

## **SECOND DIVISION**

**[ G.R. No. 122256, October 30, 1996 ]**

**REPUBLIC OF THE PHILIPPINES, REPRESENTED BY THE  
DEPARTMENT OF AGRARIAN REFORM (DAR), AND LAND BANK  
OF THE PHILIPPINES, PETITIONER, VS. COURT OF APPEALS AND  
ACIL CORPORATION, RESPONDENTS.**

### **D E C I S I O N**

**MENDOZA, J.:**

Private respondent Acil Corporation owned several hectares of Land Linoan, Montevista, Davao del Norte, which the government took pursuant to the Comprehensive Agrarian Reform Law (R.A. No. 6657). Private respondent's certificates of title were cancelled and new ones were issued and distributed to farmer-beneficiaries.

The lands were valued by the Land Bank of the Philippines at P19,312.24 per hectare for the riceland and P4,267.68 per hectare for brushland, or for a total of P439,105.39. It appears, however, that in the Statement of Agricultural Landholdings ("LISTASAKA") which private respondent had earlier filed with the Department of Agrarian Reform (DAR), a lower "Fair Value Acceptable to Landowner" was stated and that based on this statement, the Land Bank of the Philippines valued private respondent's lands uniformly at P15,311.79 per hectare and fixed the amount of P390,557.84 as the total compensation to be paid for the lands.

Private respondent rejected the government's offer, pointing out that nearby lands planted to the same crops were valued at the higher price of P24,717.40 per hectare. The matter was brought before the Provincial Agrarian Reform Adjudicator (PARAD) who, on October 8, 1992, sustained the initial valuation made by the LBP.

On December 12, 1992, private respondent filed a Petition for Just Compensation in the Regional Trial Court of Tagum, Davao del Norte, sitting as a Special Agrarian Court. Private respondent prayed that DAR be ordered to pay P24,717.40 per hectare. However, the RTC dismissed its petition on the ground that private respondent should have appealed to the Department of Agrarian Reform Adjudication Board (DARAB), pursuant to the latter's Revised Rules of Procedure, before recourse to it (the RTC) could be had. In addition the RTC found that, in violation of the DARAB's rules of procedure the petition had been filed more than fifteen (15) days after notice of the decision of the PARAD.

Private respondent moved for reconsideration but its motion was denied on October 13, 1994. Private respondent therefore filed a petition for certiorari with the Court of Appeals, contending that a petition for just compensation under R.A. No. 6657 §§56-57 falls under the exclusive and original jurisdiction of the RTC. His contention

was sustained by the Court of Appeals which, in its decision<sup>[1]</sup> of October 4, 1995, set aside the order of dismissal of the RTC. Accordingly, the case was remanded to the RTC for further proceedings.

In turn the government, represented by the Department of Agrarian Reform, filed this petition for review on certiorari, raising as the issue whether in cases involving claims for just compensation under R.A. No. 6657 an appeal from the decision of the provincial adjudicator to the DARAB must first be made before a landowner can resort to the RTC under §57. Petitioners sustain the affirmative proposition. They cite §50 of R.A. No. 6657 which in pertinent part provides:

*§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)...

and argue that the fixing of just compensation for the taking of lands under R.A. No. 6657 is a "[matter] involving the implementation of agrarian reform" within the contemplation of this provision. They invoke §16(f) of R.A. No. 6657, which provides that "any party who disagrees to the decision [of the DAR] may bring the matter to the court of proper jurisdiction for final determination of just compensation," as confirming their construction of §50.

The contention has no merit.

It is true that §50 grants the DAR primary jurisdiction to determine and adjudicate "agrarian reform matters" and exclusive original jurisdiction over "all matters involving the implementation of agrarian reform," except those falling under the exclusive jurisdiction of the Department of Agriculture and the Department of Environment and Natural Resources. It is also true, however, that §57 provides:

*§57. Special jurisdiction.* - The Special Agrarian Court shall have original and exclusive jurisdiction over all petitions for the determination of just compensation to landowners, and the prosecution of all criminal offenses under this Act. the Rules of Court shall apply to all proceedings before the Special Agrarian Courts, unless modified by this Act.

The Special Agrarian Courts shall decide all appropriate cases under their special jurisdiction within thirty (30) days from submission of the case for decision.

Thus Special Agrarian Courts, which are Regional Trial Courts, are given original and exclusive jurisdiction over two categories of cases, to wit: (1) "all petitions for the determination of just compensation to landowners" and (2) "the prosecution of all criminal offenses under [R.A. No. 6657]."<sup>[2]</sup> The provisions of §50 must be construed in harmony with this provision by considering cases involving the determination of just compensation and criminal cases for violations of R.A. No. 6657 as excepted from the plenitude of power conferred on the DAR. Indeed, there is a reason for this distinction. The DAR is an administrative agency which cannot be granted jurisdiction over cases of eminent domain (for such are takings under