

FIRST DIVISION

[G.R. No. 152404, March 28, 2003]

**RODOLFO ARZAGA AND FRANCIS ARZAGA, PETITIONERS, VS.
SALVACION COPIAS AND PRUDENCIO CALANDRIA,
RESPONDENTS.**

D E C I S I O N

YNARES-SANTIAGO, J.:

The core issue at bar is the jurisdiction of the Department of Agrarian Reform Adjudication Board (DARAB) over a dispute involving a parcel of land identified as Lot No. 5198, located at Inabasan, San Jose, Antique, measuring approximately 20,521 square meters and declared in the name of petitioners' father, Dalmacio Arzaga under Tax Declaration No. 0245.^[1]

On February 28, 1996, the petitioners filed with the Regional Trial Court of San Jose, Antique, Branch 11, a complaint for recovery of possession and damages against the private respondents.^[2] They contended that they are the co-owners of Lot No. 5198, being the purchasers thereof in a tax delinquency sale under a Certificate of Sale of Delinquent Real Property dated February 15, 1995.^[3] Sometime prior to 1994, private respondents allegedly entered and occupied the disputed property without the consent of the petitioners. Despite several demands, private respondents refused to vacate the premises, hence the petitioners filed a complaint for recovery of possession and damages with the Regional Trial Court of San Jose, Antique, Branch 11, docketed as Civil Case No. 2859.

In their answer with counterclaim,^[4] private respondents alleged that they are the amortizing owners of Lot Nos. 5198-A, 5198-B and 5198-D, being the tenant-beneficiaries of one Caridad Fuentebella, the previous owner of Lot No. 5198. As tenant-cultivators of the questioned lot for almost twenty (20) years, private respondent Prudencio Calandria was issued Emancipation Patent No. 500577 and Transfer Certificate of Title (TCT) No. E.P. No. 904 over Lot No. 5198-D, containing an area of 7,808 square meters; and E.P. No. 500575 and TCT No. E.P. No. 902 over Lot No. 5198-B, with an area of 6,024 square meters. On the other hand, private respondent Salvacion Copias, through her husband, Leoncio I. Copias, was issued Emancipation Patent No. 500576 and TCT No. E.P. No. 903 over Lot No. 5198-A, with an area of 6,367 square meters. They prayed that the complaint be dismissed on the ground that the subject matter thereof was cognizable by the DARAB and not by the regular courts, because the controversy involves an agricultural tenancy relationship.

At the pre-trial conference held on September 10, 1996, the parties stipulated the following facts – "(a) That Lot Nos. 5198-A, 5198-B, and 5198-D are parts of Lot No. 5198 situated at Barangay Inabasan, San Jose, Antique, all of which are agricultural lands devoted to agriculture; (b) that the defendant Prudencio Calandria

was issued Emancipation Patents and, consequently Transfer Certificate of Title No. EP. No. 904 over Lot No. 5198-[D] and Transfer Certificate of Title No. EP. No. 902 over Lot No. 5198-B; (c) that Transfer Certificate of Title No. EP. No. 903 covering Lot No. 5198-A was issued to one Leoncio Copias; (d) that Lot No. 5198 is declared in the name of Dalmacio Arzaga under Tax Declaration No. 0245; (e) that a Certificate of Sale of Delinquent Real Property to Purchaser dated February 15, 1995 and covering Lot No. 5198 was executed in favor of Rodolfo and Francis both surnamed Arzaga; and (f) that Transfer Certificates of Title No. EP. No. 902 covering Lot No. 5198-[B], EP. No. 903 covering Lot No. 5198-A and EP. No. 904 covering Lot No. 5198-D are existing.”^[5]

On October 1, 1996, the trial court issued a resolution dismissing the case on the ground of lack of jurisdiction.^[6] It ruled that the case was cognizable by the DARAB because it involved possession and ownership of agricultural lands, as well as issuance of emancipation patents. The dispositive portion of the assailed resolution states –

WHEREFORE, for all the foregoing considerations, the present action of the plaintiffs RODOLFO ARZAGA and FRANCIS ARZAGA is hereby dismissed as this Court is bereft of jurisdiction over the same. In consequence, the compulsory counterclaim of the defendants SALVACION COPIAS and PRUDENCIO CALANDRIA is likewise hereby dismissed.

No costs.

SO ORDERED.^[7]

Petitioners appealed to the Court of Appeals which affirmed in *toto* the assailed resolution of the trial court.^[8] A motion for reconsideration of the said decision was denied on February 4, 2002.^[9]

Hence, the petitioners filed the instant petition contending that the Court of Appeals erred in affirming the trial court’s dismissal of the case at bar on the ground of lack of jurisdiction.

The petition is impressed with merit.

Under Rule II, Section 1, paragraph (a), of the Revised Rules of Procedure of the Department of Agrarian Reform and Adjudication Board, the DARAB exercises primary jurisdiction – both original and appellate – to determine and adjudicate all agrarian disputes, cases, controversies, and matters or incidents involving the implementation of agrarian laws and their implementing rules and regulations.^[10] Agrarian dispute refers to any controversy relating to tenurial arrangements, whether leasehold, tenancy, stewardship or otherwise, over lands devoted to agriculture, including disputes concerning farmworkers associations or representation of persons in negotiating, fixing, maintaining, changing or seeking to arrange terms or conditions of such tenurial arrangements.^[11]

In *Monsanto v. Zerna*,^[12] it was held that for DARAB to have jurisdiction over a case, there must exist a tenancy relationship between the parties. In order for a tenancy agreement to take hold over a dispute, it would be essential to establish all