LLL Holdings's landholdings.

[27] Rollo (G.R. No. 224457), at 494-495.

[28] The lands whose exemptions were revoked have a combined area of 82 hectares out of a total of 754.9747 hectares.

[29] Rollo (G.R. No. 224457), pp. 494-495.

[30] Rollo (G.R. No. 224457), pp. 359, 391, 507-510.

[31] Id. at 359.

[32] Id. at 498-500. The October 9, 2012 Order was penned by Regional Director Teofilo Q. Inocencio of the Department of Agrarian Reform, Regional Office III, San Fernando, Pampanga.

[33] Id. at 500.

[34] Id. at 354-364.

[35] Id. at 370-371.

[36] Id. at 18.

[37] Id. at 354-364.

[38] Id. at 370-371. The November 15, 2012 Resolution in CA-G.R. SP No. 127228 was penned by Associate Justice Jane Aurora Lantion and concurred in by Associate Justices Ramon R. Garcia and Myra V. Garcia-Fernandez of the Special Twelfth Division of the Court of Appeals, Manila.

[39] Id. at 371.

[40] Id. at 462-464.

[41] Id. at 241-249.

[42] Id. at 18.

[43] Id.

[44] Id.

[45] Id.

[46] Id. at 413-415. The October 1, 2014 Order penned by Deputy Executive Secretary for Legal Affairs Michael G. Aguinaldo of the Office of the President.

[47] Id. at 154.

[48] Id. at 18-19.

[49] Id. at 19.

[50] Id. at 153-156. The February 26, 2015 Interlocutory Order was penned by Undersecretary for Legal Affairs Luis Meinrado C. Pañgulayan of the Department of Agrarian Reform.

[51] Rollo (G.R. No. 224965), p. 149.

[52] Rollo (G.R. No. 224457), pp. 155-156.

[53] Id. at 129-148.

[54] Id. at 19-20.

[55] Id. at 20.

[56] Id. at 21.

[57] Id.

[58] Id.

[59] Id. at 323-324. The March 31, 2015 Order was penned by Undersecretary for Legal Affairs Luis Meinrado C. Pañgulayan of the Department of Agrarian Reform.

[60] Id. at 21.

[61] Id. at 327-334.

[62] Id. at 21.

[63] Id. at 22.

- [64] Id.
- [65] Id. at 16-37; rollo (G.R. No. 224965), pp. 102-123.
- [66] Rollo (G.R. No. 224457), pp. 23-25.
- [67] Id. at 23.
- [68] Id. at 28-29.
- [69] Id. at 26.
- [70] Id. at 33-34.
- [71] Id. at 33.
- [72] Id. at 33-34.
- [73] Id. at 37.
- [74] Id. at 39-50.
- [75] Id. at 41.
- [76] Id. at 47.
- [77] Id. at 47-48.
- [78] Id. at 48-49, 65.
- [79] Id. at 70-72.
- [80] Id. at 64-70.
- [81] Id. at 66-67.
- [82] Id. at 72-74.
- [83] Id. at 70.
- [84] Id. at 71.
- [85] Id. at 76.
- [86] Id. at 74, 78.
- [87] Id. at 72, 83.
- [88] Id. at 81-84.
- [89] Id. at 84.
- [90] Rollo (G.R. No. 224965), pp. 31-36.
- [91] Id. at 38.
- [92] Id. at 41-44.
- [93] Id. at 43, 59.
- [94] Id. at 58-59.

[95] Id. at 49-55.

[96] Id. at 63.

[97] Republic Act No. 6657 (1988), sec. 55 reads:

Section 55. No Restraining Order or Preliminary Injunction. — No court in the Philippines shall have jurisdiction to issue any restraining order or writ of preliminary injunction against the PARC or any of its duly authorized or designated agencies in any case, dispute or controversy arising from, necessary to, or in connection with the application, implementation, enforcement, or interpretation of this Act and other pertinent laws on agrarian reform.

[98] Republic Act No. 6657 (1988), sec. 68 reads:

Section 68. Immunity of Government Agencies from Undue Interference. — No injunction, restraining order, prohibition or mandamus shall be issued by the lower courts against the Department of Agrarian Reform (DAR), the Department of Agriculture (DA), the Department of Environment and Natural Resources (DENR), and the Department of Justice (DOJ) in their implementation of the program.

[99] Otherwise known as "Avoidance of Conflict of Jurisdiction over Cases under the Comprehensive Agrarian Reform Law of 1988 (R.A. No. 6657)."

[100] Rollo (G.R. No. 224965), pp. 88-90.

[101] Rollo (G.R. No. 224457), p. 661.

[102] Rollo (G.R. No. 224965), pp. 241-289.

[103] Id. at 254.

[104] Id. at 259.

[105] Id. at 259-260.

[106] Id. at 263.

[107] Id. at 269.

[108] Id. at 263-264.

[109] Id. at 264-265.

[110] Id. at 265-266.

[111] Id. at 266.

[112] Id. at 275-279.

[113] Id. at 279-281.

[114] Id. at 293-303.

[115] Id. at 295.

[116] Id. at 296.

[117] Id.

- [118] Id. at 297-298.
- [119] Id. at 298.
- [120] Id. at 299-300.
- [121] Id. at 254.
- [122] Id. at 60.
- [123] RULES OF COURT, rule 3, sec. 2.
- [124] 889 Phil. 299 (2020) [Per J. Leonen, Third Division].
- [125] Id. at 321.
- [126] Id. citing Stronghold Insurance Co., Inc. v. Cuenca, 750 Phil. 441-460 (2013) [Per J. Bersamin, First Division].
- [127] Executive Order No. 129-A (1987), secs. 4, 5.
- [128] Republic Act No. 6657 (1988), as amended by Republic Act No. 9700 (2009), sec. 50.
- [129] Executive Order No. 129-A (1987), secs. 4 and 5.
- [130] Abella v. Villan, G.R. No. 229891, April 6, 2022 [Per J. Leonen, Third Division].
- [131] Rollo (G.R. No. 224457), pp. 36-37.
- [132] Id. at 774-781.
- [133] ADM. CODE, sec. 35.
- [134] See Republic v. Heirs of Cuizon, 705 Phil. 596, 613 (2013) [Per J. Perez, Second Division]; COMELEC v. Judge Quijano-Padilla, 438 Phil. 72, 87 (2002) [Per J. Sandoval-Gutierrez, En Banc].
- [135] Orbos v. Civil Service Commission, 267 Phil. 476, 484 (1990) [Per J. Gancayco, En Banc].
- [136] Rollo (G.R. No. 224965), pp. 134-136.
- [137] Malixi v. Baltazar, 821 Phil. 423, 435 (2017) [Per J. Leonen, Third Division].
- [138] Santos v. Court of Appeals, 275 Phil. 894, 898 (1991) [Per J. Cruz, First Division].
- [139] Id.
- [140] Suzuki v. De Guzman, 528 Phil. 1033-1049 (2006) [Per J. Austria-Martinez, First Division].
- [141] 606 Phil. 796 (2009) [Per J. Velasco, Second Division].
- [142] Id. at 803-804.
- [143] Republic v. Bayao, 710 Phil. 279, 294, xx (2013) [Per J. Leonen, Third Division].
- [144] Id. at 287
- [145] Id. at 287.
- [146] Id. at 287-288.

- [147] *Novateknika Land Corp. v. Philippine National Bank*, 106 Phil. 414, 420-421 (2013) [Per J. Mendoza, Third Division].
- [148] *Rollo* (G.R. No. 224457), pp. 23-24.
- [149] 802 Phil. 116 (2016) [Per J. Brion, En Banc].
- [150] *Id.* at 145.
- [151] *Kilusang Mayo Uno v. Aquino III*, 850 Phil. 1168, 1192 (2019) [Per J. Leonen, En Banc].
- [152] *Province of Zamboanga Del Norte v. Court of Appeals*, 396 Phil. 709, 719-720 (2000) [Per J. Pardo, First Division].
- [153] DAR Administrative Order No. 3 (2003), sec. 2.1.
- [154] DAR Administrative Order No. 3 (2003), sec. 2.6.
- [155] DAR Administrative Order No. 3 (2003), secs. 32-33.
- [156] *Rollo* (G.R. No. 224457) at 18.
- [157] *Roxas & Co., Inc. v. Court of Appeals*, 378 Phil. 727 (1999) [Per J. Puno, En Banc].
- [158] *Id.* at 755.
- [159] *Rollo* (G.R. No. 224457), pp. 81-84.
- [160] *Id.* at 25-26.
- [161] 763 Phil. 491 (2015) [Per J. Perlas-Bernabe, First Division].
- [162] *Id.* at 511.
- [163] *Zamora v. Quinan Jr.*, 821 Phil. 1009, 1017-1018 (2017) [Per J. Peralta, Second Division].
- [164] *Social Security Commission v. Rizal Poultry and Livestock Association, Inc.*, 665 Phil. 198, 206 (2011) [Per J. Perez, First Division].
- [165] *De Leon v. Dela Llana*, 753 Phil. 692, 702 (2015) [Per J. Perlas-Bernabe, First Division].
- [166] *Rollo* (G.R. No. 224457), pp. 17-18.
- [167] *Id.* at 18, 526.
- [168] *Id.* at 370-371.
- [169] *Id.* at 154.
- [170] *Id.* at 153-156.
- [171] *United Coconut Planters Bank v. Looyuko*, 560 Phil. 581, 591-592 (2007) [Per J. Austria-Martinez, Third Division].
- [172] *Tetangco v. Ombudsman*, 515 Phil. 230, 234 (2006) [Per J. Quisumbing, Third Division].
- [173] *Rollo* (G.R. No. 224457), at 28-29.
- [174] *Rollo* (G.R. No. 224965), at 58-61.

[175] Rollo (G.R. No. 224457), at 153-156.

[176] See Republic Act No. 6657 (1988), as amended by Republic Act No. 9700 (2009), sec. 50 and DAR Administrative Order No. 3 (2003).

[177] Rollo (G.R. No. 224457), p. 32.

[178] Id. at 33.

[179] Delfino, Sr. v. Anasao, 742 Phil. 699, 713 (2014) [Per J. Villarama, Jr., Third Division].

[180] See Delfino, Sr. v. Anasao, 742 Phil. 699-718 (2014) [Per J. Villarama, Jr., Third Division].

[181] Rollo (G.R. No. 224965), p. 63.

[182] DAR Administrative Order No. 13 (1990), part (F).

[183] FGU Insurance Corporation v. Regional Trial Court of Makati City, Branch 66, 659 Phil. 117, 123 (2011) [Per J. Mendoza, Second Division].

[184] 440 Phil. 1 (2002) [Per J. Carpio, First Division].

[185] Id. at 23.

[186] DAR Administrative Order No.13 (1990), part (F).

[187] Rollo (G.R. No. 224457), pp. 446-450.

[188] Id. at 494-495.

[189] Id.

[190] Rollo (G.R. No. 224965), p. 307.

[191] The Records do not appear to contain a copy of the Order dated April 30, 2012; nonetheless, both ANIBAN and the DAR in their pleadings both assert the same contents as regards the said April 30, 2012 Order.

[192] DAR Administrative Order No. 3 (2003), sec. 23.

[193] Rollo (G.R. No. 224457), pp. 494-495.

[194] Id. at 73

[195] Id. at 16-37; rollo (G.R. No. 224965), pp. 102-123.

[196] Rollo (G.R. No. 224457), pp. 39-50; rollo (G.R. No. 224965), pp. 88-99.

[197] Rollo (G.R. No. 224457), pp. 33-34.

[198] Republic Act No. 6657 (1988), as amended by Republic Act No. 9700 (2009), sec. 55.

[199] Republic Act No. 6657 (1988), as amended by Republic Act No. 9700 (2009), sec. 50.

[200] 695 Phil. 481 (2012) [Per J. Leonardo-De Castro, First Division].

[201] Id. at 492.

[202] Euromed Laboratories v. Province of Batangas, 527 Phil. 623, 626 (2006) [Per J. Corona, Second Division] citing Industrial Enterprises Inc. v. Court of Appeals, 263 Phil. 352 (1990) [Per J. Melencio-Herrera, Second

Division].

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