

FIRST DIVISION

[G.R. No. 101974*, July 12, 2001]

VICTORIA P. CABRAL, PETITIONER, VS. THE HONORABLE COURT OF APPEALS, HON. ELIGIO P. PACIS, REGIONAL DIRECTOR, REGION III, DEPARTMENT OF AGRARIAN REFORM, FLORENCIO ADOLFO, GREGORIO LAZARO, GREGORIA ADOLFO AND ELIAS POLICARPIO, RESPONDENTS.

D E C I S I O N

KAPUNAN, J.:

On January 16, 1990, petitioner Victoria Cabral filed a petition before the Barangay Agrarian Reform Council (BARC) for the cancellation of the Emancipation Patents and Torrens Titles issued in favor of private respondents. The patents and titles covered portions of the property owned and registered in the name of petitioner.

Petitioner alleged therein that she was the registered owner of several parcels of land covered by Original Certificate of Title (OCT) No. 0-1670 of the Registry of Deeds of Bulacan,^[1] among which is a parcel of land described therein as Lot 4 of Plan Psu-164390. The petition further averred that as early as July 1973, petitioner applied with the Department of Agrarian Reform (DAR) for the reclassification or conversion of the land for residential, commercial or industrial purposes. The application for conversion, however, was not acted upon. Instead, on April 25, 1988, Emancipation Patents, and, thereafter, Transfer Certificates of Title, were issued in favor of private respondents.

Petitioner sought the cancellation of the TCTs on the grounds that: petitioner had a pending application for conversion and reclassification; the lots covered by the emancipation patents included areas not actually tilled by private respondents; private respondents had illegally transferred their rights over the parcels of land covered by the emancipation patents; private respondents are deemed to have abandoned their rights over the properties; and the subject property was taken without just compensation.

On January 19, 1990, petitioner filed with the DAR itself another petition for the cancellation of the same Emancipation Patents and Torrens Titles.

On January 29, 1990, petitioner received a letter from the Municipal Agrarian Reform Office (MARO) of Sta. Maria, Bulacan, stating, among other things, that in order "that your petition be given due process by this Office, your petition will be forwarded to the legal section of this office for legal action."

On February 11, 1990, Regional Director Eligio Pacis issued an order dismissing the petition^[2] for cancellation of Emancipation Patents, thus:

WHEREFORE, premises considered, this Office hereby orders the DISMISSAL of the petition of Victoria P. Cabral for lack of legal and factual basis' likewise, this office request[s] that the annotation of the notice of lis pendens on the original copies of Emancipation Patents issued to petitioners covering the subject landholdings be CANCELLED by the Office of the Register of Deeds concerned.

SO ORDERED.^[3]

The Regional Director likewise denied petitioner's motion for reconsideration dated July 11, 1990. Consequently, petitioner filed a petition for certiorari in the Court of Appeals questioning the jurisdiction of the Regional Director and claiming denial of due process. On January 8, 1991, the appellate court dismissed the petition for lack of merit. Petitioner's motion for reconsideration was likewise denied, prompting petitioner to turn to this Court for relief, alleging that:

- (a) THE HONORABLE COURT OF APPEALS ERRED IN RULING THAT THE DAR REGIONAL DIRECTOR OF REGION III ACTED WITH JURISDICTION WHEN IT TOOK COGNIZANCE OF AND RESOLVED THE CONVERSION APPLICATION AND/OR CANCELLATION OF CLT/EP PETITION OF PETITIONER-APPELLANT;
- (b) THE HONORABLE COURT OF APPEALS ERRED IN NOT HOLDING THAT OUTSIDE OF THE BARANGAY AGRARIAN REFORM COMMITTEE (BARC), IT IS THE DEPARTMENT OF AGRARIAN REFORM ADJUDICATION BOARD (DARAB) THAT HAS JURISDICTION OVER AGRARIAN REFORM CASES, DISPUTES OR CONTROVERSIES;
- (c) THE HONORABLE COURT OF APPEALS ERRED IN HOLDING THAT PETITIONER WAS NOT DENIED DUE PROCESS AS ALLEGEDLY SHE LOST HER OPPORTUNITY TO BE HEARD AFTER THE JUNE 27, 1990 HEARING.^[4]-

On April 21, 1993, petitioner filed with this Court an urgent motion for the issuance of a temporary restraining order. Petitioner alleged that private respondent Gregoria Adolfo had conveyed the land awarded to her to the Aqualand Development Corporation and the Sta. Rita Steel Resources Corporation. These corporations, in turn,

x x x converted the parcel of land from agricultural to commercial and industrial and have constructed high adobe stone walls[,] commenced the construction of a steel finishing plant and other structures for the manufacture of steel products[,] and are putting in place more installations to complete all facilities necessary for their business. As a matter of fact, they have just applied for a building permit for the construction of a two (2) storey office condominium/business office building. xxx^[5]

In a Resolution dated May 17, 1993, the Court issued the temporary restraining order prayed for. The Court enjoined Sta. Rita Steel Resources and Aqualand Development Corporation, its officers, agents, representatives and/or persons acting in their place or stead from continuing the construction of building and the like on

the landholding of petitioner, pending final resolution of the petition.^[6]

Petitioner contended before the Court of Appeals that jurisdiction over the case pertained to the Department of Agrarian Reform Agrarian Board (DARAB), not the Regional Director. Addressing this argument, the Court of Appeals held in its Decision:

Relevant to the issue raised is Ministry Administrative Order No. 2-85, Series of 1985, effective July 24, 1985 (Annex 2, Comment) which empowers all DAR Regional Directors to hear and decide cases which include the issuance of Decisions/Resolutions, the recall and cancellation of Certificates of Land Transfers (CLTs) if such is the necessary consequence of the facts and circumstances of the case.

A later directive, DAR Memo Cir. No. 5, Series of 1987 (Annex 3, Comment), clothed the Regional Directors as titular regional heads, with powers to hear and resolve cases involving lands in their respective jurisdiction in order to achieve the expanded and comprehensive agrarian reform program of the present administration, and to tackle the issue of huge number and increasing backlog or unresolved cases in the DAR Central Office.

Additionally, a memorandum dated September 14, 1987 (Annex 4, Comment) addressed to the Director, Bureau of Land Acquisition Development, by the then Director, Bureau of Agrarian Legal Assistance, contains a decisive opinion regarding the question on order of cancellation issued by the Regional Director, DAR Region III, to wit:

"The Regional Director is now authorized to hear/investigate and hereby resolve cases arising from the implementation of CLT pursuant to PD 27 and amendatory and related decrees and letter of instructions, rules and regulations as well as conflict of claim in landed estates and resettlement areas and such other lands as have been placed under the administration and disposition of this Department."^[7]

In its Resolution dated September 17, 1991, the Court of Appeals also made reference to Section 13 of Executive Order No. 129-A, which authorized the delegation of the adjudication of agrarian reform cases to regional offices. It further cited certain provisions of the DARAB Revised Rules of Procedure providing for, among others, delegated jurisdiction, and concluded that:

x x x the Regional Director cannot be faulted with assuming jurisdiction over the case, considering that the powers and functions of the DARAB may be delegated to the regional office x x x.

While it is true that the jurisdiction is vested with the DARAB, the Regional Director took cognizance of the instant case invoking the delegated powers and functions upon him.^[8]

Evidently, the DARAB, in the Court of Appeals' view, had **concurrent** jurisdiction with the Regional Director over the case. Petitioner, on the other hand, maintains that the jurisdiction of the DARAB is **exclusive** of the DAR Regional Director.

Petitioner is correct. Whatever jurisdiction the Regional Director may have had over the cancellation of emancipation patents, it lost with the passage of subsequent laws.

Section 17 of Executive Order No. 229 (Providing for the Mechanism for the Implementation of the Comprehensive Agrarian Reform Program)^[9] granted DAR quasi-judicial powers to adjudicate agrarian reform matters, thus:

Section 50. *Quasi-Judicial Powers of the DAR.*-- The DAR is hereby vested with quasi-judicial powers to determine and adjudicate agrarian reform matters, and shall have exclusive original jurisdiction over all matters involving implementation of agrarian reform, except those falling under the exclusive jurisdiction of the Department of Agriculture (DA) and the Department of Environment and Natural Resources (DENR).

x x x

Executive Order No. 129-A (Modifying Executive Order No. 129 Reorganizing and Strengthening Department of Agrarian Reform and for other purposes)^[10] subsequently provided for the creation of the Agrarian Reform Adjudicatory Board, granting it the powers and functions with respect to the adjudication of agrarian reform cases:

SECTION 13. Agrarian Reform Adjudication Board. There is hereby created an Agrarian Reform Adjudication Board under the Office of the Secretary. The Board shall be composed of the Secretary as Chairman, two (2) Undersecretaries as may be designated by the Secretary, the Assistant Secretary for Legal Affairs, and three (3) others to be appointed by the President upon recommendation of the Secretary as members. A Secretariat shall be constituted to support the Board. The Board shall assume the powers and functions with respect to the adjudication of agrarian reform cases under Executive Order No. 229 and this Executive Order. These powers and functions may be delegated to the regional office of the Department in accordance with the rules and regulations promulgated by the Board.

Congress substantially reiterated Section 17 of E.O. No. 229 in Republic Act No. 6657, otherwise known as the Comprehensive Agrarian Law of 1988 (CARL).^[11] Section 50 thereof states:

Section 50. *Quasi-Judicial Powers of the DAR.* -- The DAR is hereby vested with primary jurisdiction to determine and adjudicate agrarian reform matters and shall have exclusive original jurisdiction over all matters involving the implementation of agrarian reform, except those falling under the exclusive jurisdiction of the Department of Agriculture (DA) and the Department of Environment and Natural Resources (DENR).

x x x

CARL took effect on June 15, 1988, after it was published in two newspapers of general circulation.

In order "to achieve a just, expeditious and inexpensive determination of every action or proceeding before it," the DAR is mandated "to adopt a uniform rule of procedure" (Second par., Section 50, R.A. No. 6657), which is, at present, the DARAB Revised Rules.^[12] The Rules were promulgated on December 26, 1988.

The provisions of Rule II (Jurisdiction of the Adjudication Board) of the Revised Rules read:

SECTION 1. *Primary, Original and Appellate Jurisdiction.* - The Agrarian Reform Adjudication Board shall have primary jurisdiction, both original and appellate, to determine and adjudicate all agrarian disputes, cases, controversies, and matters or incidents involving the implementation of the Comprehensive Agrarian Reform Program under Republic Act No. 6657, Executive Order Nos. 229, 228 and 129-A, Republic Act No. 3844 as amended by Republic Act No. 6389, Presidential Decree No. 27 and other agrarian laws and their implementing rules and regulations.

Specifically, such jurisdiction shall extend over but not be limited to the following:

- a) Cases involving the rights and obligations of persons engaged in the cultivation and use of agricultural land covered by the Comprehensive Agrarian Reform Program (CARP) and other agrarian laws;
- b) Cases involving the valuation of land, and determination and payment of just compensation, fixing and collection of lease rentals, disturbance compensation, amortization payments, and similar disputes concerning the function of the Land Bank;
- c) Cases involving the annulment or cancellation of orders or decisions of DAR officials other than the Secretary, lease contracts or deeds of sale or their amendments under the administration and disposition of the DAR and LBP;
- d) Cases arising from, or connected with membership or representation in compact farms, farmers' cooperatives and other registered farmers' associations or organizations, related to land covered by the CARP and other agrarian laws;
- e) Cases involving the sale, alienation, mortgage, foreclosure, pre-emption and redemption of agricultural lands under the coverage of the CARP or other agrarian laws;
- f) Cases involving the issuance of Certificate of Land Transfer (CLT), Certificate of Land Ownership Award (CLOA) and Emancipation Patent (EP) and the administrative correction thereof;
- g) And such other agrarian cases, disputes, matters or concerns referred to it by the Secretary of the DAR.

Provided, however, that matters involving strictly the administrative