

AGUSAN WOOD INDUSTRIES, INC., (FORMERLY KNOWN AS D.O. PLAZA ENTERPRISES, INC.), PETITIONER, VS. HON. EDUARDO C. TUTAAN, AS PRESIDING JUDGE, REGIONAL TRIAL COURT, NCJR BRANCH LXX...

G.R. No. 67634. March 13, 1989

Ponente: GUTIERREZ, JR., J.

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GUTIERREZ, JR., J.:

The common issue raised in these consolidated petitions is the right to a 5,950 hectares timber concession area located at Loreto, Agusan del Sur.

Jose Briones, Jr., was the original licensee of the 5,950 hectares forest area covered by Ordinary Timber (OT) License No. 738-62.

Before the expiry date of the license, Briones filed an application for its renewal. In an order dated July 5, 1963, the then Director of Forestry Estanislao Bernal denied Briones' application for renewal. The then Secretary of Agriculture and Natural Resources Jose Y. Feliciano declared the area licensed to Briones vacant. Hence, the Briones area was automatically reverted to the mass of public forest and was included in a technical description of 44,000 hectares of forest area subject to public bidding.

In 1964, another timber licensee, P.B. de Jesus & Co., Inc. [now Kalilid Wood Industries Corp. (KWIC) the private respondent herein] applied with the Bureau of Forestry for the inclusion of the Briones area in its concession.

On June 10, 1966, the then Secretary of Natural Resources Fernando Lopez gave due course to KWIC's application for an additional timber area which covered the Briones area.

On September 7, 1966 Director of Forestry Antonio Quejado issued an order which set aside the July 5, 1963 order of former

Director Estanislao Bernal and gave due course to the renewal of the Original Timber License of Briones under O.T. License No. 1212-51767. Quejado forwarded the same to the Department of Agriculture and "Natural Resources for the signature of the Secretary. The basis for this September 7, 1966 Order was a photostatic copy of a motion for reconsideration of the July 5, 1963 Order filed on August 23, 1963 by Briones. According to the Office of the President this duplicate clearly showed the stamp mark of the Bureau of Forestry indicating that the original copy was received by the Bureau of Forestry on August 23, 1963. KWIC opposed the September 7, 1966 Order.

On January 26, 1968, the then Secretary of Natural Resources Fernando Lopez rendered a decision which set aside Quejado's September 7, 1966 Order and reinstated the July 5, 1963 Order of the then Director of Forestry Estanislao Bernal. In effect, Briones' renewal application for a timber license was denied. Furthermore. Secretary

Lopez awarded the Briones area to KWIC.

On February 8, 1968, KWIC moved for immediate execution of the decision. On the other hand, Briones filed on February 23, 1968 a motion for reconsideration of the decision. Briones' motion was denied on September 18, 1968.

On September 30, 1968 Briones appealed to the Office of the President. During the pendency of the appeal or on June 2, 1969, the Secretary of Agriculture and Natural Resources issued an Order for the immediate execution of his decision. However, upon urgent motion of Briones, the Office of the President, stayed the execution order until final determination of the appeals by the office.

On March 9, 1971, Presidential Assistant Antonio Quejado (former Forestry Director) addressed a Memorandum for the President pointing out that the protests of KWIC and Dongallo against the renewal of Briones' license were filed out of time and that the premise of the award of the front area to KWIC "is not correct because the subject area is not adjacent and adjoining to that of De Jesus' (KWIC)" licensed area. He recommended that his September 7, 1966 Order in favor of Briones be sustained. On the same date, the President wrote in the Memorandum the marginal note "Approve."

On March 15, 1971, Acting Assistant Executive Secretary Ponciano Mathay, by authority of the President promulgated a decision awarding the Briones area to KWIC.

On March 2, 1973 Presidential Assistant Quejado addressed another Memorandum for the President stating that the decision of Secretary Mathay was contrary to the President's marginal note and that Mathay had no authority to promulgate the decision by virtue of an office order of the Executive Secretary dated March 4, 1971 prohibiting Secretary Mathay from signing any decision involving legal matters. Quejado recommended the recall of Secretary Mathay's decision and the implementation instead of the draft decision of the then Acting Assistant Executive Secretary Roberto Reyes awarding the subject forest area to Briones. The President approved the recommendations.

Based on the grounds that the Mathay decision was null and void for want of authority on the part of Mathay to promulgate the same and that the Briones area is not adjacent and adjoining to that of KWIC in violation of the existing forestry rules and regulations. Acting Assistant Executive Secretary Roberto Reyes on March 23, 1973 promulgated the decision which set aside the decision of the Secretary of Natural Resources dated January 26, 1968, rendering it null and void and of no effect; ordered the Director of Forestry to renew the O.T. License of Jose Briones, Jr.; ordered the Department of Natural Resources to approve the O.T. License of Jose Briones, Jr. with the condition that the area as licensed be subsequently consolidated without delay with the area of D.O. Plaza Enterprises, Inc. (now Agusan Wood Industries, Inc. [AGWOOD] petitioner herein) as appellant Briones has represented to do.

On March 30, 1973, KWIC filed a petition for certiorari, prohibition and mandamus with a prayer for temporary restraining order and a writ of preliminary injunction against the Executive Secretary, Assistant Executive Secretary Roberto Reyes, Presidential Adviser on Forestry Matters Antonio Quejado, the Secretary of Agriculture and Natural Resources, the Acting

Director of Forest Development and Jose C. Briones, Jr., before the Court of First Instance of Manila (Civil Case No. 90377). KWIC questioned the validity of the Reyes decision. This case eventually reached this Court (G.R. Nos. L-38663 and L-40740 entitled Jose Briones, Jr. v. Court of Appeals, et al.)

Pending resolution of G.R. Nos. L-38663 and L-40740 Briones entered into a compromise agreement with KWIC, the main features of which are:

- a) Briones accepts and recognizes the validity of the Mathay decision dated March 3, 1971;
- b) Both Briones and de Jesus accept as having become final and executory the Mathay decision;
- c) Briones accepts and recognizes the validity of TLA No. 232 in the name of Kalilid with the inclusion thereto of 6,975 hectare portion of the forest area formerly covered by the expired timber license O.T. No. 738-62 and likewise, the validity of T.L.A No. 372 (Prop) with the inclusion of a 1,700 hectare portion thereof called PARCEL 1 and;
- d) Both Briones and Kalilid reject the validity of the March 23, 1973 Reyes decision and that Briones waives whatever rights, if any, there be that the Reyes decision may confer upon him. (pp. 72-73, Rollo, G.R. No. 67634).

On May 11, 1978, this Court in G.R. Nos. L-38663 and L-40740 issued a decision based on the parties' compromise agreement, and enjoined the parties to abide by and to comply with the terms of the agreement. The dispositive portion of the decision however stated that "THE SAID COMPROMISE AGREEMENT SHALL NOT BIND THE OFFICE OF THE PRESIDENT AND THE SECRETARY OF NATURAL RESOURCES AND SHALL ALWAYS BE SUBJECT TO THE REQUIREMENTS OF THE APPLICABLE FOREST LAWS, POLICIES AND REGULATIONS." (Briones, Jr. y. Court of Appeals, 83 SCRA 83 [1978]).

On November 24, 1980, the then Minister of Natural Resources Jose Leido issued two letter-orders in accordance with the Reyes decision — 1) addressed to the KWIC informing the latter of the amendment of its TLA No. 237, by the exclusion therefrom of the area covered by the former O.T. License of Briones identified as Parcel IV thereof, covering an area of 5,950 hectares and directing it to stop any logging operation inside the Briones area; and 2) addressed to AGWOOD directing the amendment of its TLA No. 197, by the inclusion therein of the Briones area and the payment of additional license fees, and the deposit of additional cash bond.

Pursuant to Leido's letter-orders, on December 11, 1980, AGWOOD paid the amount of P7,703.00 under O.R No. 8258107 as additional license and application fees, and deposited the amount of P5,000.00 under O.R. No. 8263672 as cash bond, for the inclusion of the Briones area within the coverage of its TLA No. 197.

After payment of these fees, the Bureau of Forestry Development began the preparation of an amended map for the area under AG WOOD'S TLA No. 197, in order to reflect therein the fact that the Briones area is already consolidated under said TLA No. 197.

Before the amended map of AGWOOD could be finished, KWIC filed a petition for certiorari and prohibition with preliminary injunction and restraining order before this Court. This petition, filed on December 18, 1980 (G.R. No. 55736) which assailed the letter-orders of Leido was denied for lack of merit.

KWIC filed a motion for reconsideration. Pending resolution of this motion, E.P. Cruz, a stockholder of KWIC filed a petition for certiorari, prohibition and madamus in the Court of First Instance of Pasay City. The case docketed as CC No. 9036-P entitled Jose E.P. Cruz, petitioner v. Minister of Natural Resources, et al. assailed the validity of Leido's letter-orders amending Kalilid's TLA 237.

In turn AGWOOD filed a petition for certiorari, prohibition and madamus before this Court (G.R. No. 57323). The petition questioned the jurisdiction of the Court of First Instance of Pasay to entertain CC No. 9036-P.

The Solicitor General, likewise filed a separate petition before this Court questioning the jurisdiction of the court in CC No. 9036-P.

On October 18, 1982, this Court issued a Resolution in cases G.R. Nos. 55736, 57323 and 57760 to the effect that: "1) in G.R.No. 55736, to DENY petitioner's motion for reconsideration for lack of merit and this denial is FINAL;

and 2) in G.R. Nos. 57323 and 57760, to MAKE and DECLARE as PERMANENT the writ of preliminary injunction and restraining order issued therein by this Court and respondent Judge is hereby directed to dismiss Civil Case No. 9036-P." (p. 45. Vol. I, G. R.No. 73219)

On January 16, 1984, the Office of the President issued a clarificatory resolution as regards the Mathay and the Reyes decisions. Considering this Court's resolution in G.R. Nos. 55736 and 57323 and 57760, the President declared that there was no more legal impediment for the Minister of Agriculture and Natural Resources and Director of Forest Development to enforce the Reyes Decision. Consequently, the Mathay decision was declared null and void for lack of authority to render the same. The Director of Forestry was declared to renew the O.T. License of Jose Briones, Jr., and the Ministry to approve Briones' license with condition that the area as licensed be subsequently consolidated without delay with the area of AGWOOD.

Pursuant to this Presidential decision, the Minister of Natural Resources Rodolfo del Rosario issued an order dated April 26, 1985 directing the Bureau of Forest Development to submit its recommendation, for approval by the Ministry of Natural Resources, on the application of Jose C. Briones, Jr. for renewal of O.T. License No. 738-62 showing compliance with BFDI MNR Directive on renewal of timber licenses and submit its recommendation for approval by the Ministry on the application of Briones to consolidate the timber license/area in his name with that of AGWOOD showing compliance with the BFDI/MNR Directive on consolidation of timber licenses/areas.

On May 9, 1985, Briones wrote Minister Del Rosario praying that the renewal of his license be approved and his area license be consolidated with that of KWIC.

On May 10, 1985, AGWOOD sought the recall of the April 26, 1985 Order by invoking 1) the November 20, 1984 letter-order of Minister Leido amending licensed area of AGWOOD by including the Briones area for consolidation, as directed by the Presidential Resolution already complied with and 2) the amendment already reflected in the approved map of its licensed area TCT-197-1.

As regards Briones letter, AGWOOD filed two documents to show that Briones had already sold all his rights and interests over his licensed area. These are: (1) letter dated March 7, 1967 wherein Briones together with other licensees manifested their intention and agreement to form a single working unit with AGWOOD as the surviving entity and (2) Private Instrument designated as an "Agreement" executed on March 23, 1973 whereby Briones in consideration of P750,000.00 to be paid in installments with P180,000.00 as downpayment which he had already received; sold and transferred all his rights and interests over to D.O. Plaza Enterprises, its successors and assignees.

On August 16, 1985 Minister del Rosario issued another Order which recalled his earlier Order of April 26, 1985. The Minister sustained the opinion of the Bureau of Forest Development that the conditions embodied in the Reyes decision have already been complied with for the reason that the Briones area had already been consolidated with AGWOOD and that the renewal of the O.T. License of Briones may be considered already superfluous pursuant to the letter-order of then Minister of Agriculture and Natural Resources Leido. Furthermore, Minister del Rosario considered the documents executed by Briones in favor of AGWOOD as compliance with the dispositive portion of the Reyes decision and giving sanction to the transfer made by Briones in favor of AGWOOD as required by Presidential Decree No. 705. Thus, Minister del Rosario ruled that the consolidation as required in the Reyes' decision was already an accomplished fact and the Briones area for all intents and purposes is now a valid part of TLA No. 197 of AGWOOD.

On Briones' argument that AGWOOD was not a party to the case, Minister del Rosario said:

"xxx Suffice it to say that the required consolidation of his former area with that of AGWOOD and not any

other licensee, we should always bear this in mind, constitute the very rationale of the dispositive portion of the Reyes decision decreeing the renewal of his expired license. For the policy then, as it is now, is that no timber license may be issued covering a forested area of less than 20,000 hectares. Thus, in the absence of the mechanics of consolidation Briones does not have a chinaman's chance, so to speak, of having his expired license renewed, (p. 298, Vol. I, Rollo, G.R.No. 73219)

Thus, Minister del Rosario declared that the dispositive portion of the Reyes decision had already been fully implemented and the instant case considered closed and terminated.

The November 24, 1980 letter-orders of then Minister of Natural Resources Leido implemented by his successor Minister del Rosario was the subject matter of three separate petitions filed by KWIC, E.P. Cruz, KWIC's stockholder and Jose Briones, Jr. before three salas of the Regional Trial Court, National Capital Region: (1) E.P. Cruz, P.D. de Jesus and Co. (now KWIC) filed a petition for certiorari, madamus and damages against Executive Secretary, et al. before the Regional Trial Court of Manila (Civil Case No. R-82-6372); (2) Briones filed a petition for declaration of nullity of contract, certiorari and prohibition with a preliminary injunction and a prayer for restraining order against Minister del Rosario, et al. before the Regional Trial Court of Quezon City. (Civil Case No. Q-32722, AGWOOD intervened with leave priorly secured from the trial court); and (3) KWIC filed a petition for certiorari, prohibition and madamus with prayer for a writ of preliminary injunction against Minister del Rosario and AGWOOD before the Regional Trial Court of Makati, Rizal. (Civil Case No. 11741). AGWOOD filed motions to dismiss Civil Case No. Q-32722 and Civil Case No. 11 741 for lack of jurisdiction but these were denied. With regard to Civil Case No. R-82-6372, the trial court issued conflicting orders as to which of the two decisions (Mathay and Reyes decisions) should prevail, the last of which was its order dated May 29, 1986 declaring that the Mathay decision should prevail.

These orders and other related orders affirming the Mathay decision of the trial courts are now the subject of the three consolidated petitions herein.

It is to be noted that the petitioners in G.R. No. 74815 (Executive Secretary, Minister of Natural Resources and Director of Forest Development) changed their earlier position in view of the Office of the President's changed stand on which of the two conflicting decisions (Mathay or Reyes decision) should prevail. The Office of the President executed a complete about face from the October 16, 1985 order of the President's alter ego, Minister Rodolfo del Rosario. In an order dated June 29, 1987, issued in O.T. Case No. 2563 — DANR Case No. 3139 the then Deputy Executive Secretary Catalino Macaraig, Jr. by authority of the President declared that the Mathay decision prevails over the Reyes decision. This was reiterated in a later Order dated February 3, 1988 issued by Acting Deputy Executive Secretary Samilo Barlongay.

Consequently, the Solicitor General filed a manifestation and motion in G.R. No. 74815 stating that the petitioners are not anymore interested in prosecuting the petition. They asked that the petition be dismissed. KWIC also filed motions to dismiss not only G.R. No. 74815 but also G.R. No. 73219.

The controversy as regards the Briones concession area started in the 1960's. To avert any technicalities as regards the extent of this decision which may be raised later by either of the parties, we decide not to dismiss any of the petitions so as to clearly bind all the parties herein to the decision as we resolve with finality the issue as to which of the logging corporations are entitled to the 5,950 hectare timber concession area originally licensed in the name of Jose Briones, Jr.

AGWOOD claims that the trial courts lack jurisdiction to try the cases. It stresses that the issue posed in the three cases as regards the validity of the November 24, 1980 Orders of the then Minister of Natural Resources Jose Leido pursuant to the Reyes decision has already been settled in our Resolution dated October 18, 1982 issued in

G.R. Nos. 55736, 57323 and 57760.

On the other hand, KWIC submits that the October 18, 1982 Resolution was not a judgment on the merits. The Solicitor General also now asserts that the subject Resolution has not definitively resolved the main issue — With whose forest concession should the former Briones concession be consolidated? He argues that in G.R. Nos. 55736, 57323 and 57760, this Court simply held that KWIC could not question the letter-orders dated November 24, 1980 of the then Minister of Natural Resources Jose Leido directing that the Briones concession be consolidated with the concession of AGWOOD on the basis of the compromise agreement between Briones and P.B. de Jesus, predecessor-in-interest of KWIC, consolidating their forest area because although the compromise agreement was approved by this Court in G.R. Nos. 38663 and 40740, the approval was under the condition that it would not be binding on the government.

There is no dispute that the October 18, 1982 resolution issued in G.R. Nos. 55736, 57323 and 57760 involved the same parties herein and E.P. Cruz, a stockholder of KWIC, KWIC and AGWOOD. The issue raised therein centered on the validity of the November 24, 1980 letter-orders of the then Minister of Natural Resources which declared that the subject Briones concession area should be included in the AGWOOD's timber concession area and excluded from KWIC's timber concession area. The resolution partly states:

"It appearing further that the above-entitled cases are all anchored on and revolve around the validity and effectiveness of the aforesaid November 24, 1980 letter-order of former Minister Jose J. Leido, Jr.; and that petitioner in G.R. No. 55736 filed its petition with this Court on December 12, 1980 and the same was dismissed by this Court on January 7, 1981 for lack of merit; that Civil Case No. 9036-P, subject of G.R. Nos. 57323 and G.R. No. 57760, was filed by respondent Jose E. P. Cruz with the lower court on April 23, 1981 and hence, after the aforesaid dismissal by this Court of the petition in G.R. No. 55736 and while therein motion for reconsideration from said resolution of dismissal was pending consideration by this Court; and that respondent trial court (G.R. Nos. 57323 and 57760) thereafter issued in said case of Civil Case No. 9036-P the orders of April 24, 1981, May 29, 1981 and June 19, 1981, among others, enjoining in effect then Minister Jose J. Leido, Jr., and Demetrio Plaza from enforcing and implementing the aforesaid November 24, 1980 letter-order; and

"Considering that Civil Case No. 9036-P is substantially for the same purpose as G.R. 55736, that is to annul the November 24, 1980 letter-order of then Minister Jose J. Leido, Jr. which was already stated as subsequently confirmed and adopted by the incumbent Minister, Hon. Teodoro Q. Pena; that respondent in G.R. Nos. 57323 and 57760, is a stockholder of petitioner in G.R. No. 55736; and finally, that the Republic of the Philippines was not a party in the Compromise Agreement concluded by the parties in G.R. Nos. L-38663 and L-40740 as approved by this Court in its decision of May 11, 1978 where it was precisely stated in its dispositive portion that 'xxx THE SAID COMPROMISE AGREEMENT SHALL NOT BIND THE OFFICE OF THE PRESIDENT AND THE SECRETARY OF NATURAL RESOURCES AND SHALL ALSO BE SUBJECT TO THE REQUIREMENTS OF THE APPLICABLE FOREST LAWS, POLICIES AND REGULATIONS, x x x.' and therefore cannot, contrary to the claim of petitioner in G.R. No. 55736 and private respondent in G.R. Nos. 57323 and 57760, bar nor affect the November 24, 1980 letter-order of the then Minister of Natural Resources Hon. Jose J. Leido, the COURT RESOLVED (1) in G.R. No. 55736, to DENY petitioner's motion for reconsideration for lack of merit and this denial is FINAL; and (2) in G.R. Nos. 57323 and 57760, to MAKE and DECLARE as PERMANENT the writ of preliminary injunction and restraining order issued therein by this Court and respondent Judge is hereby directed to dismiss Civil Case No. 9036-P" (pp. 97-98. Vol. I, Rollo of G.R. No. 73219)

As indicated in the resolution, the fact that the government was not bound by the compromise agreement between Briones and KWIC in G.R. Nos. L-38663 and L-40740 as approved by this Court was stated as one of the reasons for upholding the Leido letter-orders of November 24, 1980. Nowhere in the resolution does it suggest or imply

that the issue resolved was limited to whether or not the government was bound by the subject order.

In effect, the October 18, 1982 resolution dismissed all the petitions questioning the validity of Leido's letter-orders dated November 24, 1980 and issued a permanent writ of preliminary injunction and restraining order against the trial court in Civil Case No. 9036-P (a petition for certiorari, prohibition and mandamus assailing the subject November 24, 1980 order) from interfering with the implementation of the subject November 24, 1980 letter-orders.

The suggestion that the October 18, 1982 resolution is not a "judgment on merits" is devoid of merit. A cursory reading of the resolution clearly indicates that this Court in issuing said resolution was fully cognizant of the arguments of the KWIC, petitioner in G.R. No. 55736 and private respondent in G.R. Nos. 57323 and 57760 and E.P. Cruz, private respondent in G.R. Nos. 57323 and 57760 in relation to the Leido's letter-order of November 18, 1980. This Court, did not consider KWIC's and E.P. Cruz' arguments sufficient to overthrow the subject letter-order, hence, the ruling adverse to these parties. A judgment on the merits is one rendered after a determination of which party is right, as distinguished from a judgment rendered upon some preliminary or formal or only technical point. (*Santos v. Intermediate Appellate Court*. 145 SCRA 238 [1986]).

A careful consideration of the voluminous records of these inter-related petitions indicates no strong considerations of substantial justice, no misapprehension of facts, no erroneous application of applicable law or conclusions tantamount to reversible error, and no compelling equitable considerations which would warrant a reversal of this Court's 1982 resolution. Even without that resolution, the resolution of the issues raised would not be different.

The October 18, 1982 resolution has already attained finality. An entry of judgment pursuant to a resolution dated November 22, 1982 was effected on November 29, 1982.

Parenthetically, the issue as to the validity of the November 24, 1980 letter-orders of the then Minister of Natural Resources Jose J. Leido, Jr., cannot be relitigated. The doctrine of *res judicata* bars the relitigation of this issue which is raised again in Civil Case Nos. R-82-6372, 46269 and 11741 and the subject of these consolidated petitions before us. The requisites of *res judicata*, to wit:

"(1) there is the presence of a final former judgment; (2) the former judgment was rendered by a court having jurisdiction over the subject matter and the parties; (3) the former judgment is a judgment on the merits; and (4) there is between the first and the second action, identity of the parties, subject matter, and causes of action (*Yusingco, et al. v. Ong Hing Lian*, 42 SCRA 589; *Philippine Commercial and Industrial Bank v. Pfeider*, 65 SCRA 13; *Dacasin v. Court of Appeals*, 80 SCRA 89; *Aroc v. People's Homesite and Housing Corporation*, 81 SCRA 350; *Gatus v. Court of Appeals*, 95 SCRA 530; *Pagsisihan v. Court of Appeals*, 95 SCRA 540; *Heirs of Matilde Cenizal Arguson v. Micalat*, 135 SCRA 678; and *Martinez v. Court of Appeals*, 139 SCRA 558). (*Santos v. Intermediate Appellate Court*, *supra*)

are all present.

More importantly, the well-settled rule is that a final judgment of this Court cannot be altered or modified by the lower courts. Thus, we ruled in *Ang Ping v. Regional Trial Court of Manila, Branch 40*, (154 SCRA 77 [1987]):

"As early as 1922, this Court declared in *Shioji v. Harvey* (43 Phil. 333) that 'the only function of a lower court, when the judgment of a higher court is returned to it, is the ministerial one of issuing the order of execution. A lower court is without supervisory jurisdiction to interpret or to reverse the judgment of the higher court.'

"This is especially true where it is a Supreme Court decision or resolution which states with finality how the particular case before it has been resolved. We ruled in *Tugade v. Court of Appeals* (85. SCRA 226);

"Respondent Court of Appeals really was devoid of any choice at all. It could not have ruled in any other way on the legal question raised. This Tribunal having spoken, its duty was to obey. It is as simple as that. There is relevant to this excerpt from *Barrera v. Barrera* (L-31589, July 31, 1970. 34 SCRA 98). 'The delicate task of ascertaining the significance that attaches to a constitutional or statutory provision, an executive order, a procedural norm or a municipal ordinance is committed to the judiciary. It thus discharges a role no less crucial than that appertaining to the other two departments in the maintenance of the rule of law. To assure stability in legal relations and avoid confusion, it has to speak with one voice. It does so with finality, logically and rightly, through the highest judicial organ, this Court. What it says then should be definitive and authoritative, binding on those occupying the lower ranks in the judicial hierarchy. They have to defer and submit.¹ (ibid., 107. The opinion of Justice Laurel in *People v. Vera*, 65 Phil. 56 [1937] was cited.) The ensuing paragraph of the opinion in *Barrera* further emphasizes the point: 'Such a thought was reiterated in an opinion of Justice J.B.L. Reyes and further emphasized in these words: 'Judge Gaudencio Cloribel need not be reminded that the Supreme Court, by tradition and in our system of judicial administration, has the last word on what the law is: it is the final arbiter of any justifiable controversy. There is only one Supreme Court from whose decisions all other courts should take their bearings.' (Justice J.B.L. Reyes spoke thus in *Albert v. Court of First Instance of Manila [Branch VI]*, L-26364. May 29, 1968, 28 SCRA 948, 961.) (at pp. 230-231).'" (at p. 86)

We agree with the Solicitor General that the authority to dispose of a forest area rests with the executive department. This, we affirmed in the case of *Lianga Bay logging Co., Inc. v. Lopez-Enage*, (152 SCRA 80, [1987]) and other related cases pursuant to Sections 1816, 79-C Revised Administrative Code and Executive Order No. 19 dated April 2, 1966. Nevertheless, we are confronted herein with a final judgment also based on executive determinations brought to us in proper cases.

"It is settled jurisprudence that except in the case of judgments which are void ab initio or null and void per se for lack of jurisdiction which can be questioned at any time — and the decision here is not of this character— once a decision becomes final, even the court which has rendered it can no longer alter or modify it, except to correct clerical errors or mistakes. Otherwise, there would be no end to litigation, thus setting to naught the main role of courts of justice which is to assist in the enforcement of the rule of law and the maintenance of peace and order by settling justiciable controversies with finality (*The Heirs of Remigio Tan v. Intermediate Appellate Court, et al.*, G.R. Nos. 71033, 76330, July 29, 1988; *Fabular v. Court of Appeals*, 19 SCRA 329; *Fariscal Vda. de Enas v. Enna*, 95 SCRA 470; *Ocampo v. Caluag*, 19 SCRA 971).

It would be different had there been supervening events which would make the execution of the Resolution dated October 18, 1982 ineffective and impossible (See *St. Dominic Corp. v. Intermediate Appellate Court*, 151 SCRA 577 [1987]). In such a case, we would perhaps have to acquiesce to the government's change of heart as to which logging company should have the right over the Briones concession area provided there is no abuse of discretion in the decision expressing a new choice. The whole issue would have to be re-opened on the basis of compelling supervening events. However, the then Deputy Executive Secretary has not mentioned any supervening events which would make the implementation of the Reyes decision impossible. In fact, he resolved the issues and arrived at the conclusion that the Mathay decision prevails over the Reyes decision on the basis of the same facts which supported the issuance of the controversial November 24, 1980 letter-orders of the then Minister of Natural Resources Leido implementing the Reyes decision which was affirmed in the Resolution dated October 18, 1982 in G.R. Nos. 55736, 57323 and 57760. as is shown by the following excerpts from his decision:

"To write finis to this protracted controversy, this Office restudied the merits/demerits of the Mathay and Reyes decision in the light of the facts on record. Thereunder, this Office finds, and so holds that the Mathay decision had correctly resolved the substantive issues raised by the parties in DANR Case No. 3 139 namely, that the Order of the Director of Forestry, dated July 5, 1963, rejecting renewal of Briones' timber license, had already become final and executory; that the order of the Director of Forestry, dated September 7, 1966, reconsidering his order of July 5, 1963, was null and void; that the decision of the then Secretary of

Agriculture and Natural Resources on January 23, 1968 upholding the award of the contested forest area to De Jesus, was correct; and that, since the disputed area had already reverted to the mass of the public domain available for disposition to qualified applicants, said forest area was validly awarded without public bidding to De Jesus, a qualified applicant whose original forest concession was adjacent, adjoining or contiguous to the contested area pursuant to Forestry Administrative Orders Nos. 11-10 and 11-19.

"Accordingly, after evaluating both administrative decisions and the records of the case, this Government has decided to CONFIRM the decision of former Secretary Mathay in favor of De Jesus and REVOKE the decision of former Secretary Reyes in favor of Briones, including all actions confirmatory thereof." (p. 705. Rollo-G.R. No. 73219, Vol. 11).

This Court cannot reverse or set aside its own final and executory decisions simply because the Executive Departments flip-flop and arrive at new resolutions reversing their earlier decisions already brought before this Court and finally adjudicated.

WHEREFORE, the petitions in G.R. Nos. 73219 and 67634 are GRANTED. The motion to dismiss G.R. No. 73219 filed by Kalilid Wood Industries Corp. (KWIC) is DENIED. The original petition in G.R. No. 74815 is GRANTED and the motion to dismiss filed by the original petitioners therein (Executive Secretary, Minister of Natural Resources and Director of Forest Development) is DENIED for reasons stated in the decision. All the orders issued by the Regional Trial Court of Manila in Civil Case No. R-82-6372; the Regional Trial Court of Quezon City in Civil Case No. Q-32722 and the Regional Trial Court of Makati in Civil Case No. 11741 pursuant to the Mathay decision are hereby REVERSED and SET ASIDE. The Reyes decision is declared to be FINAL and must prevail over the Mathay decision. The temporary restraining order issued on May 14, 1986 in G.R. No. 73219 is made permanent.

Costs against the private respondents.

SO ORDERED.

Fernan, C.J. (Chairman), Bidin and Cortes, JJ., concur.

Feliciano, J., did not participate in the deliberations of this case.

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