

THIRD DIVISION

[G.R. No. 192809, April 26, 2021]

THE BUREAU OF CUSTOMS, HON. ANGELITO A. ALVAREZ, AS COMMISSIONER OF CUSTOMS, AND ATTY. ANJU NEREO C. CASTIGADOR, IN HIS CAPACITY AS THE OIC-DISTRICT COLLECTOR OF CUSTOMS-PORT OF DAVAO, PETITIONERS, VS. COURT OF APPEALS-CAGAYAN DE ORO STATION, AND RODOLFO C. RETA, DOING BUSINESS UNDER THE NAME AND STYLE ACQUARIUS CONTAINER YARD, RESPONDENTS.

[G.R Nos. 193588 and 193590-91]

ATTY. ANJU NEREO C. CASTIGADOR, AS OIC-DISTRICT COLLECTOR OF CUSTOMS-PORT OF DAVAO, PETITIONER, VS. HON. GEORGE E. OMELIO, AS PRESIDING JUDGE, BRANCH 14, RTC-DAVAO CITY, AND RODOLFO C. RETA, DOING BUSINESS UNDER THE NAME AND STYLE ACQUARIUS CONTAINER YARD, RESPONDENTS.

[G.R. No. 201650]

THE BUREAU OF CUSTOMS, HON. ROZZANO RUFINO B. BIAZON, IN HIS CAPACITY AS THE COMMISSIONER OF CUSTOMS, AND ATTY. MARTINIANO B. BANGCOY, IN HIS CAPACITY AS DISTRICT COLLECTOR OF CUSTOMS-FORT OF DAVAO, PETITIONERS, VS. RODOLFO C. RETA, DOING BUSINESS UNDER THE NAME AND STYLE ACQUARIUS CONTAINER YARD, RESPONDENT.

D E C I S I O N

HERNANDO, J.:

These consolidated Petitions^[1] assail various promulgations of the Court of Appeals (CA) in CA-G.R. SP No, 03568, and the Regional Trial Court (RTC), Davao City, Branch 14 in Civil Case Nos. 33,275-10, 33,477-10, and 33,478-10, all of which stemmed from the Complaint with Application for Preliminary Injunction and Prayer for a Temporary Restraining Order^[2] filed by private respondent Rodolfo C. Reta (Reta) against petitioners Bureau of Customs (BOC) and Atty. Anju Nereo C. Castigador (Atty. Castigador), the District Collector of the Bureau of Customs - Port of Davao (collectively, petitioners), before the RTC.

Assailed in G.R. No. 192809^[3] is the July 22, 2010 Resolution^[4] in CA-G.R. SP No. 03568, which denied petitioners' prayer for issuance of a writ of preliminary injunction to enjoin the implementation of the April 19, 2010 Order^[5] of the RTC (which granted Reta's prayer for issuance of a writ of preliminary injunction).

In G.R. Nos. 193588 & 193590-91,^[6] Atty. Castigador assails the September 16, 2010 Omnibus Order^[7] of the RTC in Civil Case Nos. 33,275-10, 33,477-10, and 33,478-10, and the corresponding Warrant of Arrest^[8] dated September 17, 2010. In the Omnibus Order, the trial court denied Atty. Castigador's motion for inhibition of Presiding Judge George E. Omelio (Judge Omelio), granted Reta's petitions for indirect contempt against Atty. Castigador, and ordered his arrest for alleged continued defiance of the RTC's April 19, 2010 Order.

In G.R. No. 201650,^[9] petitioners assail the January 17, 2012 Decision^[10] and April 17, 2012 Resolution^[11] in CA-G.R. SP No. 03568 dismissing their Petition for *Certiorari* challenging the April 19, 2010 Order^[12] of the RTC.

Factual Antecedents:

a) Facts Common to the Cases:

Reta is the owner and operator of Acquarius Container Yard (ACY).^[13] ACY's operation as a container yard outside the customs territory has been approved by the BOC in 2006.^[14]

On January 9, 2009, Reta entered into a Memorandum of Agreement^[15] (MOA) with the BOC for the free use of his container yard, ACY, located in Davao City^[16] as the designated examination area for the container vans in the Port of Davao for a period of 25 years.^[17] The MOA also provided that the parties may revoke it for cause at any time.^[18]

BOC claimed that on February 26, 2010, Reta closed the container yard and barred customs examiners from entering the premises.^[19] On the same date, Atty. Castigador informed Reta, through a letter, of his intention to conduct the examination of the container vans at the Philippine Ports Authority (PPA) premises in Sasa, Davao City, and to reexamine the MOA as its purpose no longer exists.^[20]

This prompted Reta to file a Complaint with Application for Preliminary Injunction and Prayer for a Temporary Restraining Order against petitioners. Reta claimed that after the BOC agreed to use ACY as the designated examination area, he invested in various machineries and equipment for the examination and inspection of container vans.^[21] He denied closing the container yard; he alleged that it was Atty. Castigador who directed the stoppage of the hauling and scanning of the container vans in ACY.^[22]

The Complaint prayed: (a) for the issuance of a restraining order or injunctive relief; (b) for the nullification of Atty. Castigador's February 26, 2010 letter for being issued without due process and in violation of the MOA; (c) for petitioners to respect and perform their obligations under the MOA; and, (d) for the payment of damages, attorney's fees, and costs of suit.^[23]

The Executive Judge of the RTC issued a temporary restraining order (TRO)

prohibiting the BOC from removing the container vans in ACY and directing the BOC to resume its operations inside ACY.^[24] After raffle of the case, Presiding Judge Emmanuel C. Carpio (Judge Carpio) of RTC Branch 14 extended the TRO for another 17 days.^[25]

Subsequently, the BOC, through a letter dated March 5, 2010, revoked the MOA and informed Reta that it will continue to conduct examination at the PPA premises, citing strained relations between the parties arising from Reta's closure of the container yard and filing of baseless suits against the BOC, and the subsequent availability of space for the conduct of examination at the PPA premises.^[26] In this connection, BOC filed with the RTC Manila a petition for judicial confirmation of the existence of just cause to terminate the MOA.^[27]

Meanwhile, on March 19, 2010, Judge Carpio denied Reta's application for the issuance of a writ of preliminary injunction.^[28]

Reta then moved for the inhibition of Judge Carpio from further hearing the case, which motion was granted. The case was re-raffled to Judge Omelio of RTC Branch 14.^[29] Now under a different judge, Reta moved for the reconsideration of the March 19, 2010 RTC Order.^[30]

On April 16, 2010, petitioners filed their Answer to the Complaint.^[31]

On April 19, 2010, Judge Omelio issued the assailed Order setting aside the March 19, 2010 Order of Judge Carpio. The April 19, 2010 Order granted the issuance of a writ of preliminary injunction against petitioners, prohibited them from closing the designated examination area in ACY and from revoking the MOA with Reta.^[32] The said Order also directed the BOC to resume operations inside Reta's container yard.^[33] The dispositive portion of the April 19, 2010 Order of the RTC reads:

WHEREFORE, and in view of all the foregoing consideration, the instant motion of the plaintiff is hereby **GRANTED**. The Order of the Court dated **MARCH 19, 2010** is **SET ASIDE**.

Let [a] writ of preliminary injunction issue against herein defendants, their assigns or entities acting in their behalf to cease and desist "from implementing the closure of the designated examination area (DEA) at Aquari[u]s Container Yard as well as the revocation of the subject memorandum agreement and to continue the enforcement and implementation of the same by conducting the examination of shipments as contained in the defendant collector's notice of February 26, 2010 not at the PPA designated area at Sasa Wharf but at the Aquari[u]s Container Yard, and ordering further the defendants, their agents and assigns to observe the status quo ante litem mutam, to conduct all examination of Laden Containers at the DEA of ACY as provided in the subject Memorandum of Agreement, and for the plaintiff to resume its operation and render the usual and proper services in hustling[,], stripping/stiffing and left-on/lift-off [sic] and other allied services," pending trial on the merit[s] of this case.

Plaintiff is ordered to post injunctive bond in favor of the defendants in the event the Court finds after trial on the merit [s] that the former is not entitled to the injunctive relief prayed for, in the amount of P1,000,000.00.

The Sheriff of this Court is directed to serve and implement the writ and make return of his proceeding pursuant to the rules.

SO ORDERED.^[34]

Aggrieved, petitioners filed a Petition for *Certiorari* with the CA assailing the April 19, 2010 RTC Order. The Petition was supplemented by a prayer for the issuance of a writ of preliminary injunction to prevent the RTC from enforcing the assailed Order.

G.R. No. 192809:

In its July 22, 2010 Resolution, the appellate court denied petitioners' application for injunctive relief, and ordered the filing of pleadings subsequent to the Petition for *Certiorari*. The CA found no urgent need to issue the writ of preliminary injunction.^[35] Likewise, it directed the BOC to continue with the conduct of its operations inside the ACY premises.^[36]

Petitioners thus filed a Petition for *Certiorari* before this Court imputing grave abuse of discretion on the part of the CA in issuing its July 22, 2010 Resolution. They argue that: (a) the CA Resolution did not indicate the facts and law upon which it is based; (b) the CA Resolution upheld injustices brought by the RTC Order as the courts have no jurisdiction to restrain the performance of a purely BOC function, which is the management of the designated examination area; (c) the RTC's issuance of a writ of preliminary injunction is not proper as the requirements were not met — petitioners did not violate any of Reta's rights as it was not the BOC, but Reta who closed and prevented access to the designated examination area; (d) courts cannot issue an injunctive writ that would effectively dispose of the main case without trial; (e) the MOA between the parties has been validly revoked as of March 5, 2010, making the application for injunctive relief baseless; (f) Judge Omelio acted with manifest partiality and bias in favor of Reta to the prejudice of the BOC; and, (g) Reta willfully and maliciously made untruthful statements to put the BOC in a bad light and lay the blame on them for the closure of ACY.^[37] Petitioners pray that the July 22, 2010 Resolution be set aside and for the issuance of a TRO and writ of preliminary injunction to prevent the enforcement of the said CA Resolution, citing irreparable damage to the BOC and the government.^[38]

In a Resolution dated August 4, 2010, this Court resolved to dismiss the Petition for petitioners' failure to sufficiently show that any grave abuse of discretion was committed by the CA.^[39]

This Court, however, in its Resolution dated October 6, 2010, granted the BOC's Motion for Reconsideration^[40] and reinstated the Petition.^[41] On the same date, the

Court also issued a status quo ante order requiring the parties to observe the status quo prevailing before the issuance of the April 19, 2010 Order of the RTC — the conduct of examination in the PPA premises in Sasa Wharf, Davao City.^[42] The pertinent portion of the status quo ante order reads:

ACCORDINGLY, THE BUREAU OF CUSTOMS MAY CONTINUE TO CONDUCT THE EXAMINATION OF LADEN CONTAINERS AT THE DESIGNATED AREA IN THE PHILIPPINE PORTS AUTHORITY (PPA) AT SASA WHARF, DAVAO CITY.^[43]

In his Comment^[44] in G.R. No. 192809, Reta alleges that: (a) the Petition was defective and premature because petitioners did not file a pre-requisite motion for reconsideration in the CA, and that the Petition does not fall under the exceptions from the requirement of filing thereof; (b) Petitioners engaged in forum shopping, thereby warranting dismissal of the instant Petition, as the main petition and the main case were still pending in the CA and the RTC, respectively; and, (c) the CA did not commit grave abuse of discretion in issuing the July 22, 2010 Resolution.

On October 13, 2010, this Court Issued a Resolution granting the BOC's motion to consolidate G.R. No. 192809 with G.R. Nos. 193588 and 193590-91.^[45]

Petitioners filed a Consolidated Reply. For G.R. No. 192809, they argue that: (a) due to the urgent necessity for the resolution of the instant case, the Petition may be considered as an exception from the rule of prior filing of a motion for reconsideration; (b) there is no forum shopping as the filing of a petition for *certiorari* is allowed by the Rules of Court; and, (c) the appellate court committed grave abuse of discretion in issuing the July 22, 2010 Resolution.^[46]

G.R. Nos. 193588 and 193590-91:

Meanwhile in the RTC proceedings, Atty. Castigador moved for the inhibition of Judge Omelio. Reta also filed two petitions for indirect contempt against Atty. Castigador for the latter's alleged failure to comply with the RTC's April 19, 2010 Order.^[47]

Consequently, on September 16, 2010, the RTC issued an Omnibus Order denying Atty. Castigador's motion for inhibition, and granting Reta's petitions for indirect contempt.^[48] In this connection, the RTC issued a warrant for the arrest of Atty. Castigador.^[49]

Hence, Atty. Castigador filed a Petition for *Certiorari* and Prohibition straight to this Court attributing grave abuse of discretion on the part of the RTC in issuing the Omnibus Order and Warrant of Arrest. He claims that: (a) the RTC denied him due process as he was not afforded the opportunity to be heard and to defend himself prior to the issuance of the Omnibus Order and Warrant of Arrest; (b) the Omnibus Order did not indicate the factual bases to cite him for indirect contempt; and, (c) Judge Omelio exhibited bias and partiality in favor of Reta in handling the case.^[50]