

### ### Title

**\*\*DENR-PENRO of Virac, Catanduanes v. Eastern Island Shipping Lines Corporation\*\***

### ### Facts

**\*\*Step-by-Step Series of Events:\*\***

#### 1. **\*\*Incident and Arraignment:\*\***

- **\*\*March 13, 2018:\*\*** Marvin Soria y Sarmiento and Elmer Morauda III y Mirabuna were found in possession of 196 pieces of lumber products transported via a ten-wheeler Isuzu dump truck (plate no. ACO 1836) without necessary DENR documentation.
- **\*\*March 16, 2018:\*\*** Soria and Morauda were arraigned before the RTC, Branch 42 (Virac, Catanduanes) and pleaded guilty to the charges.

#### 2. **\*\*RTC Judgment:\*\***

- **\*\*March 16, 2018:\*\*** The RTC found the accused guilty beyond a reasonable doubt for violating P.D. No. 705, imposing a sentence of 1 year, 8 months, and 21 days to 5 years, 5 months, and 11 days of imprisonment, and ordered the lumber confiscated.
- **\*\*March 22, 2018:\*\*** The RTC ordered the confiscation of the truck to the government, following the DENR regulations, after the law enforcers denied the accused's motion for its release.

#### 3. **\*\*Motion for Reconsideration:\*\***

- **\*\*April 6, 2018:\*\*** The RTC denied a motion for reconsideration filed by the defense for the confiscated truck.
- **\*\*May 9, 2018:\*\*** The truck's owner, Eastern Island Shipping Lines Corporation, filed an Omnibus Motion to Reopen Trial on the Confiscation Aspect, for Intervention/Third-party Claim, and to Release the Vehicle asserting lack of knowledge about its use for unlawful purposes.

#### **\*\*Procedural Posture:\*\***

Respondent's Omnibus Motion was denied on May 25, 2018, leading them to file a petition for certiorari before the CA. On February 19, 2020, the CA nullified the RTC's order for confiscation of the truck, prompting the DENR and the People to file a Rule 45 Petition for Review on Certiorari before the Supreme Court.

### ### Issues

#### 1. **\*\*Confiscation Penalty:\*\***

- Whether Section 68 of P.D. No. 705 mandates the confiscation of conveyances used in

illegal transportation of forest products, regardless of ownership.

2. **Precedence of Special Law Over General Law:**

- Whether P.D. No. 705, as a special law, prevails over the general provisions of Article 45 of the Revised Penal Code (RPC) concerning confiscation of property.

3. **Due Process:**

- Whether the RTC's order of confiscation violated the respondent's right to due process, and the propriety of the CA's directive to release the vehicle outright based on third-party ownership claims without formal presentation of evidence.

**### Court's Decision**

The Supreme Court ruled partly in favor of the petitioners and modified the CA's decision.

**Resolution of Issues:**

1. **Confiscation Penalty:**

- The Court found P.D. No. 705 does cover judicial confiscation of machinery, equipment, implements in violation cases, recognizing its special nature over Article 45 of the RPC. However, judicial confiscation cannot include conveyances under the provisions of the special law.

2. **Precedence of Special Law Over General Law:**

- Article 45 of the RPC applies suppletorily in the absence of explicit coverage in P.D. No. 705 for the judicial confiscation of conveyances. Ownership by a third-party not liable for the offense exempts such property from confiscation under Article 45.

3. **Due Process:**

- The RTC's confiscation order was found a violation of due process. It was held that third-party claimants should be allowed to present evidence to establish ownership and lack of involvement in the crime before confiscation. The CA erred in directing the truck's release outright without due process of presenting and contesting evidence.

**### Doctrine**

1. **Special Law vs. General Law:**

- Special laws prevail over general laws; however, provisions of the RPC apply supplementarily where the special law is silent (P.D. No. 705 vis-a-vis Article 45 of the RPC).

2. **Due Process:**

- Confiscation orders must respect the procedural and substantive due process rights of third parties claiming ownership of seized property.

### ### Class Notes

#### 1. **Elements of Illegal Possession and Transport under P.D. No. 705:**

- **Possession and Transportation:** Unauthorized possession and transport of timber or forest products.

- **Use of Conveyance:** Involvement of machinery, equipment, or conveyances used in illegal activities.

#### 2. **Procedural Requirements:**

- **Confiscation under P.D. No. 705:** Both administrative (by DENR) and judicial processes must respect due process rights.

- **Third-party Claims:** Must be given the opportunity to establish ownership and lack of crime participation through due process.

#### 3. **Relevant Statutes:**

- **Section 68 of P.D. No. 705:** Governs cutting, gathering, removing timber without a license, and judicial confiscation remedies.

- **Article 45 of the RPC:** Confiscation and forfeiture of the instruments or tools of the crime, unless owned by third parties not liable.

### ### Historical Background

The case arose from the stringent application of P.D. No. 705, also known as the Revised Forestry Code of the Philippines, aimed at preventing illegal logging and deforestation activities rampant in the Philippines. This is part of broader environmental policy and regulatory framework shifts to curb environmental degradation and enforce stricter penalties for offenses against environmental laws. The conflict of applying special laws over general principles highlights the legal complexities in balancing punitive measures and property rights.