

THIRD DIVISION

[G.R. NO. 157307, February 27, 2006]

**AGUSTIN RIVERA, SUBSTITUTED BY GREGORIO B. RIVERA,
DOMINGA B. RIVERA, ORLANDO B. RIVERA, ROSARIO R. LOPEZ,
CRISANTO B. RIVERA, EMILIANO B. RIVERA AND CONCHITA B.
RIVERA, PETITIONERS, VS. NEMESIO DAVID, RESPONDENT.**

DECISION

QUISUMBING, J.

This petition for review on certiorari seeks to reverse the Decision^[1] dated October 1, 2002 of the Court of Appeals in CA-G.R. SP No. 58211, and its Resolution^[2] dated February 19, 2003 denying reconsideration. The Court of Appeals had overturned for lack of jurisdiction of the DAR the Decision dated January 31, 1995 of the Provincial Agrarian Reform Adjudication Board (PARAB)^[*] and the Decision dated March 6, 2000 of the Department of Agrarian Reform Adjudication Board (DARAB).

The pertinent facts of the case are as follows:

Respondent Nemesio David, with the other heirs of Consolacion Suarez David, owned in common five hectares of land covered by Transfer Certificate of Title No. 47588-R in Dau, Mabalacat, Pampanga. Petitioner Agustin Rivera occupied 1.8 hectares of the land. Through counsel, the Davids demanded that petitioner vacate the property. Rivera refused and instituted a complaint with an application for injunction to maintain peaceful possession before the PARAB.^[3]

In his Complaint, Rivera averred that he was a duly instituted tenant. To support his averment, he submitted a certification from the Municipal Agrarian Reform Office together with the affidavits of two neighbors.

Respondent David denied that Rivera was his family's tenant. According to respondent, Rivera had been squatting on the property since 1965 and had put up, without the Davids' consent, a hollow blocks business and also a piggery in the property. David sought the dismissal of the case before the PARAB alleging that the PARAB lacked jurisdiction, considering that the property was not an agricultural land and the case involved the issue of ownership.^[4]

The PARAB required the parties to file their position papers. In his position paper,^[5] Rivera averred that he occupied the land, at first, as a tenant; then, as an owner in 1957. He alleged that the land became his own as disturbance compensation. He prayed that he be declared as a qualified beneficiary of the agrarian reform program and he be awarded three hectares as mandated by law.

For his part, respondent David reiterated his defenses and added that Rivera's claim that the property was transferred to the latter in 1957 was inconsistent with Rivera's claim of disturbance compensation since the idea of disturbance compensation was introduced only by Republic Act No. 3844^[6] on August 8, 1963 and the disturbance compensation awarded to an agricultural lessee is equivalent only to five years' rental. Even so, the 1.8 hectares claimed by the petitioner was in excess of what is allowed under said law.^[7]

Initially, the PARAB held that David was guilty of laches or estoppel since he and his predecessors-in-interest had allowed petitioner to retain the property. Further, the PARAB said it had more reasons to believe that respondent's predecessors-in-interest had given the land to the petitioner as the latter had long occupied the property and developed it. It rendered judgment maintaining petitioner Rivera in peaceful possession of the property without prejudice to his claim as qualified beneficiary of the agrarian reform program.^[8]

On appeal, the DARAB affirmed the PARAB's finding of estoppel and added that the action to recover the property was barred by the Statute of Limitations under Section 38^[9] of Rep. Act No. 3844.^[10]

Respondent David elevated the case to the Court of Appeals, raising the following issues:

- (A) DID RESPONDENT [petitioner herein] FAIL TO DISCHARGE THE BURDEN OF PROVING BY SUBSTANTIAL EVIDENCE HIS AFFIRMATIVE ALLEGATIONS OF (I) FARMING AND TILLING; (II) PALAY PRODUCTION; (III) PERSONAL PERFORMANCE OF ALL PHASES OF PRODUCTION; (IV) PAYMENT OF LEASEHOLD RENTALS; (V) SETTLEMENT BY PETITIONER'S FATHER OF A CONTROVERSY WITH HIM; (VI) CONVEYANCE BY PETITIONER'S FATHER OF THE 1.8 HECTARES TO RESPONDENT?
- (B) DID RESPONDENT'S EVIDENCE FAIL TO ESTABLISH THE TRADITIONAL SIX ESSENTIAL ELEMENTS TEST FOR TENANCY RELATIONSHIPS IN CHICO V. COURT OF APPEALS, 284 SCRA 33, 36 AND BARANDA V. BAGUIO, 189 SCRA 194, 200?
- (C) IS MERE ALLEGATION OF CONVEYANCE WITHOUT PROOF ENOUGH TO SUSTAIN THE DARAB'S CONCLUSION THAT RESPONDENT IS A TENANT-FARMER ENTITLED TO SECURITY OF TENURE?
- (D) IS A DARAB DECISION BASED ON SOME HEARSAY AFFIDAVITS AND CERTIFICATION – NOT SUBJECTED TO PRIOR REAFFIRMATION IN OPEN COURT BY THE AFFIANT OR PERSON CERTIFYING AND TO A PROCESS OF SANITIZING OR PASTURIZING AS TO THEIR SELF-SERVING CONTENT – A DECISION BASED ON EVIDENCE THAT LACKS RATIONAL PROBATIVE FORCE?
- (E) IS A DARAB DECISION BASED ON HEARSAY AFFIDAVITS AND CERTIFICATION – NOT SUBJECTED TO PRIOR IDENTIFICATION

BY THE AFFIANT OR PERSON CERTIFYING – A DECISION BASED ON EVIDENCE THAT [LA]CKS RATIONAL PROBATIVE FORCE?

(F) IS A DARAB DECISION BASED ON SOME HEARSAY AFFAIDAVITS AND CERTIFICATION – NOT SUBJECTED TO CROSS-EXAMINATION – A DECISION BASED ON EVIDENCE THAT LACKS RATIONAL PROBATIVE FORCE?] [sic]

(G) IS THE DARAB'S MARCH 6, 2000 DECISION AD[O]PTING THE FINDINGS OF ADJUDICATOR ILAO ONE THAT IS BASED ON EVIDENCE THAT LACKS RATIONAL PROBATIVE FORCE?

(H) DOES THE PARAB/DARAB (sic) HAVE JURISDICTION TO MAKE A FINDING OF OWNERSHIP UNDER THE GUISE OF A CHARACTERIZATION TO THE EFFECT THAT PETITIONER'S FATHER HAD MADE A CONVEYANCE TO RESPONDENT? ^[11]

The appellate court reversed the decisions of both the PARAB and the DARAB. It reasoned that the Department of Agrarian Reform (DAR) no longer had jurisdiction over the case because by petitioner Rivera's own admission, the tenancy ended in 1957. The appellate court set aside the decisions of both the PARAB and DARAB for lack of jurisdiction and dismissed petitioner's complaint, to wit:

WHEREFORE, the petition is GRANTED, and the challenged decisions of both the PARA[B] and the DARAB are REVERSED and SET ASIDE, including the writs of execution issued by the PARA[B], and another is rendered DISMISSING the respondent Agustin Rivera's complaint. No costs.

SO ORDERED. ^[12]

Petitioner before us raises now mainly the issue concerning jurisdiction, alleging that:

THE COURT OF APPEALS ERRED IN FINDING THAT THE PARA[B] AND THE DARAB HAVE NO JURISDICTION OVER RIVERA'S COMPLAINT. ^[13]

Simply put, the main issue now is as follows: Does the DAR have jurisdiction? Secondly, was petitioner the owner of the land and are his substitute-petitioners entitled to its peaceful possession?

We note that because of petitioner Rivera's death, his heirs are now substituted as petitioners. At any rate, petitioner had insisted that the DAR had jurisdiction over the case for he had sufficiently established before the PARAB and the DARAB that he was a tenant of respondent's predecessor-in-interest. He asserted that as tenant of respondent's predecessor-in-interest, his tenancy was intimately related to the issue of ownership and thus his case fell under the jurisdiction of the DAR.

Petitioner further contended that even though the tenancy relation no longer existed at the time the complaint was filed, the DAR had not been deprived of its jurisdiction since under Section 1(e), Rule II of the DARAB