

ANTONIO R. CRUZ AND LORETO TERESITA CRUZ-DIMAYACYAC, AS HEIRS OF THE LATE SPOUSES DR. PROGEDIO R. CRUZ AND TERESA REYES, PETITIONERS, VS. CARLING CERVANTES AND CELIA CERVANTES S...*G.R. No. 244433. April 19, 2022*

Ponente: ROSARIO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-244433/>**ROSARIO, J.:**

This resolves the Petition for Review on Certiorari[1] under Rule 45 of the Revised Rules of Court assailing the Decision[2] dated September 27, 2018 and the Resolution[3] dated January 21, 2019 of the Court of Appeals (CA), Manila, in CA-G.R. SP. No. 155023. The CA decision denied petitioners' appeal, assailing the Decision[4] dated February 28, 2018 of the Regional Trial Court (RTC), Branch 15, Malolos City, which, in turn, denied petitioners' appeal from, and affirmed, the Order[5] dated February 9, 2017 of the Municipal Trial Court (MTC) of Plaridel, Bulacan, which dismissed the complaint for unlawful detainer filed by petitioners.

The case stemmed from a Complaint[6] for unlawful detainer, dated February 22, 2016, filed with the MTC, Plaridel, Bulacan, by Antonio R. Cruz and Loreto Teresita Cruz-Dimayacyac (petitioners) against Carling Cervantes and Celia Cervantes Santos (respondents). Petitioners alleged that they were the children and surviving heirs of the late spouses Dr. Progedio R. Cruz (Progedio) and Teresa Reyes (Teresa) (collectively, spouses Cruz). During the lifetime of spouses Cruz, they owned a parcel of land (subject property) with an area of 2,702.10 m[2] situated in Bintog, Plaridel, Bulacan. The subject property was declared for taxation purposes in the name of spouses Cruz.[7]

Sometime in 1960, Carling Cervantes' (Carling) father Isidro Sta. Cruz Cervantes (Isidro), accompanied by a close relative of Progedio, went to the residence of spouses Cruz in Oroquieta, Manila, to ask permission if he and his family could temporarily occupy a portion of the subject property and erect a residential house thereon. Teresa granted Isidro's request subject to the condition that he and his family would vacate the property upon the demand of spouses Cruz when the need for the property arises.[8]

Progedio and Teresa died in 1966 and 1999, respectively. Petitioners, who became the owners of the subject property by succession, continued to tolerate the occupation of Isidro and his family. In 2005, Isidro passed away. His children, herein respondents Carling and Celia Cervantes Santos (Celia), continued to occupy the subject property with the same condition that such possession would only be temporary and that they would vacate the same upon petitioners' demand.[9]

In 2015, petitioners decided to sell the property in order to generate funds for their daily medical maintenance. Hence, on October 20, 2015, petitioners, through their counsel, sent a demand letter to respondents through registered mail. The letter formally revoked the permission and tolerance they had extended to respondents to possess a portion of the subject property. Respondents were directed to vacate the same within fifteen (15) days from receipt of the letter. Notwithstanding receipt of the demand letter, respondents failed and refused to turn over

the possession of the subject property to petitioners.[10]

Hence, the complaint for unlawful detainer prayed that respondents be ordered to vacate the subject property and turn over the possession thereof to petitioners as well as to pay petitioners rentals in the amount of P5,000.00 monthly or any amount as may be fixed by the court, from the time of the filing of the complaint until they finally vacate the subject property.[11]

In respondents' Answer[12] dated March 11, 2016, they averred that petitioners had no cause of action against them because the latter never produced any proof that they had the sole right to succeed to the ownership of the subject property. It was also argued that the MTC had no jurisdiction over the complaint for unlawful detainer because the subject property is an agricultural land and respondents are tenants thereof. They succeeded in the tenancy rights of their father Isidro who was the tenant of spouses Cruz. As such, it was the Department of Agrarian Reform Adjudication Board (DARAB) which should determine the rights and obligations of the parties over the subject property.[13]

Respondents further alleged that their father Isidro became the tenant of spouses Cruz from 1965 to 2005, during which he cultivated the land and planted thereon camote, palay, mustasa, corn, tomato and fruit-bearing trees such as coconut and mango trees. Upon Isidro's death, respondents continued to cultivate the property, raised livestock thereon, and planted palay, string beans, eggplants, coconuts, mangoes and bananas. Respondents likewise paid compensation to the owners, as shown by a tally sheet issued by C. Adelia Rice Mill showing the following entry: "Name: Mrs. Teresa Reyes Vda de Cruz; Kasama: Isidro Cervante[s];"[14] and a handwritten receipt dated March 31, 1992 with the following notations: "Buwis sa Bakuran x x x ni Sidro Cervantes; Tinanggap ni Kapt. Peping Villalon x x x." [15] Hence, respondents prayed that the complaint for unlawful detainer be dismissed. By way of compulsory counterclaim, they likewise prayed that petitioners be ordered to pay them moral damages, attorney's fees and the costs of suit.[16]

Petitioners, on the other hand, averred that respondents and their father were not tenants of the subject property. They were merely allowed to occupy a portion thereof measuring around 300m[2]. While the parcel of land was classified as sugar land for taxation purposes, no crops were planted thereon. The rest of the subject property had been occupied by petitioners' niece Rosanna V. Silverio, who regularly trimmed the grass that grew thereon. Petitioners denied that respondents regularly paid rental to them or to their parents during their lifetime. They further alleged that prior to the filing of the instant complaint, petitioners gave respondents an opportunity to buy the portion of the subject property on which their houses were erected. Respondents failed, however, to pay the down payment agreed upon.[17]

In an Order[18] dated March 29, 2016, MTC, Plaridel, Bulacan, referred the case to the Provincial Agrarian Reform Office (PARO) for determination as to whether the case involved an agrarian dispute and to submit to the court the required certification once the appropriate determination was made. The order was made pursuant to Republic Act (RA) No. 6657, otherwise known as the Comprehensive Agrarian Reform Law of 1988, as amended by RA No. 9700,[19] and Office of the Court Administrator (OCA) Circular No. 62-10 dated April 28, 2010, issued by the Supreme Court Office of the Court Administrator.[20]

During the proceedings before the PARO, the parties were required to submit their respective position papers. On October 28, 2016, Engineer Emmanuel G. Aguinaldo, Provincial Agrarian Reform Program Officer II of PARO Baliuag, Bulacan, issued a Certification[21] to the effect that the case was agrarian in nature because it involves an agricultural land and the cause of action was the ejectment of a farmer, farmworker or a tenant which was within the primary and exclusive jurisdiction of the Department of Agrarian Reform (DAR). The PARO recommended the MTC's dismissal of the case for lack of jurisdiction.[22]

Pursuant thereto, the MTC, Plaridel, Bulacan, issued an Order[23] dated February 9, 2017 dismissing the case for lack of jurisdiction, the pertinent portion of which reads:

WHEREFORE, in view of the determination made and the certification issued by the Department of Agrarian Reform that the instant case involves an agrarian dispute, the above-entitled action is hereby DISMISSED.

Let a copy of this order be furnished to all the parties, their counsels and the Department of Agrarian Reform in B.S. Aquino Avenue, Baliuag, Bulacan.

SO ORDERED.[24]

Aggrieved, petitioners filed an appeal before RTC, Malolos, Bulacan, Branch 15.

In a Decision[25] dated February 28, 2018, the RTC denied the appeal and affirmed the MTC's ruling. The RTC ruled that pursuant to OCA Circular No. 62-10 and RA No. 6657, as amended, all courts and judges concerned are enjoined to strictly observe the referral of all cases to the DAR when either party alleges an agrarian dispute. Accordingly, when the DAR certified that the instant case is agrarian in nature, the MTC was divested of its jurisdiction and the case shall be under the primary and exclusive jurisdiction of the DAR. The pertinent portions of the RTC decision are quoted, as follows:

Upon a judicious review, the court finds the appeal to be without merit.

Guided by the provisions of RA No. 6657, as amended by RA No. 9700, and pursuant to OCA Circular No. 62-10, all courts and judges concerned are enjoined to strictly observe referral of all cases to the Department of Agrarian Reform (DAR) when either party alleges an agrarian dispute. Accordingly, when the DAR certified that the instant case is agrarian in nature, the lower court is divested of its jurisdiction and the case shall be under the primary and exclusive jurisdiction of the DAR.

The initial referral is to obviate the rigors of conducting summary hearing on agrarian issues and submits the same to the special competence and expertise granted by law to the DAR on such matters. Referral to the DAR, however, does not leave the parties without recourse as appeal is allowed for the aggrieved parties relative to the determination by the DAR.

x x x x

WHEREFORE, in view of all the foregoing, the instant appeal is hereby DENIED and the Order issued by the Municipal Trial Court of Plaridel, Bulacan dated February 9, 2017 is AFFIRMED.

SO ORDERED.[26]

Aggrieved, petitioners filed an appeal before the CA.

In its Decision[27] dated September 27, 2018, the CA denied the appeal and affirmed the RTC decision. It ruled that the MTC correctly referred the action to the PARO of Bulacan pursuant to respondents' allegation that they were agricultural tenants of petitioners' parents, spouses Cruz. Thereafter, the PARO issued a Certification,[28] dated October 28, 2016, that the case is agrarian in nature since it involves an agricultural land and the cause of action is the ejectment of a farmer, farmworker or tenant, which is within the primary and exclusive jurisdiction of the DAR. Pursuant thereto, the MTC correctly dismissed the complaint for unlawful detainer due to lack of jurisdiction.

Subsequently, petitioners filed a motion for reconsideration which was denied in the assailed Resolution dated January 21, 2019.

Hence, this Petition for Review on Certiorari where petitioners argue that 1) the CA gravely erred in refusing to

rule that Section 19 of RA No. 9700 and OCA Circular No. 62-10 are unconstitutional, and hence, must be disregarded in the resolution of the case and 2) the CA gravely erred in affirming the MTC's dismissal of the complaint for unlawful detainer, by merely relying on the determination made and the certification issued by the PARO that the case involves an agrarian dispute, without hearing and affording the petitioners of their right to be heard.[29]

In their Comment,[30] respondents essentially reiterated the ruling of the CA. In their Reply,[31] the petitioners argued that the case is one for unlawful detainer and thus within the jurisdiction of the MTC. Except for the fact that the subject property agricultural, all the other elements of tenancy relations are absent. Hence, there is no agrarian dispute that is under the jurisdiction of the DARAB in this case.

The issue for consideration is whether the CA correctly affirmed the dismissal of the complaint for unlawful detainer on the ground of lack of jurisdiction, pursuant to the PARO certification that the action involves an agrarian dispute.

We rule in the negative. Consequently, we grant the petition and remand the case to the MTC for further proceedings.

Section 3(d) of RA No. 6657, otherwise known as the Comprehensive Agrarian Reform Law of 1988, defines an agrarian dispute as 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.

Section 50 of the same law provides for the quasi-judicial functions of the DAR. It reads, in part, as follows:

x x x The DAR is hereby vested with primary jurisdiction to determine and adjudicate agrarian reform matters and shall have exclusive original jurisdiction over all matters involving the implementation of agrarian reform except those falling under the exclusive jurisdiction of the Department of Agriculture (DA) and the Department of Environment and Natural Resources (DENR).

x x x x

This section was amended by R.A. No. 9700.[32] It added Section 50-A, which provides:

SEC. 50-A. Exclusive Jurisdiction on Agrarian Dispute. — No court or prosecutor's office shall take cognizance of cases pertaining to the implementation of the CARP except those provided under Section 57 of Republic Act No. 6657, as amended. If there is an allegation from any of the parties that the case is agrarian in nature and one of the parties is a farmer, farmworker, or tenant, the case shall be automatically referred by the judge or the prosecutor to the DAR which shall determine and certify within fifteen (15) days from referral whether an agrarian dispute exists: Provided, That from the determination of the DAR, an aggrieved party shall have judicial recourse. In cases referred by the municipal trial court and the prosecutor's office, the appeal shall be with the proper regional trial court, and in cases referred by the regional trial court, the appeal shall be to the Court of Appeals.

In cases where regular courts or quasi-judicial bodies have competent jurisdiction, agrarian reform beneficiaries or identified beneficiaries and/or their associations shall have legal standing and interest to intervene concerning their individual or collective rights and/or interests under the CARP.

x x x x

To implement the amendatory provision, the Supreme Court, through OCA Circular No. 62-10,[33] directed all judges of the lower courts to judiciously and faithfully observe the same in order to ensure the prompt and smooth

acquisition and distribution of agricultural lands to farmers in the countryside.

The DAR, for its part, issued Administrative Order (AO) No. 04, series of 2009 and AO No. 03-11, which provide that the referral shall be made by the concerned judge or prosecutor *motu proprio*, or upon motion by the party concerned, to the Provincial Agrarian Reform Office (PARO) of the place where the agricultural land subject of the case is located.

Here, the MTC referred the case to the PARO of Bulacan pursuant to the above issuances and the respondents' allegation of the existence of an agricultural tenancy relationship between them and the petitioners.

As stated, the PARO issued a certification to the effect that the case was agrarian in nature since it involved an agricultural land and the cause of action was the ejectment of a farmer, farmworker or tenant, within the primary and exclusive jurisdiction of the DAR.

Thereafter, the MTC, relying on the PARO certification, dismissed the complaint for unlawful detainer on the ground of lack of jurisdiction. On appeal, the RTC and the CA both upheld the dismissal of the complaint.

The crux of the controversy in this case revolves around the propriety of such dismissal based on the PARO certification.

We hold that, pursuant to the relevant provisions of RA No. 6657, as amended, and taking into consideration the issuances appurtenant thereto, the MTC did not err when it referred the case to the PARO.

In *Chailese Development Co, Inc. v. Dizon (Chailese)*,^[34] this Court had the opportunity to expound on Section 50-A, as follows:

The exclusive jurisdiction of the DAR over agrarian cases was further amplified by the amendment introduced by Section 19 of R.A. 9700 to Section 50. The provision reads:

Section 19. Section 50 of Republic Act No. 6657, as amended, is hereby further amended by adding Section 50-A to read as follows:

SEC. 50-A. Exclusive Jurisdiction on Agrarian Dispute. — No court or prosecutor's office shall take cognizance of cases pertaining to the implementation of the CARP except those provided under Section 57 of Republic Act No. 6657, as amended. If there is an allegation from any of the parties that the case is agrarian in nature and one of the parties is a farmer, farmworker, or tenant, the case shall be automatically referred by the judge or the prosecutor to the DAR which shall determine and certify within fifteen (15) days from referral whether an agrarian dispute exists: Provided, that from the determination of the DAR, an aggrieved party shall have judicial recourse. In cases referred by the municipal trial court and the prosecutor's office, the appeal shall be with the proper regional trial court, and in cases referred by the regional trial court, the appeal shall be to the Court of Appeals.

In cases where regular courts or quasi-judicial bodies have competent jurisdiction, agrarian reform beneficiaries or identified beneficiaries and/or their associations shall have legal standing and interest to intervene concerning their individual or collective rights and/or interests under the CARP.

The fact of non-registration of such associations with the Securities and Exchange Commission, or Cooperative Development Authority, or any concerned government agency shall not be used against them to deny the existence of their legal standing and interest in a case filed before such courts and quasi-judicial bodies.

In this regard, it must be said that there is no merit in the contention of petitioner that the amendment introduced by R.A. No. 9700 cannot be applied retroactively in the case at bar. Primarily, a cursory reading of the provision readily reveals that Section 19 of R.A. No. 9700 merely highlighted the exclusive jurisdiction of the DAR to rule

on agrarian cases by adding a clause which mandates the automatic referral of cases upon the existence of the requisites therein stated. Simply, R.A. No. 9700 does not deviate but merely reinforced the jurisdiction of the DAR set forth under Section 50 of R.A. No. 6657. Moreover, in the absence of any stipulation to the contrary, as the amendment is essentially procedural in nature it is deemed to apply to all actions pending and undetermined at the time of its passage.

Thence, having settled that Section 19 of R.A. No. 9700 is applicable in this controversy, the Court now proceeds with the examination of such amendment. Based on the said provision, the judge or prosecutor is obligated to automatically refer the cases pending before it to the DAR when the following requisites are present:

- There is an allegation from any one or both of the parties that the case is agrarian in nature; and
- One of the parties is a farmer, farmworker, or tenant.

x x x x

Contrary to the CA's conclusion and as opposed to the first requisite, mere allegation would not suffice to establish the existence of the second requirement. Proof must be adduced by the person making the allegation as to his or her status as a farmer farmworker, or tenant.

The pertinent portion of Section 19 of R.A. No. 9700 reads:

If there is an allegation from any of the parties that the case is agrarian in nature and one of the parties is a farmer, farmworker, or tenant, the case shall be automatically referred by the judge or the prosecutor to the DAR x x x.

The use of the word "an" prior to "allegation" indicate that the latter qualifies only the immediately subsequent statement, i.e., that the case is agrarian in nature. Otherwise state, an allegation would suffice only insofar as the characterization of the nature of the action.

Had it been the intention that compliance with the second element would likewise be sufficient by a mere allegation from one of the parties that he or she is a farmer, farm worker, or tenant, the legislature should have used the plural form when referring to "allegation" as the concurrence of both requisites is mandatory for the automatic referral clause to operate.[35]

The Court's ruling in *Chailese*, with respect to the twin requisites for referral to the DAR, was reiterated in *Dayrit v. Norquillas*,[36] a recent case decided by the Court sitting en banc, to wit:

Then there is the more recent case of *Chailese Development Company, Inc. v. Dizon (Chailese)*, which clarifies the jurisdiction of the DARAB over agrarian disputes:

Thence, having settled that Section 19 of R.A. No. 9700 is applicable in this controversy, the Court now proceeds with the examination of such amendment. Based on the said provision, the judge or prosecutor is obligated to automatically refer the cases pending before it to the DAR when the following requisites are present:

- There is an allegation from any one or both of the parties that the case is agrarian in nature; and
- One of the parties is a farmer, farmworker, or tenant.

RA 9700 reinforced the jurisdiction of DAR as already provided in the original CARL. It made clear the requisites for a case to be considered to be an agrarian dispute. It also mandated the automatic referral upon concurrence of the requisites. In *Chailese*, the Court retroactively applied RA 9700 to the case and ruled that the RTC has jurisdiction over the possessory action due to absence of evidence on the existence of a tenancy relation,

thus failing to satisfy the second requisite.

Based on the foregoing, David and Chailese can be viewed as guides for the courts in tackling ejectment and possessory actions allegedly involving agrarian disputes. David instructs that not all ejectment cases are cognizable by the first-level courts—those involving agrarian disputes are not cognizable by the first-level courts. In this relation, Chailese clarifies the requisites for an agrarian dispute, and highlights the mandate of the amendatory law of automatic referral of cases involving agrarian disputes to the DAR. (Citations omitted and emphasis supplied)

Thus, prevailing jurisprudence instructs that under Section 50-A, referral to the DAR shall be mandatory when two requisites concur: 1) there is an allegation from any one or both of the parties that the case is agrarian in nature; and 2) one of the parties is a farmer, farmworker, or tenant. While a simple allegation will suffice for the first requisite, adequate proof is necessary as to the second requisite.

As aptly observed by Associate Justice Alfredo Benjamin S. Caguioa (Justice Caguioa), prevailing law and jurisprudence appear to be silent on the kind of proof that must be adduced for the second requisite. Justice Caguioa submits that such proof pertains to any kind of evidence which, on its face, tends to show that one of the parties is indeed a farmer, farmworker, or tenant. This is because the mandatory referral mechanism is meant precisely to avert situations where the regular court proceeds to try an agrarian dispute over which it has no jurisdiction. Thus, the kind of proof that should be deemed sufficient by the MTC to establish the second requisite should be of such a nature that requires only a facial assessment or determination and that such proof would be acceptable to a reasonable mind that the respondent is a farmer, farmworker, or tenant. Justice Caguioa adds that requiring a higher standard of proof would result in protracted proceedings before the referring court and would negate the very purpose of the mandatory referral mechanism which affords the DAR, in view of its expertise in agrarian reform, the opportunity to determine the nature of the dispute involved. As such, We hold that the proof required shall pertain to any kind of evidence which, on its face, shows that one of the parties is a farmer, farmworker, or tenant.[37]

In this case, the MTC based its referral to the DAR on the specific allegations made by the respondents in their answer, as well as the annexes attached thereto, summarized by the CA decision, as follows:

In respondents' Answer, they averred that petitioners have no cause of action against them because the latter never produced any proof that they have the sole right to succeed to the ownership of the subject parcel of land. It was also argued that the MTC has no jurisdiction over the complaint for unlawful detainer. The subject property is agricultural land and respondents are tenants thereof. They succeeded in the tenancy rights of their father Isidro Cervantes who was the tenant of petitioners' parents. As such, it is the Department of Agrarian Reform Adjudication Board (DARAB) which should determine the rights and obligations of the parties over the subject property.

Respondents further alleged that their father Isidro became the tenant of Spouses Progedio and Teresa from 1965 to 2005 during which he cultivated the land and planted thereon camote, corn, palay, mustasa, tomato and fruit-bearing trees such as coconut and mango trees. Upon the death of their father, respondents continued to cultivate the property and planted thereon palay, string beans, eggplant, coconut, mango, and banana. They also raised livestock up to the present time. Respondents likewise paid compensation to the owners, as shown by a tally sheet issued by C. Adella Rice Mill showing the following entry: "Name: Mrs. Teresa Reyes Vda de Cruz: Kasama: Isidro Cervantez" ; and a handwritten receipt dated March 31, 1992 with the following notations: "Buwis sa Bakuran x x x ni Sidro Cervantes; Tinanggap ni Kapt. Peping Villalon x x x". Hence, respondents prayed that the complaint for unlawful detainer be dismissed. By way of compulsory counterclaim, they likewise prayed that petitioners be ordered to pay them moral damages, attorney's fees and costs of suit.[38] (Citations, omitted)

Considering the allegations in their answer and its annexes, We hold that the MTC did not err when it referred the case to the DAR pursuant to Section 50-A of R.A. No. 6657, as amended, as these support the conclusion that respondents' father Isidro was the tenant of the subject property.

Despite the foregoing, We find that the MTC erred in relying on the certification issued by the PARO.

As pointed out by Senior Associate Justice Estela M. Perlas-Bernabe (Justice Perlas-Bernabe) and Justice Caguioa, DAR AO No. 03-11[39] (The Revised Rules and Regulations Implementing Section 19 of R.A. No. 9700 [Jurisdiction on and Referral of Cases that Are Agrarian in Nature]) outlines the procedure for the determination of jurisdiction concerning cases on referral.[40] The relevant sections of the AO provide:

SECTION [6]. Procedures.

1. Upon receipt of the records of the case, the PARO shall, on the same day, immediately assign the said case to the Chief of the Legal Division of the DAR Provincial Office concerned for the conduct of a summary investigation proceedings for the sole purpose of determining whether or not an agrarian dispute exists or if the case is agrarian in nature. The Chief of the DAR Legal Division concerned may assign the case to a DAR lawyer or legal officer for the purpose of conducting the said summary proceeding or fact-finding investigation.

2. The Chief of the DAR Legal Division, or the DAR lawyer or legal officer assigned shall, within three (3) days from receipt of the case referred from the PARO, personally or in such a manner that will ensure the receipt thereof (e.g., commercial couriers, fax, electronic mail, phone call, etc.), serve upon each party to the case a notice stating therein the hour, date, and place of the proceedings. The summary proceedings shall be held, as far as practicable, in the municipality or barangay where the agricultural landholding is located or where the biggest portion of the landholding is located if the land overlaps two (2) or more municipalities or barangays. The parties shall be required to present their witnesses, documentary evidence, or any object evidence to support their respective positions as to the existence of an agrarian dispute on whether the case is agrarian in nature. The Chief of the DAR Legal Division, or the DAR lawyer or legal officer shall require the Agrarian Reform Program Technologist (ARPT) of the place where the subject agricultural landholding is located to submit his comments thereto.

3. The said notice shall likewise require the parties to submit their respective verified position papers, attaching thereto all their evidence, within five (5) non-extendible days from receipt of such notice.

4. After the conclusion of the summary proceedings and the submission of all position papers, or upon the expiration of the five (5) day period as provided herein, the matter or issue shall be deemed submitted for resolution. No other pleading or motion shall thereafter be received or given due course.

5. Within three (3) days from the time the matter or issue is deemed to be submitted for resolution, the Chief of the DAR Legal Division, or the DAR lawyer or legal officer assigned, shall, after a thorough examination of the testimonies of the parties and his/her witnesses, the respective verified position papers, and the documentary evidence thus submitted, submit his/her report to the PARO. The report shall indicate his/her initial findings of the facts and circumstances of the case and as to whether an agrarian dispute exists or not or on whether the case is agrarian in nature. The position papers, transcript of stenographic notes, and the entire records of the case shall be attached to the report.

The determination by the DAR as to whether an agrarian dispute exists or not, or on whether the case is agrarian in nature, shall be done through a summary proceeding involving a strictly factual investigation. No motion for extension of time or any similar pleading of a dilatory character shall be entertained nor given due course. To this end, the Chief of the Legal Division, or the DAR lawyer or legal officer assigned, shall exert all reasonable means to ascertain the facts based on the testimonies and evidence presented. They may verify the position papers submitted by the parties, ascertaining that the concerned party is the one causing the

preparation thereof, and that the allegations therein are true based on personal knowledge or authentic records and documents.

SECTION [7]. Prima Facie Presumption of an Existence of Agrarian Dispute or that the Case is Agrarian in Nature. – The presence of any of the following facts or circumstances shall automatically give rise to a prima facie presumption that an agrarian dispute exists or that the case is agrarian in nature:

(a)

A previous determination by the DAR that an agrarian dispute exists or that the case is agrarian in nature, or the existence of a pending action with the DAR, whether an Agrarian Law Implementation (ALI) case or a case before the DAR Adjudication Board (DARAB), which involves the same landholding;

(b)

A previous determination by the National Labor Relations Commission or its Labor Arbiters that the farmworker is/was an employee of the complainant;

(c)

A notice of coverage was issued or a petition for coverage under any agrarian reform program was filed on the subject landholding; or

(d)

Other analogous circumstances.

If there is a prima facie presumption that an agrarian dispute exists or that the case is agrarian in nature, the burden of proving the contrary shall be on the party alleging the same.

SECTION [8]. Facts Tending to Prove that a Case is Agrarian in Nature. – In addition to the instances mentioned in Section 7 hereof, the Chief of the Legal Division, or the DAR lawyer or legal officer assigned, in determining whether the case is agrarian in nature, shall be guided by the following facts and circumstances:

- Existence of a tenancy relationship;
- The land subject of the case is agricultural;
- Cause of action involves ejectment or removal of a farmer, farmworker, or tenant;
- The crime alleged arose out of or is in connection with an agrarian dispute (i.e., theft or qualified theft of farm produce, estafa, malicious mischief, illegal trespass, etc.), Provided, that the prosecution of criminal offenses penalized by R.A. No. 6657, as amended, shall be within the original and exclusive jurisdiction of the Special Agrarian Courts;
- The land subject of the case is covered by a Certificate of Land Ownership Award (CLOA), Emancipation Patent (EP), or other title issued under the agrarian reform program, and that the case involves the right of possession, use, and ownership thereof; or
- The civil case filed before the court of origin concerns the ejectment of farmers/tenants/farmworkers, enforcement or rescission of contracts arising from, connected with, or pertaining to an Agribusiness Ventures Agreement (AVA), and the like.

The existence of one or more of the foregoing circumstances may be sufficient to justify a conclusion that the case is agrarian in nature. The Chief of the Legal Division, or the DAR lawyer or legal officer assigned, shall accordingly conclude that the case is agrarian in nature cognizable by the DAR, and thus recommend that the referred case is not proper for trial.

SECTION [9]. DAR Certification. – The PARO shall issue the Certification within forty-eight (48) hours from receipt of the report of the Chief of the Legal Division, DAR lawyer, or legal officer concerned. Such Certification shall state whether or not the referred case is agrarian in nature, as follows:

(a)

Where the case is NOT PROPER for trial for lack of jurisdiction:

After a preliminary determination of the relationship between the parties pursuant to Section 50-A of R.A. No. 6657, as amended, this Office hereby certifies that the case is agrarian in nature within the primary and exclusive jurisdiction of the DAR. It is therefore recommended to the referring (court/prosecutor) that the case be dismissed for lack of jurisdiction.

(b)

Where the case is NOT YET PROPER for trial due to a prejudicial question:

After a preliminary determination of the relationship between the parties pursuant to Section 50-A of R.A. No. 6657, as amended, this Office hereby certifies that a prejudicial question exists the determination of which is agrarian in nature and thus within the primary and exclusive jurisdiction of the DAR. It is therefore recommended to the referring (court/prosecutor) that the case be archived until the determination of the DAR of the prejudicial question.

(c)

Where the case is PROPER for trial:

This Office hereby certifies that the case is not agrarian in nature. It is therefore recommended to the referring (court/prosecutor) to conduct further proceedings.

The Certification shall state the findings of fact upon which the determination by the PARO was based.
(Emphases Supplied)

Upon referral, the PARO is required to conduct a summary investigation to ascertain the relevant facts and determine whether the case is an agrarian dispute based on the testimonies of the parties' witnesses, the evidence they presented, and the position papers submitted. Thereafter, the PARO shall issue a Certification stating its initial determination which shall state the findings of fact upon which the determination was based.

A perusal of the PARO Certification[41] dated October 28, 2016 shows that it failed to comply with the procedures laid down in DAR AO 03-11. The certification is quoted in full, as follows:

CERTIFICATION

After a preliminary determination of the relationship between the parties in Civil Case No. 139-16 entitled Antonio R. Cruz et al. vs. Carling Cervantes et al., pursuant to Section 50-A of R.A. 6657 as amended, this Office hereby certifies that the case is agrarian in nature for it involves an agricultural land and the cause of action is ejectment of a farmer, farmworker or tenant which is within the primary and exclusive jurisdiction of the DAR. It is therefore recommended to the referring MTC of Plaridel, Bulacan, that the case be dismissed for lack of jurisdiction.

x x x x[42]

Specifically, as observed by Justice Perlas-Bernabe during the deliberations, and as reiterated by Justice Caguioa,

the certification failed to state the findings of fact upon which the determination by the PARO are based.[43] The Certification leaves the courts with no basis to ascertain the evidence from which its findings were drawn. Thus, the MTC erred when it adopted the PARO's certification and dismissed the complaint for lack of jurisdiction.

While courts are bound to comply with the referral mechanism upon concurrence of the requisites under Section 50-A of RA No. 6657, as amended, they are not bound to accept the recommendation where such determination clearly violated the procedures and requirements set forth by DAR AO 03-11. The referring courts must still independently assess the DAR's recommendation in light of the evidence presented during the summary investigation.

As a general rule, the factual findings of administrative bodies charged with their specific field of expertise, are afforded great weight by the courts, and in the absence of substantial showing that such findings were made from an erroneous estimation of the evidence presented, they are conclusive, and in the interest of stability of the governmental structure, should not be disturbed.[44] By reason of the special knowledge and expertise of said administrative agencies over matters falling under their jurisdiction, they are in a better position to pass judgment thereon; thus, their findings of fact in that regard are generally accorded great respect, if not finality, by the courts.[45] Such findings must be respected as long as they are supported by substantial evidence, even if such evidence is not overwhelming or even preponderant.[46]

Moreover, under Section 54 of RA No. 6657, the findings of fact of the DAR shall only be final and conclusive if they are based on substantial evidence. Thus, in cases where the DAR's recommendation is not based on substantial evidence, the referring court must make its own determination and determine whether the case falls within its jurisdiction.

Courts generally accord great respect and finality to factual findings of administrative agencies, like labor tribunals, in the exercise of their quasi-judicial function. However, this doctrine espousing comity to administrative findings of facts is not infallible and cannot preclude the courts from reviewing and, when proper, disregarding these findings of facts when shown that the administrative body committed grave abuse of discretion.[47]

In this case, the respondents claim that a tenancy relationship existed between their late father Isidro and petitioners' parents. They relied on the 1) tally sheet issued by Adelia Rice Mill identifying Isidro as a "Kasama" of petitioners' late mother Teresa; and a handwritten receipt issue by Kapitan Peping Villalon acknowledging Isidro's payment for "Buwis sa Bakuran." However, as once more illumined by Justice Perlas-Bernabe,[48] and as also pointed out by Associate Justice Rodil V. Zalameda, these documents alone do not satisfactorily show that Spouses Cruz consented to the alleged tenancy relationship or that they agreed to share in the harvests.

Verily, occupancy and cultivation of an agricultural land, no matter how long, will not ipso facto make one a de jure tenant. Independent and concrete evidence is necessary to prove personal cultivation, sharing of harvest, or consent of the landowner.[49] It is essential that, together with the other requisites of tenancy relationship, the agricultural tenant is able to show that he transmitted the landowner's share of the harvest.[50] Further, in *Rivera v. Santiago*,[51] the Court even stressed that it is not unusual for a landowner to receive the produce of the land from a caretaker who sows thereon,[52] and that the fact of receipt, without an agreed system of sharing, does not ipso facto create a tenancy.

In fine, the Court holds that respondents failed to discharge the burden of proving that Isidro, their predecessor-in-interest, was an agricultural tenant of Spouses Cruz, and that the instant case involves an agrarian dispute cognizable by the DARAB. There being no agricultural tenancy relationship established in this case, the MTC has jurisdiction over the unlawful detainer case filed by the petitioners against the respondents.

As a final note, administrative findings of fact are accorded great respect, and even finality when these are supported by substantial evidence, nevertheless, when it can be shown, as it has been in this case, that administrative bodies, such as the PARO, have failed to state the bases of such findings or have misappreciated the evidence in such a way as to compel a contrary conclusion, the courts will not hesitate to disregard such findings.

Considering the foregoing, We rule that the subject complaint remains an ordinary ejectment case which falls under the jurisdiction of the MTC.

WHEREFORE, the petition is GRANTED. The Decision dated September 27, 2018 and the Resolution dated January 21, 2019, of the Court of Appeals, Manila in CA-G.R. SP. No. 155023, are REVERSED and SET ASIDE. The case is hereby REMANDED to the Municipal Trial Court of Plaridel, Bulacan, for further proceedings.

SO ORDERED.

Gesmundo, C.J., Hernando, Inting, Zalameda, M. Lopez, J. Lopez, Dimaampao, Marquez, and Kho, Jr., JJ., concur.

Perlas-Bernabe, J., please see concurring opinion.

Leonen, J., see separate concurring opinion.

Caguioa, J., see concurring opinion.

Lazaro-Javier, J., please see concurrence.

Gaerlan,[*] J., on official leave.

[*] On official leave.

[1] Rollo, pp. 3-28.

[2] Id. at 30-41. Penned by Associate Justice Ramon R. Garcia and concurred in by Associate Justices Eduardo B. Peralta, Jr. and Germano Francisco D. Legaspi.

[3] Id. at 43-44. Penned by Associate Justice Ramon R. Garcia and concurred in by Associate Justices Eduardo B. Peralta, Jr. and Germano Francisco D. Legaspi.

[4] Id. at 142-144. Penned by Judge Alexander P. Tamayo.

[5] Rollo, p. 124.

[6] Id. at 53-57.

[7] Id. at 31.

[8] Id.

[9] Id.

[10] Id.

[11] Id. at 32.

[12] Id. at 69-74.

[13] Id. at 71-72.

[14] Id. at 78.

[15] Id. at 79.

[16] Id. at 74.

[17] Id. at 32-33.

[18] Id. at 96-98.

[19] An Act Strengthening the Comprehensive Agrarian Reform Program (CARP) Extending the Acquisition and Distribution of All Agricultural Lands, Instituting Necessary Reforms, Amending for the Purpose Certain Provisions of Republic Act No. 6657, Otherwise Known As the Comprehensive Agrarian Reform Law of 1988, as Amended, and Appropriating Funds Therefor (August 7, 2009).

[20] Rollo, p. 33.

[21] Id. at 108.

[22] Id. at 33.

[23] Id. at 109.

[24] Id.

[25] Id. at 142-144.

[26] Id. at 143-144.

[27] Id. at 30-41.

[28] Id. at 108.

[29] Id. at 12.

[30] Id. at 378-390.

[31] Id. at 395-409.

[32] An Act Strengthening the Comprehensive Agrarian Reform Program (CARP), Extending the Acquisition and Distribution of All Agricultural Lands, Instituting Necessary Reforms, Amending for the Purpose Certain Provisions of Republic Act No. 6657, Otherwise Known as the Comprehensive Agrarian Reform Law of 1988, as Amended, and Appropriating Funds Therefor (August 7, 2009).

[33] Issued on April 28, 2010.

[34] 826 Phil. 51 (2018).

[35] Id. at 61-62 and 64.

[36] G.R. No. 201631, December 7, 2021.

[37] Justice Caguioa's Concurring Opinion, p. 7.

[38] Rollo, p. 32.

[39] As amended by DAR AO No 04-11, Amendment to Department of Agrarian Reform Administrative Order No. 03, series of 2011, August 16, 2011.

[40] Justice Perlas-Bernabe's Concurring Opinion, p. 2; and Justice Caguioa's Concurring Opinion, pp. 9-12.

[41] Rollo, p. 108.

[42] Id.

[43] Justice Caguioa's Concurring Opinion, p. 13.

[44] Cabral v. Adolfo, 794 Phil. 161, 172 (2016).

[45] Sps. Hipolito, Jr. v. Cinco, 677 Phil. 331, 349 (2011), citing Villaflor v. Court of Appeals, 345 Phil. 524, 562 (1997).

[46] Id.

[47] Paredes v. Feed the Children Philippines, Inc., 769 Phil. 418, 434 (2015).

[48] Justice Perlas-Bernabe's Concurring Opinion, p. 5.

[49] Pagarigan v. Yague, 758 Phil. 375, 380 (2015).

[50] Adriano v. Tanco, 637 Phil. 218, 228-229 (2010).

[51] Rivera v. Santiago, 457 Phil. 143 (2003).

[52] Id. at 159.

G.R. No. 244433 – ANTONIO R. CRUZ AND LORETO[*] TERESITA CRUZ-DIMAYACYAC, AS HEIRS OF THE LATE SPOUSES DR. PROGEDIO R. CRUZ AND TERESA REYES, Petitioners, v. CARLING[**] CERVANTES AND CELIA[***] CERVANTES SANTOS AND ALL PERSONS CLAIMING RIGHTS UNDER THEM, Respondents.

CONCURRING OPINION

PERLAS-BERNABE, J.:

I concur. While the Municipal Trial Court of Plaridel, Bulacan (MTC) properly referred the case to the Provincial Agrarian Reform Office (PARO) of Bulacan since there was an allegation that the case is agrarian in nature and one of the parties is a farmer, farmworker, or tenant, the MTC's dismissal of the case on the ground of lack of jurisdiction was improper. Thus, as now ruled by the ponencia, the instant petition must be granted; consequently, the complaint should be reinstated, and the case remanded to the MTC for further proceedings.

I. Referral to the Department of Agrarian Reform (DAR) - PARO is based on the allegations.

Section 50-A of Republic Act No. (RA) 6657,[1] as amended by Section 19 of RA 9700,[2] reinforced the exclusive jurisdiction of the DAR over cases involving agrarian disputes. It states that if there is an allegation from any of the parties that the case is agrarian in nature and one of the parties is a farmer, farmworker, or tenant, the case shall be automatically referred by the judge or the prosecutor to the DAR which shall determine and certify whether an agrarian dispute exists:

Section 50-A. Exclusive Jurisdiction on Agrarian Dispute. — No court or prosecutor's office shall take cognizance of cases pertaining to the implementation of the CARP except those provided under Section 57 of

Republic Act No. 6657, as amended. If there is an allegation from any of the parties that the case is agrarian in nature and one of the parties is a farmer, farmworker, or tenant, the case shall be automatically referred by the judge or the prosecutor to the DAR which shall determine and certify within fifteen (15) days from referral whether an agrarian dispute exists: Provided, That from the determination of the DAR, an aggrieved party shall have judicial recourse. In cases referred by the municipal trial court and the prosecutor's office, the appeal shall be with the proper regional trial court, and in cases referred by the regional trial court, the appeal shall be to the Court of Appeals.

x x x x (Emphasis and underscoring supplied)

II. The PARO's determination of existence of agrarian dispute should be based on sufficient evidence and is subject to judicial recourse.

To implement Section 19 of RA 9700, the DAR issued Administrative Order No. (AO) 03-11,[3] which provides that the determination by the DAR-PARO as to whether or not an agrarian dispute exists, or whether or not the case is agrarian in nature, shall be done through a summary proceeding involving its own investigation. In this regard, the Chief of the DAR Legal Division, or the DAR lawyer or legal officer assigned, is mandated to exert all reasonable means to ascertain the facts based on the testimonies and evidence presented. They may verify the position papers submitted by the parties, ascertaining that the concerned party is the one causing the preparation thereof, and that the allegations therein are true based on personal knowledge or authentic records and documents.[4]

However, any party who disagrees with the recommendation of the PARO has judicial recourse by submitting his/her/its position to the referring court or Office of the Public Prosecutor in accordance with the latter's rules.[5] Moreover, Section 50-A of RA 6657, as amended explicitly provides that from the PARO's determination, the appeal shall be with the proper Regional Trial Court (RTC) in cases referred by the MTC and the prosecutor's office, and to the Court of Appeals (CA) in cases referred by the RTC.

In this case, since there was an allegation that the case is agrarian in nature and that one of the parties is a tenant, the MTC properly referred the case to the PARO. Consequently, the PARO certified that the case is agrarian in nature, and the MTC dismissed the case on the basis thereof. Nonetheless, in view of said dismissal, petitioners Antonio R. Cruz and Loreto Teresita Cruz-Dimayacyac (petitioners) availed themselves of the judicial recourse provided for by law when they appealed said decision to the RTC, and thereafter, to the CA. It was thus incumbent for these courts to examine whether or not the MTC committed any reversible error in upholding the PARO's certification that the case is agrarian in nature.

More particularly, in their appeal before the RTC, petitioners challenged the MTC's reliance on the PARO certification, raising the lack of concurrence of all the elements of a tenancy relationship between the parties in order to situate jurisdiction before the Department of Agrarian Reform Adjudication Board (DARAB), and thus, maintained that jurisdiction belongs with the MTC. Consequently, it behooved the RTC to make its own independent findings on whether or not the case is agrarian in nature. However, in its Decision dated February 28, 2018, the RTC ruled that when the DAR certified that the case is agrarian in nature, the MTC was divested of jurisdiction and the case shall be under the primary and exclusive jurisdiction of the DAR.[6] Moreover, when the case was further appealed to the CA, the CA likewise merely relied on the PARO's findings in ruling that the MTC properly dismissed the case on the basis of lack of jurisdiction. As the CA's ruling was further appealed to this Court, it is now tasked to finally resolve whether or not the case indeed involves an agrarian dispute.

III. PARO's determination of the existence of agrarian dispute lacks sufficient basis and thus, should be reversed on appeal.

Tenancy is a legal relationship, and the existence of a tenancy relation is not presumed.[7] The elements for the existence of tenancy are explicit in the law and cannot be done away with by mere conjectures as leasehold relationship is not brought about by the mere congruence of facts but, being a legal relationship, the mutual will of the parties to that relationship should be primordial.[8] Thus, while the ejectment of a farmer, farmworker or tenant is within the jurisdiction of the DARAB Adjudicator,[9] it does not relieve the defendant in an unlawful detainer case who claims to be a tenant to establish the elements of a tenancy relationship by adequate proof.[10] Consequently, proof must still be adduced by the person making the allegation as to his or her status as a farmer, farmworker,[11] or tenant[12] in order to divest the MTC of jurisdiction, which respondents Carlos Cervantes and Cecilia Cervantes Santos (respondents) failed to discharge.

For context, the PARO Certification[13] dated October 28, 2016 states that the case is agrarian in nature because "it involves an agricultural land and the cause of action is ejectment of a farmer, farmworker or tenant which is within the primary and exclusive jurisdiction of the DAR." [14]

An agrarian dispute is defined under Section 3 (d) of RA 6657 as 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.

Case law states that the following indispensable elements must be proven in order for a tenancy agreement to arise:

- 1)
the parties are the landowner and the tenant or agricultural lessee;
- 2)
the subject matter of the relationship is an agricultural land;
- 3)
there is consent between the parties to the relationship;
- 4)
the purpose of the relationship is to bring about agricultural production;
- 5)
there is personal cultivation on the part of the tenant or agricultural lessee; and
- 6)
the harvest is shared between the landowner and the tenant or agricultural lessee.

The absence of any of the requisites negates a finding that an occupant, cultivator, or planter is a de jure tenant. Thus, one who claims to be a tenant has the onus to prove the affirmative allegation of tenancy with substantial evidence that the landowner and tenant came to an agreement in entering into a tenancy relationship.[15]

Here, other than the fact that the subject land is agricultural land, the records are bereft of showing of the presence

of the other elements of a tenancy, particularly, the essential requisites of consent and sharing. The pieces of documentary evidence presented by respondents do not provide proof that their predecessor-in-interest, Isidro Cervantes (Isidro), and Spouses Progedio and Teresa Cruz (Spouses Cruz) came to an agreement as to the establishment of an agricultural leasehold tenancy relationship. Outside of their self-serving claim and general averments in their Answer,[16] respondents failed to elaborate much less prove the details of the supposed tenancy relationship between Isidro and Spouses Cruz. Based on the records, neither was a written tenancy contract nor proof of acts implying a mutual agreement to enter into a tenancy contract between Isidro and Spouses Cruz presented in evidence before the tribunals a quo.[17]

Verily, occupancy and cultivation of an agricultural land, no matter how long, will not ipso facto make one a de jure tenant. Independent and concrete evidence are necessary to prove personal cultivation, sharing of harvest, or consent of the landowner.[18] It is essential that, together with the other requisites of tenancy relationship, the agricultural tenant is able to show that he transmitted the landowner's share of the harvest.[19]

In this case, the Tally Sheet[20] and receipt[21] presented by respondents to substantiate the purported sharing of harvests are not enough to establish any sharing agreement of agricultural production with petitioners, considering the lack of signatures or acknowledgment thereof by the landowners, Spouses Cruz. Neither were the signatories thereon shown to be representatives of Spouses Cruz. Further, in *Rivera v. Santiago*,[22] the Court even stressed that it is not unusual for a landowner to receive the produce of the land from a caretaker who sows thereon[23] and that the fact of receipt, without an agreed system of sharing, does not ipso facto create a tenancy.[24]

Hence, respondents failed to discharge the burden of proving that Isidro, their predecessor-in-interest, was an agricultural tenant of Spouses Cruz, and that the instant case involves an agrarian dispute cognizable by the DARAB. There being no agricultural tenancy relationship established in this case, the MTC has jurisdiction over the unlawful detainer case filed by petitioners against respondents.

As a final point, it should be stressed that while primary jurisdiction is vested in the DAR as an administrative agency to determine and adjudicate agrarian reform matters and that it has exclusive jurisdiction over all matters involving the implementation of the agrarian reform program,[25] case law states that "such determination is subject to challenge in the courts,"[26] as in this case.

To be sure, the doctrine of primary jurisdiction only holds that:

[I]f 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 court is had even if the matter may well be within the latter's proper jurisdiction. The objective of the doctrine of primary jurisdiction is to guide the court in determining whether it should refrain from exercising its jurisdiction until after an administrative agency has determined some question or some aspect of some question arising in the proceeding before the court.[27] (Emphasis, italics, and underscoring supplied)

Thus, while the doctrine of primary jurisdiction gives the administrative agency the first opportunity to pass on a specialized matter – as what the PARO did when the case was automatically referred to it – the referral is merely a rule of preliminary guidance/deference, which is without prejudice to a judicial recourse, such as an appeal. Ultimately, it should be stressed that the findings of administrative agencies are not insulated from judicial review despite their expertise. It is this Court which has the final say on whether or not an agrarian dispute exists.

Accordingly, I vote to GRANT the petition. The complaint must be REINTATED, and the case REMANDED to the Municipal Trial Court of Plaridel, Bulacan for further proceedings.

[*] "Loreta" in some parts of the rollo.

[**] "Carlos" in some parts of the rollo; see rollo, p. 69.

[***] "Cecilia" in some parts of the rollo; see id.

[1] Entitled "AN ACT INSTITUTING A COMPREHENSIVE AGRARIAN REFORM PROGRAM TO PROMOTE SOCIAL JUSTICE AND INDUSTRIALIZATION PROVIDING THE MECHANISM FOR ITS IMPLEMENTATION, AND FOR OTHER PURPOSES"; approved on June 10, 1988.

[2] Entitled "AN ACT STRENGTHENING THE COMPREHENSIVE AGRARIAN REFORM PROGRAM (CARP), EXTENDING THE ACQUISITION AND DISTRIBUTION OF ALL AGRICULTURAL LANDS, INSTITUTING NECESSARY REFORMS, AMENDING FOR THE PURPOSE CERTAIN PROVISIONS OF REPUBLIC ACT NO. 6657, OTHERWISE KNOWN AS THE COMPREHENSIVE AGRARIAN REFORM LAW OF 1988, As AMENDED, AND APPROPRIATING FUNDS THEREFORE"; approved on August 7, 2009.

[3] Entitled "REVISED RULES AND REGULATIONS IMPLEMENTING SECTION 19 OF R.A. NO. 9700 (JURISDICTION AND REFERRAL OF CASES THAT ARE AGRARIAN IN NATURE)"; approved on July 19, 2011.

[4] See Section 6 of DAR AO 03-11.

[5] See Section 12 of DAR AO 03-11.

[6] See rollo, p. 143.

[7] See *Romero v. Sombrino*, G.R. No. 241353, January 22, 2020.

[8] *Pagarigan v. Yague*, 758 Phil. 375, 380 (2015).

[9] See Section 1 (d), Rule II of the 2009 DARAB Rules of Procedure.

[10] See *Chailese Development Company, Inc. v. Dizon*, 826 Phil. 51, 64-65 (2018).

[11] Section 3 (f) and (g) of Republic Act No. 6657 defines "farmers and farmworkers" as follows:

(f) Farmer refers to a natural person whose primary livelihood is cultivation of land or the production of agricultural crops, either by himself, or primarily with the assistance of his immediate farm household, whether the land is owned by him, or by another person under a leasehold or share tenancy agreement or arrangement with the owner thereof.

(g) Farmworker is a natural person who renders service for value as an employee or laborer in an agricultural enterprise or farm regardless of whether his compensation is paid on a daily, weekly, monthly or "pakyaw" basis. The term includes an individual whose work has ceased as a consequence of, or in connection with a pending agrarian dispute and who has not obtained a substantially equivalent and regular farm employment. (Underscoring supplied)

[12] An agricultural tenancy relation is established by the concurrence of the following elements: (1) that the parties are the landowner and the tenant or agricultural lessee; (2) that the subject matter of the relationship is an agricultural land; (3) that there is consent between the parties to the relationship; (4) that the purpose of the relationship is to bring about agricultural production; (5) that there is personal cultivation on the part of the tenant or agricultural lessee; and (6) that the harvest is shared between the landowner and the tenant or agricultural lessee. (See *Chailese Development Company, Inc. v. Dizon*, supra note 10, at 63-64.

[13] Rollo, p. 134.

[14] Id.

[15] See *Romero v. Sombrino*, supra note 7.

[16] Rollo, pp. 69-74.

[17] See id. at 17-18, 32-33, 38-40, 134, and 143.

[18] *Pagarigan v. Yague*, supra note 8, at 380.

[19] *Adriano v. Tanco*, 637 Phil. 218, 228-229 (2010).

[20] Rollo, p. 78.

[21] Id. at 79.

[22] 457 Phil. 143 (2003).

[23] Id. at 159.

[24] *De Jesus v. Moldex Realty, Inc.*, 563 Phil. 625, 632 (2007).

[25] Section 50 of RA 6657.

[26] See *Land Bank of the Philippines v. Dalauta*, 815 Phil. 740, 772 (2017); emphasis and underscoring supplied; citation omitted.

[27] *Nestle Philippines, Inc. v. Uniwide Sales, Inc.*, 648 Phil. 451, 459 (2010).

CONCURRING OPINION

LEONEN, J.:

I concur with the ponencia's finding that the Municipal Trial Court correctly referred the case to the Provincial Agrarian Reform Office of the Department of Agrarian Reform. This mandatory referral mechanism under Section 50-A of Republic Act No. 6657 or the Comprehensive Agrarian Reform Law of 1988, as amended,[1] provides substantial mitigation against dilatory lawsuits filed against legitimate agrarian beneficiaries under the guise of unlawful detainer actions. That the Department of Agrarian Reform is given the initial opportunity to determine the existence of an agrarian dispute affords beneficiaries additional protection against suits that prevent them from enjoying their rights under our agrarian reform programs.[2] This is the very rationale of the amendment, as well as of the prior enlightened cases before such amendment.

I also concur with the ponencia's pronouncement, citing the observation of Associate Justice Alfredo Benjamin Caguioa, that "any kind of evidence which, on its face, tends to show that one of the parties is indeed a farmer, farmworker, or tenant"[3] is sufficient to trigger the mandatory referral mechanism. This is a very wise interpretation which augurs well with the requirement of social justice found in our Constitution.

Likewise, I concur with the finding that the Certification issued by the Provincial Agrarian Reform Office failed to expound on the factual and legal basis for the finding of tenancy. The Certification violated the Department of Agrarian Reform Administrative Order No. 03-11, as amended, which requires the Certification to state the following:

SECTION 9. DAR Certification. — The PARO shall issue the Certification within forty-eight (48) hours from receipt of the report of the Chief of the Legal Division, DAR lawyer, or legal officer concerned. Such Certification shall state whether or not the referred case is agrarian in nature, as follows:

(a)

Where the case is NOT PROPER for trial for lack of jurisdiction:

After a preliminary determination of the relationship between the parties pursuant to Section 50-A of R.A. No. 6657, as amended, this Office hereby certifies that the case is agrarian in nature within the primary and exclusive jurisdiction of the DAR. It is therefore recommended to the referring (court/prosecutor) that the case be dismissed for lack of jurisdiction.

....

The Certification shall state the findings of fact upon which the determination by the PARO was based.[4]

The Certification in this case did not meet the rules' requirements. While it followed the contents as required by Section 9(a), it only declared that "the case is agrarian in nature for it involves an agricultural land and the cause of action is ejectment of a farmer, farmworker or tenant which is within the primary and exclusive jurisdiction of the [Department of Agrarian Reform]"[5] without stating the basis for its determination that the case involves an agrarian dispute as required by the last paragraph. Its brevity was inordinate and clearly arbitrary.

However, I disagree with the ponencia's characterization that the findings of the Department of Agrarian Reform's Provincial Agrarian Reform Office are only recommendatory. The mandatory referral mechanism under Section 50-A is a recognition of the Department of Agrarian Reform's unique and integral role in the resolution of agrarian disputes. Describing its findings as only recommendatory forecloses any further administrative remedy within the Department of Agrarian Reform should there be a factual finding based on substantial evidence at the Provincial Agrarian Reform Office's level. Such a strong and broad characterization of the Provincial Agrarian Reform Office's role as merely recommendatory weakens the agency's primary administrative jurisdiction. Any consideration on this specific point should be done in an appropriate case where this issue is squarely raised.

In this case, however, the issue is the Certification's lack of articulation of its factual basis. Its mere pronouncement that the case is agrarian in nature without stating the basis violates the requirement of the Department of Agrarian Reform's rules. This error is what made the Certification defective and unreliable. A further declaration on whether the Provincial Agrarian Reform Office's findings are recommendatory or conclusive on the courts is therefore unnecessary in this case.

In all other points of the ponencia, I concur.

ACCORDINGLY, I vote to GRANT the Petition.

[1] Republic Act No. 9700 (2009).

[2] See J. Leonen, Concurring Opinion in *Dayrit v. Norquillas*, G.R. No. 201631, December 7, 2021 <<https://sc.judiciary.gov.ph/28294/>> [Per J. Hernando, En Banc].

[3] Ponencia, p. 9.

[4] Department of Agrarian Reform Administrative Order No. 04-11 (2011), sec. 9. Formerly Section 10 in Department of Agrarian Reform Administrative Order No. 03-11 (2011).

[5] Ponencia, p. 13. The Certification, as quoted in the ponencia:

CERTIFICATION

After a preliminary determination of the relationship between the parties in Civil Case No. 139-16 entitled Antonio R. Cruz et al. vs. Carling Cervantes et al., pursuant to Section 50-A of R. A. 6657 as amended, this Office hereby certifies that the case is agrarian in nature for it involves an agricultural land and the cause of action is ejectment of a farmer, farm worker or tenant which is within the primary and exclusive jurisdiction of the DAR. It is therefore recommended to the referring MTC of Plaridel Bulacan, that the case be dismissed for lack of jurisdiction

G.R. No. 244433 — ANTONIO R. CRUZ and LORETA TERESITA CRUZ-DIMAYACYAC, AS HEIRS OF THE LATE SPOUSES DR. PROGEDIO[.] R. CRUZ AND TERESA REYES, petitioners, versus CARLING CERVANTES and CELIA CERVANTES SANTOS, and ALL PERSONS CLAIMING RIGHTS UNDER THEM, respondents.

CONCURRING OPINION

CAGUIOA, J.:

I fully concur.

I submit this Concurring Opinion only to expound on the nuances of the twin requirements for mandatory referral set forth in Section 50-A of Republic Act No. (RA) 6657,[1] as amended by RA 9700,[2] the elements constitutive of an agrarian dispute which falls under the jurisdiction of the Department of Agrarian Reform (DAR), and the nature of evidence required to establish its existence.

For context, a brief background is in order.

This Petition for Review on Certiorari (Petition) stems from a complaint for unlawful detainer (Complaint) filed by petitioners Antonio R. Cruz and Loreta Teresita Cruz-Dimayacyac (collectively, petitioners), as heirs of the late spouses Progedio R. Cruz and Teresa Reyes (Spouses Cruz), against Carling Cervantes, Celia Cervantes Santos and their successors-in-interest (collectively, respondents).[3]

The Complaint concerns a parcel of agricultural land situated in Bulacan (subject property). Spouses Cruz are the owners of the subject property, while respondents are the heirs of the late Isidro Cervantes (Isidro), the alleged tenant of Spouses Cruz.

The Complaint was dismissed by the Municipal Trial Court of Plaridel, Bulacan (MTC) on the ground of lack of jurisdiction based on the October 28, 2016 Certification issued by Engineer Emmanuel G. Aguinaldo of the Provincial Agrarian Reform Office of the DAR (DAR-PARO) characterizing the Complaint as an agrarian dispute cognizable by the DAR Adjudication Board (DARAB).[4] This dismissal was affirmed by the Regional Trial Court (RTC),[5] and later, the Court of Appeals[6] (CA). Hence, this Petition.

In the main, the Petition calls on the Court to determine whether the dismissal of the Complaint was proper. However, to aid the discussion that follows, it is fitting to further break down the main issue into two sub-issues — first, whether the MTC erred in referring the Complaint to the DAR-PARO for initial determination of the nature of the dispute involved; and second, whether the MTC erred in relying upon the DAR-PARO's determination.

Like the ponencia, I find that the MTC correctly referred the case to the DAR-PARO based on the concurrence of

the twin requisites for mandatory referral set forth in Section 50-A of RA 6657, as amended.

Be that as it may, I find that the MTC gravely erred when it relied on the determination of the DAR-PARO despite the clear lack of substantial evidence to support such determination. In turn, this error resulted in the unwarranted dismissal of the Complaint on the ground of lack of jurisdiction. Accordingly, I join the ponencia's order to reverse said dismissal and remand the Complaint for further proceedings.

The MTC did not err when it referred the Complaint to the DAR-PARO

RA 6657 vests the DAR with primary jurisdiction over agrarian reform matters and exclusive original jurisdiction over the implementation of agrarian reform, subject to narrow exceptions, thus:

SEC. 50. Quasi-Judicial Powers of the DAR. — The DAR is hereby vested With primary jurisdiction to determine and adjudicate agrarian reform matters and shall have exclusive original jurisdiction over all matters involving the implementation of agrarian reform, except those falling under the exclusive jurisdiction of the Department of Agriculture (DA) and the Department of Environment and Natural Resources (DENR).

x x x x

"Agrarian dispute" is defined under Section 3 of the same statute as follows:

(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. (Emphasis supplied)

In 2009, RA 6657 was amended by RA 9700 for the purpose of strengthening the State's comprehensive agrarian reform program. Among the changes introduced by the amendatory 'law was the inclusion of Section 50-A in RA 6657 which sets forth the mandatory referral mechanism, thus:

SEC. 50-A. Exclusive Jurisdiction on Agrarian Dispute. — No court or prosecutor's office shall take cognizance of cases pertaining to the implementation of the [Comprehensive Agrarian Reform Program (CARP)] except those provided under Section 57[7] of Republic Act No. 6657, as amended. If there is an allegation from any of the parties that the case is agrarian in nature and one of the parties is a farmer, farmworker, or tenant, the case shall be automatically referred by the judge or the prosecutor to the DAR which shall determine and certify within fifteen (15) days from referral whether an agrarian dispute exists: Provided, That from the determination of the DAR, an aggrieved party shall have judicial recourse. In cases referred by the municipal trial court and the prosecutor's office, the appeal shall be with the proper regional trial court, and in cases referred by the regional trial court, the appeal shall be to the Court of Appeals.

In cases where regular courts or quasi-judicial bodies have competent jurisdiction, agrarian reform beneficiaries or identified beneficiaries and/or their associations shall have legal standing and interest to intervene concerning their individual or collective rights and/or interests under the CARP.

The fact of non-registration of such associations with the Securities and Exchange Commission, or Cooperative Development Authority, or any concerned government agency shall not be used against them to

deny the existence of their legal standing and interest in a case filed before such courts and quasi-judicial bodies. (Emphasis supplied)

Hence, under Section 50-A, referral to the DAR shall be mandatory when: (i) there is an allegation from any of the parties that the case is agrarian in nature; and (ii) one of the parties is a farmer, farmworker, or tenant.

In *Chailese Development Co., Inc. v. Dizon*[8] (Chailese) the Court clarified that unlike the first requisite which only requires an allegation by any of the parties that the case involves an agrarian dispute, the second requisite requires proof, thus:

Contrary to the CA's conclusion and as opposed to the first requisite, mere allegation would not suffice to establish the existence of the second requirement. Proof must be adduced by the person making the allegation as to his or her status as a farmer, farmworker, or tenant.

The pertinent portion of Section 19 of R.A. No. 9700 reads:

If there is an allegation from any of the parties that the case is agrarian in nature and one of the parties is a farmer, farmworker, or tenant, the case shall be automatically referred by the judge or the prosecutor to the DAR x x x.

The use of the word "an" prior to "allegation" indicate that the latter qualifies only the immediately subsequent statement, i.e., that the case is agrarian in nature. Otherwise stated, an allegation would suffice only insofar as the characterization of the nature of the action.

Had it been the intention that compliance with the second element would likewise be sufficient by a mere allegation from one of the parties that he or she is a farmer, farm worker, or tenant, the legislature should have used the plural form when referring to "allegation" as the concurrence of both requisites is mandatory for the automatic referral clause to operate.[9] (Emphasis supplied)

The Court's ruling in *Chailese*, particularly with respect to the requisites for mandatory referral, was subsequently reiterated in *Dayrit v. Norquillas*[10] (Dayrit), a recent case decided by the Court en banc.

In this regard, it should be stressed that the legislative intent to require, in relation to the second requisite, proof that one of the parties is a farmer, farmworker, or tenant is clear from the congressional records.

As stated, the mandatory referral mechanism was incorporated in RA 6657 through RA 9700. In turn, RA 9700 is the result of the consolidation of two bills — House Bill No. 4077 and Senate Bill No. 2666.

In the original draft of the House version filed on May 5, 2008, the first paragraph of Section 50-A was worded as follows:

SEC. 11. Section 50 Republic Act No. 6657 is hereby amended by adding Section 50-A to read as follows:

"x x x

"SEC. 50-A. EXCLUSIVE JURISDICTION ON AGRARIAN-RELATED DISPUTE. – No COURT OR PROSECUTOR'S OFFICE SHALL TAKE COGNIZANCE OF CASES PERTAINING TO THE IMPLEMENTATION OF THE COMPREHENSIVE AGRARIAN REFORM PROGRAM EXCEPT THOSE PROVIDED UNDER SECTION 57 OF REPUBLIC ACT NO. 6657. IF THERE IS AN ALLEGATION FROM ANY OF THE PARTIES THAT THE CASE IS AGRARIAN IN NATURE, OR ONE OF THE PARTIES IS A FARMER, FARMWORKER OR TENANT, THE CASE SHALL BE AUTOMATICALLY REFERRED BY THE JUDGE OR PROSECUTOR TO THE DAR WHICH SHALL DETERMINE AND CERTIFY WITHIN FIFTEEN (15) DAYS FROM REFERRAL WHETHER AN AGRARIAN DISPUTE EXISTS: PROVIDED, THAT THE AGGRIEVED PARTY HAS JUDICIAL RECOURSE TO THE REGIONAL TRIAL COURT OR TO THE APPROPRIATE REGIONAL TRIAL COURT.

x x x x"[11] (Emphasis and underscoring supplied; original emphasis omitted)

The mandatory referral mechanism did not appear in the original draft of the Senate version. Nevertheless, it was later incorporated as Section 13 after the period of committee amendments.[12] The first paragraph of Section 13 adopted the following language:

SEC. 13. A NEW SECTION 50-A IS HEREBY INSERTED TO READ AS FOLLOWS:

SEC. 50-A. EXCLUSIVE JURISDICTION ON AGRARIAN RELATED DISPUTE. – NO COURT SHALL TAKE COGNIZANCE OF CASES PERTAINING TO THE IMPLEMENTATION OF THE COMPREHENSIVE AGRARIAN REFORM PROGRAM EXCEPT THOSE PROVIDED UNDER SECTION 57 OF RA 6657. ALL OTHER CASES FILED IN REGULAR COURTS OR OFFICE OF THE PROSECUTOR WHERE ONE OF THE PARTIES IS A FARMER, FARMWORKER OR TENANT, SHALL BE AUTOMATICALLY REFERRED TO THE DAR IF THERE IS AN ALLEGATION FROM ANY OF THE PARTIES THAT THE CASE IS AGRARIAN IN NATURE, UNLESS IT IS CLEAR FROM THE COMPLAINT THAT THE CASE INVOLVES ISSUES WHICH ARE SOLELY AGRARIAN IN NATURE, IN WHICH CASE THE COURT SHALL MOTU PROP[R]IO DISMISS THE CASE. UPON REFERRAL OF A CASE BY A REGULAR COURT OR THE PROSECUTOR TO THE DAR, THE DAR SHALL, WITHIN THIRTY (30) DAYS FROM RECEIPT OF THE COURT'S OR PROSECUTOR'S REFERRAL, DETERMINE IF THE CASE INVOLVES ISSUES WHICH ARE SOLELY AGRARIAN IN NATURE, SUCH FINDING SHALL BE CONCLUSIVE UPON THE REGULAR COURT OR PROSECUTOR, AND THE COURT OR PROSECUTOR SHALL THEREAFTER DISMISS THE CASE ON THE BASIS OF SUCH FINDINGS OF THE DAR. IF THE CASE INVOLVES ISSUES WHICH ARE NOT AGRARIAN IN NATURE, THE COURT OR PROSECUTOR SHALL SUSPEND ITS PROCEEDINGS IF THE DETERMINATION BY THE DAR OF THE ISSUES WHICH ARE AGRARIAN IN NATURE ARE INTIMATELY RELATED TO THE CRIMINAL OR CIVIL ACTION AND THE RESOLUTION OF SUCH ISSUES DETERMINES WHETHER OR NOT THE CIVIL OR CRIMINAL ACTION MAY PROCEED.

x x x x[13] (Emphasis and underscoring supplied)

The House and Senate versions were later reconciled through the Bicameral Conference Committee (BCC). Following a series of meetings, the BCC submitted its Conference Committee Report recommending that the reconciled version be approved.[14] The result was the final enrolled version which is now known as RA 9700. To reiterate, the first paragraph of Section 19 of RA 9700 reads:

SEC. 19. Section 50 of Republic Act No. 6657, as amended, is hereby further amended by adding Section 50-A to read as follows:

"SEC. 50-A. Exclusive Jurisdiction on Agrarian Dispute. – No court or prosecutor's office shall take cognizance of cases pertaining to the implementation of the CARP except those provided under Section 57 of Republic Act No. 6657, as amended. If there is an allegation from any of the parties that the case is agrarian in nature and one of the parties is a farmer, farmworker, or tenant, the case shall be automatically referred by the judge or the prosecutor to the DAR which shall determine and certify within fifteen (15) days from referral whether an agrarian dispute exists: Provided, That from the determination of the DAR an aggrieved party shall have judicial recourse. In cases referred by the municipal trial court and the prosecutor's office, the appeal shall be with the proper regional trial court, and in cases referred by the regional trial court, the appeal shall be to the Court of Appeals.

x x x x"

The language of the House and Senate versions, as well as the final reconciled version all indicate the legislative intent to: (i) require the concurrence of the first and second requisites to trigger mandatory referral to the DAR; (ii) make a distinction between the treatment of the first and second requisites; and finally, (iii) require "proof" that one of the parties is a farmer, farmworker, or tenant (as opposed to mere general allegation thereof), for the

second requisite to concur.

Nevertheless, while it is clear that "proof" that one of the parties is a farmer, farmworker, or tenant should be submitted to the MTC for the aforesaid second requirement to concur, prevailing law and jurisprudence appear to be silent on the kind of proof that must be adduced. On this score, I submit that such "proof" is composed of specific and clear allegations showing the indispensable elements of tenancy, coupled with any and all kinds of documents which, on their face, tend to show that such tenancy relationship exists between the parties, and that one of the parties is indeed a farmer, farmworker, or tenant. In particular, the indispensable elements of tenancy which must be specifically alleged and supported by documents, if any, are: "(1) [t]hat the parties are the landowner and the tenant or agricultural lessee; (2) that the subject matter of the relationship is an agricultural land; (3) that there is consent between the parties to the relationship; (4) that the purpose of the relationship is to bring about agricultural production; (5) that there is personal cultivation on the part of the tenant or agricultural lessee; and (6) that the harvest is shared between the landowner and the tenant or agricultural lessee." [15]

It should be borne in mind that the mandatory referral mechanism is meant precisely to avert situations where the regular court proceeds to try an agrarian dispute over which it has no jurisdiction. It stands to reason then that the kind of proof that should be deemed sufficient by the MTC to establish the second requisite should be such that require only a facial assessment or determination that would indicate to a reasonable mind that a tenancy relationship does exist between the parties and that one of the parties is indeed a farmer, farmworker, or tenant. This is so because to require a higher standard of proof would necessarily result in protracted proceedings before the referring court and would thus negate the very purpose of the mandatory referral mechanism which is to afford DAR, precisely because of its expertise, the opportunity to make a determination on the nature of the dispute involved.

To reiterate, plain and unsupported allegations that one of the parties is a farmer, farmworker, or tenant will not suffice. For the second requisite to concur, there must be specific and clear allegations showing the indispensable elements of tenancy, coupled with documents which, on their face, tend to show that a tenancy relationship in fact exists between the parties, such that one of them stands as landowner, and the other, as farmer, farmworker, or tenant.

In this case, the MTC appears to have premised its referral to the DAR on the specific allegations made in respondents' Answer, as well as the annexes thereto, thus:

x x x [Respondents] x x x averred that petitioners have no cause of action against them because the latter never produced any proof that they have the sole right to succeed to the ownership of the subject parcel of land. It was also argued that the MTC has no jurisdiction over the complaint for unlawful detainer. The subject property is an agricultural land and respondents are tenants thereof. They succeeded in the tenancy rights of their father [Isidro] who was the tenant of petitioners' parents. As such, it is the [DARAB] which should determine the rights and obligations of the parties over the subject property.

Respondents further alleged that their father Isidro became the tenant of [Spouses Cruz] from 1965 to 2005 during which he cultivated the land and planted thereon camote, corn, palay, mustasa, tomato and fruit-bearing trees such as coconut and mango trees. Upon the death of their father, respondents continued to cultivate the property and planted thereon palay, string beans, eggplant, coconut, mango, and banana. They also raised livestock up to the present time. Respondents likewise paid compensation to the owners [Spouses Cruz], as shown by a tally sheet issued by C. Adelia Rice Mill showing the following entry: "Name: Mrs. Teresa Reyes Vda de Cruz; Kasama: Isidro Cervante[s]"; and a handwritten receipt dated March 31, 1992 with the following notations: "Buwis sa Bakuran x x x ni Sidro Cervantes; Tinanggap ni Kapt. Peping Villalon x x x". Hence, respondents prayed that the complaint for unlawful detainer be dismissed. x x x [16] (Emphasis supplied)

Recognizing the expertise of the DAR over the subject matter, and the mandate of Section 50-A of RA 6657, as amended, the MTC thus referred the Complaint to the former:

It is very clear from the afore-quoted provision that once there is an allegation from any of the parties that the case is agrarian in nature and one of the parties is a farmer, farmworker, or tenant, the case shall be automatically referred by the judge to the DAR for the proper determination and certification as to whether or not an agrarian dispute exists in a particular case.

Pursuant to the provisions of [RA] 6657, as amended, and [RA] 9700, and the jurisprudential trend showing the Supreme Court's recognition of DAR as the administrative body of special competence and expertise granted by law with primary and exclusive original jurisdiction over agrarian reform matters, the Office of the Court Administrator issued OCA Circular No. 62-10 dated April 28, 2010 enjoining all the judges of the lower courts to strictly observe Section 50-A of [RA] 6657, as amended by [RA] 9700, and refer all cases before them alleged to involve an agrarian dispute to the [DAR] for the necessary determination and certification.[17]

The MTC cannot be faulted for referring the Complaint to the DAR.

Here, respondents clearly and vehemently alleged that the Complaint constitutes an agrarian dispute over which the DAR has jurisdiction.

Moreover, the statements in respondents' Answer constitute sufficient and clear allegations showing the elements of tenancy and were supported by documents annexed to their Answer. Specifically, respondents alleged that: (1) their father Isidro was the tenant of petitioners' parents who, at the time, were the owners of the subject property; (2) the subject property is agricultural land; (3) petitioners' parents consented to the tenancy relationship inasmuch as they received compensation therefor as allegedly shown by the tally sheet and the handwritten receipt presented by respondents as evidence; (4) the alleged tenancy relationship yielded the production of various agricultural crops; and (5) the subject property was personally cultivated by Isidro, and subsequently, by respondents.

In all, these constitute proof that the twin requirements for mandatory referral concur.

The MTC erred in relying on the initial determination made by the DAR-PARO

Nevertheless, while the MTC correctly referred the Complaint to the DAR in accordance with Section 50-A of RA 6657, as amended, it incorrectly relied on the DAR-PARO's determination in this particular case.

DAR Administrative Order No. 03-11[18] (DAR AO 03-11) details the procedure for the determination of jurisdiction concerning cases on referral. Its relevant sections state:

SECTION 6. Procedures. —

- Upon receipt of the records of the case, the PARO shall, on the same day, immediately assign the said case to the Chief of the Legal Division of the DAR Provincial Office concerned for the conduct of a summary investigation proceedings for the sole purpose of determining whether or not an agrarian dispute exists or if the case is agrarian in nature. The Chief of the DAR Legal Division concerned may assign the case to a DAR lawyer or legal officer for the purpose of conducting the said summary proceeding or fact-finding investigation.

- The Chief of the DAR Legal Division, or the DAR lawyer or legal officer assigned shall, within three (3) days from receipt of the case referred from the PARO, personally or in such a manner that will ensure the receipt thereof (e.g., commercial couriers, fax, electronic mail, phone call, etc.), serve upon each party to the case a notice stating therein the hour, date, and place of the proceedings. The summary proceedings shall be

held, as far as practicable, in the municipality or barangay where the agricultural landholding is located or where the biggest portion of the landholding is located if the land overlaps two (2) or more municipalities or barangays. The parties shall be required to present their witnesses, documentary evidence, or any object evidence to support their respective positions as to the existence of an agrarian dispute on whether the case is agrarian in nature. The Chief of the DAR Legal Division, or the DAR lawyer or legal officer assigned shall require the Agrarian Reform Program Technologist (ARPT) of the place where the subject agricultural landholding is located to submit his[/her] comments thereto.

- The said notice shall likewise require the parties to submit their respective verified position papers, attaching thereto all their evidence, within five (5) non-extendible days from receipt of such notice.

- After the conclusion of the summary proceedings and the submission of all position papers, or upon the expiration of the five (5)[-]day period as provided herein, the matter or issue shall be deemed submitted for resolution. No other pleading or motion shall thereafter be received or given due course.

- Within three (3) days from the time the matter or issue is deemed to be submitted for resolution, the Chief of the DAR Legal Division, or the DAR lawyer or legal officer assigned, shall, after a thorough examination of the testimonies of the parties and his/her witnesses, the respective verified position papers, and the documentary evidence thus submitted, submit his/her report to the PARO. The report shall indicate his/her initial findings of the facts and circumstances of the case and as to whether an agrarian dispute exists or not or on whether the case is agrarian in nature. The position papers, transcript of stenographic notes, and the entire records of the case shall be attached to the report.

The determination by the DAR as to whether an agrarian dispute exists or not, or on whether the case is agrarian in nature, shall be done through a summary proceeding involving a strictly factual investigation. No motion for extension of time or any similar pleading of a dilatory character shall be entertained nor given due course. To this end, the Chief of the Legal Division, or the DAR lawyer or legal officer assigned, shall exert all reasonable means to ascertain the facts based on the testimonies and evidence presented. They may verify the position papers submitted by the parties, ascertaining that the concerned party is the one causing the preparation thereof, and that the allegations therein are true based on personal knowledge or authentic records and documents.

To preclude conflict of interest, in no case should the DAR lawyer serving as counsel for the farmer-beneficiary be assigned as the hearing officer. Moreover, no hearing officer should handle a case involving a relative within the fourth degree of consanguinity or affinity who is a party thereto.

SECTION 7. Prima Facie Presumption of an Existence of Agrarian Dispute or that the Case is Agrarian in Nature. — The presence of any of the following facts or circumstances shall automatically give rise to a prima facie presumption that an agrarian dispute exists or that the case is agrarian in nature:

(a)

A previous determination by the DAR that an agrarian dispute exists or that the case is agrarian in nature, or the existence of a pending action with the DAR, whether an Agrarian Law Implementation (ALI) case or a case before the DAR Adjudication Board (DARAB), which involves the same landholding;

(b)

A previous determination by the National Labor Relations Commission or its Labor Arbiters that the farmworker is/was an employee of the complainant;

(c)

A notice of coverage was issued or a petition for coverage under any agrarian reform program was filed on the

subject landholding; or

(d)

Other analogous circumstances.

If there is a prima facie presumption that an agrarian dispute exists or that the case is agrarian in nature, the burden of proving the contrary shall be on the party alleging the same.

SECTION 8. Facts Tending to Prove that a Case is Agrarian in Nature. — In addition to the instances mentioned in Section 7 hereof, the Chief of the Legal Division, or the DAR lawyer or legal officer assigned, in determining whether the case is agrarian in nature, shall be guided by the following facts and circumstances:

- Existence of a tenancy relationship;
- The land subject of the case is agricultural;
- Cause of action involves ejectment or removal of a farmer, farmworker, or tenant;
- The crime alleged arose out of or is in connection with an agrarian dispute (i.e., theft or qualified theft of farm produce, estafa, malicious mischief, illegal trespass, etc.), Provided, that the prosecution of criminal offenses penalized by [RA] 6657, as amended, shall be within the original and exclusive jurisdiction of the Special Agrarian Courts;
- The land subject of the case is covered by a Certificate of Land Ownership Award (CLOA), Emancipation Patent (EP), or other title issued under the agrarian reform program, and that the case involves the right of possession, use, and ownership thereof; or
- The civil case filed before the court of origin concerns the ejectment of farmers/tenants/farmworkers, enforcement or rescission of contracts arising from, connected with, or pertaining to an Agribusiness Ventures Agreement (AVA), and the like.

The existence of one or more of the foregoing circumstances may be sufficient to justify a conclusion that the case is agrarian in nature. The Chief of the Legal Division, or the DAR lawyer or legal officer assigned, shall accordingly conclude that the case is agrarian in nature cognizable by the DAR, and thus recommend that the referred case is not proper for trial.

SECTION 9. DAR Certification. — The PARO shall issue the Certification within forty-eight (48) hours from receipt of the report of the Chief of the Legal Division, DAR lawyer, or legal officer concerned. Such Certification shall state whether or not the referred case is agrarian in nature, as follows:

(a)

Where the case is NOT PROPER for trial for lack of jurisdiction:

After a preliminary determination of the relationship between the parties pursuant to Section 50-A of R.A. No. 6657, as amended, this Office hereby certifies that the case is agrarian in nature within the primary and exclusive jurisdiction of the DAR. It is therefore recommended to the referring (court/prosecutor) that the case be dismissed for lack of jurisdiction.

(b)

Where the case is NOT YET PROPER for trial due to a prejudicial question:

After a preliminary determination of the relationship between the parties pursuant to Section 50-A of R.A. No. 6657, as amended, this Office hereby certifies that a prejudicial question exists the determination of which is

agrarian in nature and thus within the primary and exclusive jurisdiction of the DAR. It is therefore recommended to the referring (court/prosecutor) that the case be archived until the determination of the DAR of the prejudicial question.

(c)

Where the case is PROPER for trial:

This Office hereby certifies that the case is not agrarian in nature. It is therefore recommended to the referring (court/prosecutor) to conduct further proceedings.

The Certification shall state the findings of fact upon which the determination by the PARO was based. (Emphasis and underscoring supplied; italics in the original)

From the foregoing, it is clear that upon referral, the DAR-PARO is required to conduct a summary investigation to ascertain the relevant facts and make an initial determination as to whether the case so referred is an agrarian dispute based on the testimonies of the parties' witnesses, their evidence, and/or position papers. Thereafter, it must issue a Certification stating its initial determination which "shall state the findings of fact upon which the determination by the PARO" is based.

Here, the October 28, 2016 Certification issued by the DAR-PARO states, in full:

CERTIFICATION

After a preliminary determination of the relationship between the parties in Civil Case No. 139-16 entitled Antonio R. Cruz[,] et al. vs. Carling Cervantes, [et] al., pursuant to Section 50-A of R.A. 6657 as amended, this Office hereby certifies that the case is agrarian in nature for it involves an agricultural land and the cause of action is ejectment of a farmer, farmworker, or tenant which is within the primary and exclusive jurisdiction of the DAR. It is therefore recommended to the referring MTC of Plaridel, Bulacan that the case be dismissed for lack of jurisdiction.

Baliuag, Bulacan, October 28, 2016.[19]

The foregoing Certification, on its face, utterly fails to comply with the standards set forth in DAR AO 03-11. The Certification is bereft of any reference to the relevant facts on which its determination is based. Worse, the Certification leaves the courts with absolutely no basis to ascertain the evidence from which its findings were drawn. Simply stated, the DAR-PARO Certification told the MTC nothing that it did not already know prior to referral. Thus, when the MTC adopted the DAR-PARO's Certification in toto and dismissed the Complaint for lack of jurisdiction, this constituted grave error.

To reiterate, the mandatory referral mechanism is a procedural tool through which the DAR is given the first opportunity to determine whether a case falls within its jurisdiction. Its determination, however, is recommendatory in nature and remains subject to judicial recourse. This is clear from Section 12 of DAR AO 03-11:

SECTION 12. Recommendation of the PARO is Final. — The recommendation of the PARO is final and non-appealable. Any party who may disagree with the recommendation of the PARO has judicial recourse by submitting his/her/its position to the referring Court or Office of the Public Prosecutor in accordance with the latter's rules.

As stated, while courts are bound to comply with the referral mechanism upon concurrence of the twin requisites in Section 50-A of RA 6657, they are not necessarily bound to accept the recommendation where, for instance, such determination (i.e., the DAR-PARO Certification) is clearly violative of the procedures and requirements set

by DAR AO 03-11. Stated otherwise, the referring courts must still assess the recommendation of the DAR in light of the evidence presented during the latter's summary investigation. While the findings of quasi-judicial and administrative bodies are generally entitled to respect, this general rule does not hold in cases where such findings are contrary to, or unsupported by, the evidence on record.

On this score, it bears emphasizing that under RA 6657, the findings of fact of the DAR shall only be final and conclusive if they are based on substantial evidence.[20] Thus, in cases where the DAR's recommendation rests on shaky foundations, the referring court must make its own determination and take cognizance of the case in question should it appear to be one which falls squarely within its general jurisdiction.

At this juncture, I find it apt to reiterate my observations in *Dayrit*:

x x x [T]he preliminary determination of the DAR that a case is not an agrarian dispute does not preclude the courts from later dismissing the case in question for lack of jurisdiction if it later becomes apparent during trial that the case is, in fact, agrarian in nature which must be resolved by the DAR at the first instance. Conversely, a preliminary determination by the DAR that the case is an agrarian dispute does not preclude it from referring the case back to the regular courts if its preliminary determination is later negated by the matters that come to fore during its own proceedings. To stress, jurisdiction is conferred by law and determined by the allegations in the complaint, including the character of the reliefs prayed for. Thus, if further proceedings reveal that the nature of the case differs from how it had been initially characterized, it becomes incumbent upon the adjudicative body concerned to dismiss the case, as any decision rendered without jurisdiction shall be null and void.

Hence, lest there be any confusion, it should be clarified that the mandatory referral mechanism does not limit the jurisdiction of the referring court or DARAB, as the case may be, to subsequently take cognizance of cases properly falling within their respective jurisdictions when the preliminary determination made pursuant to the mandatory referral mechanism is later found to be erroneous. To be sure, a contrary interpretation would effectively defeat the jurisdiction vested by law upon the adjudicative body concerned.[21] (Emphasis supplied)

Again, an "agrarian dispute" falling under the primary jurisdiction of the DAR is defined under RA 6657 as follows:

(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.[22] (Emphasis supplied)

In turn, the indispensable elements of a tenancy relationship, as previously stated, are: "(1) [t]hat the parties are the landowner and the tenant or agricultural lessee; (2) that the subject matter of the relationship is an agricultural land; (3) that there is consent between the parties to the relationship; (4) that the purpose of the relationship is to bring about agricultural production; (5) that there is personal cultivation on the part of the tenant or agricultural lessee; and (6) that the harvest is shared between the landowner and the tenant or agricultural lessee." [23]

Here, respondents vehemently claim that a tenancy relationship existed between their father Isidro and petitioners' parents, Spouses Cruz. As basis, respondents solely rely on: (i) the tally sheet issued by Adelia Rice Mill identifying Isidro as "kasama" of petitioners' late mother Teresa Reyes Vda. de Cruz; and (ii) a handwritten

receipt issued by one Kapitan Peping Villalon acknowledging Isidro's payment for "Buwis sa Bakuran".

However, as keenly observed by Senior Associate Justice Estela M. Perlas-Bernabe, there is nothing in these documents which would suggest that Spouses Cruz consented to the alleged tenancy relationship or that the parties agreed to share in the harvests, considering that Spouses Cruz neither signed these documents, nor participated in their issuance.[24] Clearly, the third and sixth elements of tenancy are absent.

As well, the tenor of these documents does not indicate the circumstances surrounding their issuance and how these relate to the alleged tenancy agreement. Did Spouses Cruz authorize Isidro to remit harvests to Adelia Rice Mill on their behalf? Did Kapitan Peping Villalon have any authority to accept "buwis" on Spouses Cruz's behalf? On which dates were these documents issued? In the absence of substantial evidence which tend to shed light on these matters, these vague and uncorroborated documents cannot be taken as sufficient proof of a tenancy relationship between Spouses Cruz and Isidro. Accordingly, I find that the Complaint remains an ordinary ejectment case which falls under the jurisdiction of the MTC.

For these reasons, I vote to GRANT the present Petition and REMAND the Complaint to the Municipal Trial Court of Plaridel, Bulacan for further proceedings.

[.] Also appears as "Prodegio" in some parts of the rollo.

[1] AN ACT INSTITUTING A COMPREHENSIVE AGRARIAN REFORM PROGRAM TO PROMOTE SOCIAL JUSTICE AND INDUSTRIALIZATION, PROVIDING THE MECHANISM FOR ITS IMPLEMENTATION, AND FOR OTHER PURPOSES, June 10, 1988.

[2] AN ACT STRENGTHENING THE COMPREHENSIVE AGRARIAN REFORM PROGRAM (CARP), EXTENDING THE ACQUISITION AND DISTRIBUTION OF ALL AGRICULTURAL LANDS, INSTITUTING NECESSARY REFORMS, AMENDING FOR THE PURPOSE CERTAIN PROVISIONS OF REPUBLIC ACT NO. 6657, OTHERWISE KNOWN AS THE COMPREHENSIVE AGRARIAN REFORM LAW OF 1988, AS AMENDED, AND APPROPRIATING FUNDS THEREFOR, August 7, 2009.

[3] Rollo, pp. 3-5.

[4] Id. at 11.

[5] RTC of Malolos City, Branch 15, through its Decision dated February 28, 2018 in Civil Case No. 138-M-2017 penned by Judge Alexander P. Tamayo; id. at 142-144.

[6] Through its Decision dated September 27, 2018 and Resolution dated January 21, 2019, in CA-G.R. SP. No. 155023 penned by Associate Justice Ramon R. Garcia, with the concurrence of Associate Justices Eduardo B. Peralta, Jr. and Germano Francisco D. Legaspi; id. at 30-44.

[7] Section 57 of RA 6657 prescribes the original and exclusive jurisdiction of Special Agrarian Courts over all petitions for the determination of just compensation, and all criminal offenses punishable thereunder.

[8] 826 Phil. 51 (2018).

[9] Id. at 64.

[10] G.R. No. 201631, December 7, 2021.

[11] House Bill No. 4077, 14[th] Congress, 2[nd] Regular Session.

[12] JOURNAL, SENATE 14[TH] CONGRESS 2[ND] REGULAR SESSION 75 (May 13, 2009), pp. 2168-2173.

[13] Id. at 2171-2172.

[14] JOURNAL, SENATE 14[TH] CONGRESS 3[RD] REGULAR SESSION 4 (August 3, 2009), pp. 90-107.

[15] On the essential elements of tenancy, see *Chico v. Court of Appeals*, 348 Phil. 37, 42 (1998). Emphasis supplied.

[16] Rollo, p. 32.

[17] Id. at 97.

[18] REVISED RULES AND REGULATIONS IMPLEMENTING SECTION 19 OF R.A. NO. 9700 (JURISDICTION ON AND REFERRAL OF CASES THAT ARE AGRARIAN IN NATURE), July 19, 2011, as amended by DAR Administrative Order No. 04-11, AMENDMENT TO DEPARTMENT OF AGRARIAN REFORM ADMINISTRATIVE ORDER NO. 03, SERIES OF 2011, August 16, 2011.

[19] Rollo, p. 11.

[20] RA 6657, Sec. 54.

[21] J. Caguioa, Concurring Opinion in *Dayrit v. Norquillas*, supra note 10, at 5.

[22] RA 6657, Sec. 3.

[23] On the essential elements of tenancy, see generally *Chico v. Court of Appeals*, supra note 15.

[24] See Concurring Opinion of J. Perlas-Bernabe, pp. 4-5.

CONCURRENCE

LAZARO-JAVIER, J.:

I concur.

Petitioners inherited a 2,702.10-square meter (sqm.) parcel of land from their parents Spouses Cruz. Respondents, on the other hand, are the heirs of Isidro Cervantes who tilled a 300-sqm. portion of the land upon the permission of Spouses Cruz and later on, upon the tolerance of petitioners.

When petitioners decided to sell the property, they asked respondents to formally vacate and turn over to them the possession of the portion they were occupying. Respondents refused.

Consequently, petitioners filed a complaint for unlawful detainer before the Municipal Trial Court (MTC). Their theory was that they had merely permitted, and later on, tolerated the construction of respondents' residential house on the property. But when they sent to the respondents a demand letter to vacate, and thereafter filed the complaint for unlawful detainer they were deemed to have already terminated their permission or tolerance of respondent's occupation of the land.

Respondents, however, alleged that the MTC had no jurisdiction over the complaint for unlawful detainer because the subject property is an agricultural land and they are tenants thereof, having succeeded their father who was then a tenant of Spouses Cruz. As such, it is the Department of Agrarian Reform Adjudication Board (DARAB) which should determine the rights and obligations of the parties over the subject property.

To prove their tenancy relationship, respondents showed documents allegedly indicating petitioners' acceptance of their share in the land's produce. But these documents were not authenticated by the supposed recipients of the produce.

The Court of Appeals affirmed the lower courts' ruling in dismissing the case for lack of jurisdiction by both the MTC and the RTC based alone on the certification by the Provincial Agrarian Reform Office (PARO) to the effect that the case is agrarian in nature because it involves an agricultural land and the cause of action is the ejectment of a farmer, farmworker, or a tenant which is within the primary and exclusive jurisdiction of the DAR.

The Court, too, affirms this ruling, noting that the MTC correctly relied solely and exclusively on the PARO's finding when it dismissed the complaint for unlawful detainer on the ground of lack of jurisdiction.

I agree with the reflections of Senior Associate Justice Perlas-Bernabe and Justice Zalameda.

The issue is not novel.

First. In *Dayrit v. Norquillas*[1] which also involved the jurisdiction of the Municipal Circuit Trial Court (MCTC) over a complaint for forcible entry, the Court already took the opportunity to clarify the DARAB's jurisdiction in relation to possessory and ejectment actions involving agricultural lands – which can squarely apply here.

In *Dayrit*, petitioner Angelina Dayrit owned two parcels of land which got subjected to the government's Comprehensive Agrarian Reform Program (CARP). Once her titles were cancelled, new ones were issued pursuant to Certificate of Land Ownership Awards (CLOA).

Later on, respondents Jose Norquillas, et al. surreptitiously entered petitioner's property and refused to vacate the same despite repeated demands. This prompted petitioner to file a forcible entry case against them.

Ruling that the MCTC had no jurisdiction over the action for forcible entry, the Court noted:

In contention here is the conflict of jurisdiction between the MCTC and the DARAB: Angelina maintains that the MCTC has jurisdiction over the instant complaint for forcible entry, while respondents maintain that the DARAB has jurisdiction as the action is considered as an agrarian dispute stemming from the enforcement of the CLOAs issued to them.

The Court takes this opportunity to clarify this seeming overlap.

x x x x

As can be gleaned from these laws, the MCTC has exclusive original jurisdiction over cases of forcible entry while the DARAB has primary jurisdiction over agrarian disputes. An agrarian dispute refers to any controversy relating to, as related to the instant case, tenancy over lands devoted to agriculture and transfer of ownership from landowner to farmworkers, tenants, and other agrarian reform beneficiaries. The amended CARL adds that the judge or prosecutor shall automatically refer the case to the DAR if there is an allegation from any of the parties that the case is agrarian in nature, and one of the parties is a farmer, farmworker or tenant. (Emphases and underscoring supplied)

Significantly, *Dayrit* reconciled the two important cases of *David v. Cordova*[2] and *Chailese Development Company, Inc. v. Dizon*,[3] which also distinguished the DARAB's jurisdiction from that of the first level courts viz.:

Relevantly, in the case of *David v. Cordova* (David), the Court upheld the jurisdiction of the MCTC over a complaint for forcible entry. The Court found that complainant therein sufficiently alleged in his complaint that he had prior physical possession of the property and that he was unlawfully deprived thereof. The Court also discussed that the alleged public character of the land does not deprive the first-level court of jurisdiction over

the forcible entry case. The appellate court held that the courts lack jurisdiction because the land in question is allegedly a public agricultural land.

x x x x

It must be stressed that David did not lay down the rule that all ejectment cases, whether involving an agrarian dispute or not, are cognizable by the first-level courts. As Justice Caguioa has pointed out, the reason why the Court sustained the MCTC's jurisdiction therein is not because the case is summary in nature, but because it does not involve an agrarian dispute. David clearly states that the dispute therein is not an agrarian matter. Also, there is indeed an allegation that the land is public in nature—this was even discussed in the ruling. However, the land being public in character is completely separate from the existence of an agrarian dispute. When a dispute involves a public land, it does not necessarily amount to an agrarian dispute; an agrarian dispute is specifically defined in the law.

Thus, David should not be understood that jurisdiction on ejectment cases of whatever nature falls on first-level courts; it should be read and understood to provide that first-level courts have jurisdiction on ejectment cases even if the land is public in character as long as the case is not an agrarian dispute. The public character of the land does not divest the courts of jurisdiction over ejectment cases. However, if the ejectment case is found to be an agrarian dispute, the first-level courts will be divested of jurisdiction in accordance with the CARL, as amended. The controlling aspect therefore is the nature of the dispute (i.e., agrarian or not), and not the character of the subject land.

Then there is the more recent case of *Chailese Development Company, Inc. v. Dizon (Chailese)*, which clarifies the jurisdiction of the DARAB over agrarian disputes:

Thence, having settled that Section 19 of R.A. No. 9700 is applicable in this controversy, the Court now proceeds with the examination of such amendment. Based on the said provision, the judge or prosecutor is obligated to automatically refer the cases pending before it to the DAR when the following requisites are present:

a.

There is an allegation from any one or both of the parties that the case is agrarian in nature; and

b.

One of the parties is a farmer, farmworker, or tenant.

x x x x

From this, the Court rules that the MCTC has no jurisdiction on the instant complaint for forcible entry. As pointed out by Associate Justice Amy C. Lazaro-Javier, this case meets the two requirements for automatic referral, as set out by RA 9700 and as summarized in *Chailese*. Thus, the Court finds that the case is cognizable by the DAR through the DARAB.

The first requirement is the presence of an allegation from any one or both of the parties that the case is agrarian in nature. Here, despite the filing of the forcible entry case, respondents have been consistent on alleging that the controversy is agrarian in nature. In their answer filed before the MCTC, they alleged that the land in dispute were awarded to them as CARP beneficiaries. The RTC, on appeal, also touched upon matters of allegations of agrarian dispute in relation with jurisdiction of the courts. The CA also did the same and in fact dismissed the complaint after finding that the issue of possession was linked to an agrarian dispute brought by the issuance of CLOAs to respondents. In their comment filed before this Court, respondents maintain that the case is an agrarian dispute.

As stated by RA 9700, mere allegation of the existence of an agrarian dispute is enough. In this case, this

requirement was met when respondents made consistent allegations of the existence of an agrarian dispute pursuant to the CLOAs issued to them.

As to the second requirement, Chailese adds that proof must be adduced as to the person's status as farmer, farmworker, or tenant. In this case, it is undisputed that respondents are farmers of the subject lands. Indeed, the records did not expressly show any agreement of whatever kind that respondents were farmers of Angelina's lands. However, the CA and the DAR Secretary (in the exemption from CARP case) here recognized the status of respondents as farmers. This was not disputed by Angelina. Further, their status as farmers was cemented by the subsequent award of Angelina's lands to them by virtue of CLOAs. This is also shown by the cases Angelina initiated regarding the annulment of CLOAs, exemption from CARP coverage, and this forcible entry case. Thus, the second requirement is met.

x x x x

The Court, therefore, agrees with the CA in dismissing the complaint for lack of jurisdiction. The DAR, through the DARAB has jurisdiction over the instant case for forcible entry for being an agrarian dispute. (Emphases and underscoring supplied)

Indeed, the dispute is agrarian in nature when: (i) there is an allegation from any one or both of the parties that the case is agrarian in nature; and (ii) one of the parties is a farmer, farmworker, or agricultural tenant. Conversely, when either of these two elements is absent, the dispute cannot be referred to the DAR for the requisite certification and is not agrarian in nature, and thus remains under the jurisdiction of the regular courts.

In David, the Court ruled that respondents did not qualify as an agrarian dispute since they failed to show that they were farmers, farmworkers, or agricultural tenants. While in Chailese, the second requirement necessary to confer jurisdiction in the DAR was similarly absent.

Second. The Court holds that the MTC correctly dismissed the complaint for unlawful detainer on the ground of lack of jurisdiction and in view of the doctrine of primary jurisdiction. It has essentially relied on Section 9, DAR AO No. 03-11, viz.:

SECTION 9. Facts Tending to Prove that a Case is Agrarian in Nature. — In addition to the instances mentioned in Section 7 hereof, the Chief of the Legal Division, or the DAR lawyer or legal officer assigned, in determining whether the case is agrarian in nature, shall be guided by the following facts and circumstances:

- Existence of a tenancy relationship;
- The land subject of the case is agricultural;
- Cause of action involves ejectment or removal of a farmer, farmworker, or tenant;
- The crime alleged arose out of or is in connection with an agrarian dispute (i.e., theft or qualified theft of farm produce, estafa, malicious mischief, illegal trespass, etc.), Provided, that the prosecution of criminal offenses penalized by R.A. No. 6657, as amended, shall be within the original and exclusive jurisdiction of the Special Agrarian Courts;
- The land subject of the case is covered by a Certificate of Land Ownership Award (CLOA), Emancipation Patent (EP), or other title Issued under the agrarian reform program, and that the case involves the right of possession, use, and ownership thereof; or
- The civil case filed before the court of origin concerns the ejectment of farmers/tenants/farmworkers, enforcement or rescission of contracts arising from, connected with, or pertaining to an Agribusiness Ventures Agreement (AVA), and the like.

The draft ponencia thus holds:

The existence of one or more of the foregoing circumstances may be sufficient to justify a conclusion that the case is agrarian in nature. The Chief of the Legal Division, or the DAR lawyer or legal officer assigned, shall accordingly conclude that the case is agrarian in nature cognizable by the DAR, and thus recommend that the referred case is not proper for trial.

In this case, the tax declaration of the subject property indicates that the same is agricultural in nature. Furthermore, the allegations in the complaint bear out that the cause of action is the ejectment of respondents who claim to be the present tenants engaged in the cultivation of the land and the successors-in-interest of their father Isidro who was allegedly engaged as tenants by spouses Cruz. Based on the foregoing, the PARO of Bulacan correctly concluded that the case is agrarian in nature and is thus, within the competence and expertise of the DAR.

x x x x

As a final note, when a court has no jurisdiction over the subject matter, the only power it has is to dismiss the action, as any act it performs without jurisdiction is null and void, and without any binding legal effects.

WHEREFORE, the Petition for Review on Certiorari is DENIED. The Decision dated September 27, 2018 and Resolution dated January 21, 2019, of the Court of Appeals, Manila in CA-G.R. SP. No. 155023, are AFFIRMED.

SO ORDERED. (Emphasis supplied)

Section 50 of the Comprehensive Agrarian Reform Law of 1988 (CARL), as amended, provides for the quasi-judicial powers of the DAR, viz.:

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

In 2009, the CARL was amended by Republic Act No. (RA) 9700. Section 50 of the CARL now provides:

Section 19. Section 50 of Republic Act No. 6657, as amended, is hereby further amended by adding Section 50-A to read as follows:

"Sec. 50-A. Exclusive Jurisdiction on Agrarian Dispute. — No court or prosecutor's office shall take cognizance of cases pertaining to the implementation of the CARP except those provided under Section 57 of Republic Act No. 6657, as amended. If there is an allegation from any of the parties that the case is agrarian in nature and one of the parties is a farmer, farmworker, or tenant, the case shall be automatically referred by the judge or the prosecutor to the DAR which shall determine and certify within fifteen (15) days from referral whether an agrarian dispute exists: Provided, That from the determination of the DAR, an aggrieved party shall have judicial recourse. In cases referred by the municipal trial court and the prosecutor's office, the appeal shall be with the proper regional trial court, and in cases referred by the regional trial court, the appeal shall be to the Court of Appeals.

In cases where regular courts or quasi-judicial bodies have competent jurisdiction, agrarian reform beneficiaries or identified beneficiaries and/or their associations shall have legal standing and interest to intervene concerning their individual or collective rights and/or interests under the CARP.

The fact of non-registration of such associations with the Securities and Exchange Commission, or Cooperative Development Authority, or any concerned government agency shall not be used against them to deny the existence of their legal standing and interest in a case filed before such courts and quasi-judicial

bodies."

To recall, two elements must concur for automatic referral to the DAR, (1) there is an allegation from any one or both of the parties that the case is agrarian in nature; and (2) there is proof that one of the parties is a farmer, farmworker, or tenant.

The automatic referral to the DARAB was incorrect. While respondents' allegation that the case is agrarian in nature was sufficient to fulfill the first requirement, the second requirement was not satisfied. There is no proof of the status of respondents as farmers.

Section 3 (f) of RA 6557 as amended defines a farmer as –

(f) ... a natural person whose primary livelihood is cultivation of land or the production of agricultural crops, livestock and/or fisheries either by himself/herself, or primarily with the assistance of his/her immediate farm household, whether the land is owned by him/her, or by another person under a leasehold or share tenancy agreement or arrangement with the owner thereof.

But there is no evidence of cultivation of the land much less of respondents' cultivation thereof, as there is no evidence of any tenurial arrangement with petitioners as owners of the land. The documents presented by respondents mean nothing. They were not authenticated by petitioners' predecessors. They cannot prejudice the rights of third parties who were not proven to have executed them.

As things stand, therefore, the referral to the DAR was erroneously done by the MTC. The DAR certification which was issued as a result of the faulty referral bears no probative value whatsoever. It is in fact void for having been executed contrary to the express requirements of Section 50-A and case law which forms part of the law of the land.

Even if the Court were to consider the referral and certification to be valid, petitioners timely questioned the correctness of the certification. It must be stressed that though the DAR has primary jurisdiction over the determination of the existence or absence of an agrarian dispute, this jurisdiction can actually be reviewed by courts as this is expressly conferred under Section 50-A. The standard of review for this judicial recourse is correctness because the certification deals with a question of law and especially of jurisdiction.

In this light, there is no evidence of the elements of an agrarian dispute. There is absolutely no basis for the certification to claim that the complaint for unlawful detainer was all about an agrarian dispute. The elements have been explained as follows:

(a) the parties being landowner and tenant; (b) the subject matter is agricultural land; (c) there is consent by the landowner; (d) the purpose is agricultural production; (e) there is personal cultivation by the tenant; and, (f) there is sharing of harvests between the parties. An allegation that an agricultural tenant tilled the land in question does not make the case an agrarian dispute. Claims that one is a tenant do not automatically give rise to security of tenure. The elements of tenancy must first be proved in order to entitle the claimant to security of tenure. A tenancy relationship cannot be presumed. There must be evidence to prove this allegation. Hence, a perusal of the records and documents is in order to determine whether there is substantial evidence to prove the allegation that a tenancy relationship does exist between petitioner and private respondents. The principal factor in determining whether a tenancy relationship exists is intent. Tenancy is not a purely factual relationship dependent on what the alleged tenant does upon the land. It is also a legal relationship. The intent of the parties, the understanding when the farmer is installed, and their written agreements, provided these are complied with and are not contrary to law are even more important. In *Caballes v. DAR* the Court held that all these requisites must concur in order to create a tenancy relationship. The absence of one does not make an occupant or a cultivator thereof or a planter thereon a de jure tenant. This is so because unless a person has established his status as a de jure tenant he is not entitled to security of tenure nor is he covered by the Land

Reform Program of the Government under existing tenancy laws.[4]

Clearly, the courts below were all in error of law and jurisdiction in dismissing petitioners' complaint for unlawful detainer. This error is being corrected in this proceeding. So must it be.

[1] G.R. No. 201631.

[2] 502 Phil. 626 (2005).

[3] 826 Phil. 51 (2018).

[4] Valencia v. Court of Appeals, 449 Phil. 711, 736 (2003).

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