

EN BANC

[G.R. Nos. 177857-58, September 04, 2012]

PHILIPPINE COCONUT PRODUCERS FEDERATION, INC. (COCOFED), MANUEL V. DEL ROSARIO, DOMINGO P. ESPINA, SALVADOR P. BALLARES, JOSELITO A. MORALEDA, PAZ M. YASON, VICENTE A. CADIZ, CESARIA DE LUNA TITULAR, AND RAYMUNDO C. DE VILLA, PETITIONERS, VS. REPUBLIC OF THE PHILIPPINES, RESPONDENT.

WIGBERTO E. TAÑADA, OSCAR F. SANTOS, SURIGAO DEL SUR FEDERATION OF AGRICULTURAL COOPERATIVES (SUFAC) AND MORO FARMERS ASSOCIATION OF ZAMBOANGA DEL SUR (MOFAZS), REPRESENTED BY ROMEO C. ROYANDOYAN, INTERVENORS.

[G.R. NO. 178193]

DANILO B. URSUA, PETITIONER, VS. REPUBLIC OF THE PHILIPPINES RESPONDENT.

R E S O L U T I O N

VELASCO JR., J.:

For consideration is a Motion for Reconsideration of the Decision of the Court dated January 24, 2012 interposed by petitioners in G.R. Nos. 177857-58, namely: Philippine Coconut Producers Federation, Inc. (COCOFED), Manuel V. del Rosario, Domingo P. Espina, Salvador P. Ballares, Joselito A. Moraleda, Paz M. Yason, Vicente A. Cadiz, Cesaria De Luna Titular, and Raymundo C. De Villa.

On March 14, 2012, petitioner-movants filed a Manifestation and Motion stating that they failed to include the Office of the Solicitor General (OSG) in the list of persons to be furnished with a copy of the Motion for Reconsideration. They accordingly moved that their belated service of a copy of the Motion for Reconsideration on the OSG be considered compliance with the rules on service of motions for reconsideration. This Court noted and accepted the Manifestation and Motion. On March 15, 2012, petitioner-movants filed a Memorandum in support of the instant motion for reconsideration.

To the said motion, intervenors Wigberto E. Tañada, et al. filed on June 10, 2012 their Comment and Opposition. The OSG, on the other hand, after filing two motions for extension on May 22, 2012 and June 21, 2012, respectively, filed its Motion to Admit Comment, with Comment attached, on July 13, 2012. This Court noted and admitted the Comment.

As will be recalled, the Court, in its January 24, 2012 Decision, affirmed, with

modification, the Partial Summary Judgments (PSJs) rendered by the Sandiganbayan (1) on July 11, 2003 in Civil Case No. 0033- A (PSJ-A), as amended by a Resolution issued on June 5, 2007; and (2) on May 7, 2004 in Civil Case No. 0033-F (PSJ-F), as amended by a Resolution issued on May 11, 2007.

In this recourse, petitioner-movants urge the Court to reconsider its Decision of January 24, 2012 on the ground that it:

1. Made erroneous findings of fact;
2. Erred in affirming the Sandiganbayan's jurisdiction of the subject matter of the subdivided amended complaints;
3. Erred in ruling that due process was not violated;
4. Erred in ruling on the constitutionality of the coconut levy laws;
5. Erred in ruling that the Operative Fact Doctrine does not apply; and
6. Erred in ruling that the right to speedy disposition of cases was not violated.

The instant motion is but a mere reiteration or rehash of the arguments that have already been previously pleaded, discussed and resolved by this Court in its January 24, 2012 Decision. And considering that the motion's arguments are unsubstantial to warrant a reconsideration or at least a modification, this Court finds no reason to modify or let alone reverse the challenged Decision.

As of 1983,^[1] the Class A and B San Miguel Corporation (SMC) common shares in the names of the 14 CIIF Holding Companies are 33,133,266 shares. From 1983 to November 19, 2009 when the Republic of the Philippines representing the Presidential Commission on Good Government (PCGG) filed the "Motion To Approve Sale of CIIF SMC Series I Preferred Shares," the common shares of the CIIF Holding companies increased to 753,848,312 Class A and B SMC common shares.^[2]

Owing, however, to a certain development that altered the factual situation then obtaining in G.R. Nos. 177857-58, there is, therefore, a compelling need to clarify the *fallo* of the January 24, 2012 Decision to reconcile it, vis-a-vis the shares of stocks in SMC which were declared owned by the Government, with this development. We refer to the Resolution^[3] issued by the Court on September 17, 2009 in the then consolidated cases docketed as G.R. Nos. 177857-58, G.R. No. 178193 and G.R. No. 180705. In that Resolution which has long become final and executory, the Court, upon motion of COCOFED and with the approval of the Presidential Commission on Good Government, granted the conversion of 753,848,312 Class "A" and Class "B" SMC common shares registered in the name of the CIIF companies to SMC Series 1 Preferred Shares of 753,848,312, subject to certain terms and conditions. The dispositive portion of the aforementioned Resolution states:

WHEREFORE, the Court **APPROVES** the conversion of the 753,848,312 SMC Common Shares registered in the name of CIIF companies to **SMC SERIES 1 PREFERRED SHARES** of 753,848,312, the converted shares to be registered in the names of CIIF companies in accordance with the terms and conditions specified in the conversion offer set forth in SMC's Information Statement and appended as Annex "A" of COCOFED's Urgent

Motion to Approve the Conversion of the CIIF SMC Common Shares into SMC Series 1 Preferred Shares. The preferred shares shall remain in *custodia legis* and their ownership shall be subject to the final ownership determination of the Court. Until the ownership issue has been resolved, the preferred shares in the name of the CIIF companies shall be placed under sequestration and PCGG management. (Emphasis added.)

The net dividend earnings and/or redemption proceeds from the Series 1 Preferred Shares shall be deposited in an escrow account with the Land Bank of the Philippines or the Development Bank of the Philippines.

Respondent Republic, thru the PCGG, is hereby directed to cause the CIIF companies, including their respective directors, officers, employees, agents, and all other persons acting in their behalf, to perform such acts and execute such documents as required to effectuate the conversion of the common shares into SMC Series 1 Preferred Shares, within ten (10) days from receipt of this Resolution.

Once the conversion is accomplished, the SMC Common Shares previously registered in the names of the CIIF companies shall be released from sequestration.

SO ORDERED.^[4]

The CIIF block of SMC shares, as converted, is the same shares of stocks that are subject matter of, and declared as owned by the Government in, the January 24, 2012 Decision. Hence, the need to clarify.

WHEREFORE, the Court resolves to **DENY** with **FINALITY** the instant Motion for Reconsideration dated February 14, 2012 for lack of merit.

The Court further resolves to **CLARIFY** that the 753,848,312 SMC Series 1 preferred shares of the CIIF companies converted from the CIIF block of SMC shares, with all the dividend earnings as well as all increments arising from, but not limited to, the exercise of preemptive rights subject of the September 17, 2009 Resolution, shall now be the subject matter of the January 24, 2012 Decision and shall be declared owned by the Government and be used only for the benefit of all coconut farmers and for the development of the coconut industry.

As modified, the *fallo* of the January 24, 2012 Decision shall read, as follows:

WHEREFORE, the petitions in G.R. Nos. 177857-58 and 178793 are hereby **DENIED**. The Partial Summary Judgment dated July 11, 2003 in Civil Case No. 0033-A as reiterated with modification in Resolution dated June 5, 2007, as well as the Partial Summary Judgment dated May 7, 2004 in Civil Case No. 0033-F, which was effectively amended in Resolution dated May 11, 2007, are **AFFIRMED with MODIFICATION**, only with respect to those issues subject of the petitions in G.R. Nos. 177857-58 and 178193. However, the issues raised in G.R. No. 180705 in relation to Partial Summary Judgment dated July 11, 2003 and