

FIFTH DIVISION

[CA-G.R. SP No. 123777, March 03, 2014]

ANTONIO C. SALATAN, ET AL., REPRESENTED BY ESTRELLA C. VILLAFUERTE, PETITIONERS, VS. UMALAG TRADING CORP., AND MINDANAO ESTATE COMPANY BOTH REPRESENTED BY JOCELYN ARRO-VALENCIA, ET AL., RESPONDENTS.

D E C I S I O N

CARANDANG, J.:

This petition for review seeks to reverse and set aside the [1] Decision^[1] dated July 15, 2011 of the Office of the President which affirmed the Orders of the Department of Agrarian Reform (DAR) dated December 26, 2007 and September 10, 2008 denying herein petitioners' Petition for Cancellation/Recall of the DAR Exemption Order dated February 8, 1999 and the [2] Resolution^[2] dated January 18, 2012 which denied petitioners' Motion for Reconsideration.

The facts of the case:

Respondents filed separate applications for exemption from Comprehensive Agrarian Reform Program (CARP) coverage pursuant to Department of Justice (DOJ) Opinion No. 44, Series of 1990, as implemented by DAR Administrative Order No. 6, Series of 1994, over sixteen (16) parcels of land located at Guihing, Hagonoy, Davao Del Sur with a total area of 696.8918 hectares. These applications, later on consolidated, were uniformly anchored on the claim that the landholdings were re-classified as Agro-Industrial Zone per Land Use Plan of the Municipality of Hagonoy, Davao del Sur prior to the enactment of Republic Act (RA) 6657.

GADECO Agrarian Reform Beneficiaries Association, Inc. (GARBAI) opposed the application for exemption contending that the landholdings were not covered by DOJ Opinion No. 44 since these lands were not classified as commercial, industrial or residential and that the subject landholdings were under lease contract devoted to growing bananas.

On February 8, 1999, then DAR Secretary Horacio R. Morales granted the fourteen (14) applications for exemption clearance from CARP coverage on the basis of the evidence presented proving that the subject landholdings were reclassified to agro-industrial use way back in April 1980. The decretal portion of the Order³ reads:

"WHEREFORE, the fourteen application for exemption clearance involving sixteen (16) landholdings enumerated above with a total area of 696.8918 ha, all situated in Guihing, Hagonoy, Davao del Sur, are hereby GRANTED on the condition that the compensation package for the affected farmworkers pursuant to the Memorandum of Agreement dated February 23, 1998 shall be delivered to them within thirty (30) days from receipt of this Order.

SO ORDERED.”

A motion for reconsideration was filed but it was denied in the Order^[4] dated June 24, 2005.

On July 18, 2007, herein petitioners filed a Petition for Cancellation/Recall of the Exemption Order dated February 8, 1999. They alleged that they are farmworkers of the subject landholdings and were unaware that the landowners filed applications for exemption. Petitioners claimed that they were never notified nor did they participate in the proceedings for exemption from CARP coverage.

In the Order^[5] dated December 26, 2007, then DAR Secretary Nasser C. Pangandaman denied the petition ratiocinating that petitioners are not the original parties to the earlier case who can assail the DAR Order dated February 8, 1999 which has attained finality and had been duly executed by the payment of disturbance compensation.

Petitioners' motion for reconsideration was likewise denied in the Order^[6] dated September 10, 2008.

By way of appeal before the Office of the President (OP), petitioners contend that the subject landholdings were not reclassified to non-agricultural use prior to June 15, 1988 or before the effectivity of the Comprehensive Agrarian Reform Law (CARL); thus, the subject landholdings should not be exempted from the CARP coverage.

On July 15, 2011, the OP rendered a Decision^[7] dismissing petitioners' appeal, affirming the findings of the DAR Secretary that the subject landholdings are beyond the ambit of CARL coverage having been reclassified for non-agricultural use prior to June 15, 1988 and therefore, not agricultural land covered by CARP. The OP stated that petitioners failed to establish sufficient proof showing that the subject landholdings were classified as agricultural land prior to June 15, 1988 as no appropriate certifications from the proper government agencies concerned were presented. The OP further declared that the DAR Order dated February 8, 1999 has attained finality, hence, it is constrained to dismiss the appeal.

Petitioners moved for a reconsideration but it was denied by the OP in its Resolution^[8] dated January 18, 2012.

Hence, this petition for review. Petitioners raised this lone issue for resolution, to wit:

WHETHER OR NOT THE OFFICE OF THE PRESIDENT ERRED IN DENYING THE APPEAL AND MOTION FOR RECONSIDERATION OF PETITIONER AND AFFIRMING THE ORDER OF THE DAR SECRETARY.

The petition is devoid of merit.

Petitioners vigorously assert that the subject landholdings remain to be agricultural lands devoted to the growing of bananas. Prior to 1980 or even after the effectivity of the CARP Law on June 15, 1988, the subject landholdings were classified as, and were actually used for, agriculture; hence, the said landholdings are under CARP coverage. Petitioners aver that notwithstanding the issuance of the February 9, 1999 Exemption Order, the DAR Secretary may still recall or cancel, or even revoke the