



Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

HEIRS OF SIMEON LATAYAN,
namely: LEONIDES Q. LATAYAN,
ARIEL Q. LATAYAN, and
ETHEL Q. LATAYAN-AMPIL,
represented by their Attorney-in-Fact,
LEONIDES Q. LATAYAN,
Petitioners,

G.R. No. 201652

- versus -

Present:

PEING TAN,
JOHNNY TAN,
HERMINIGILDO CASALAN,
WEBINO VILLAREAL,
DIOSCORO MOLO,
DAMACINO BAYAWA,
EDGAR NARITA,
YOLANDA NARITA,
POLICRONIA CAPIONES,
ANDRES LOZANO,
GREGORIO YAGAO,
EMILIANO GUMATAY,
JESUS ALCONTIN,
ADANI DULAUON,
MARIO PEREZ,
LARRY CIMA FRANCA,
FELIXBERTO BULADACO,
CIPRIANO AHIT,
BUENAVENTURA BACALSO
and SALDE ESPIA,****
Respondents

VELASCO, JR.,*
DEL CASTILLO,
*Acting Chairperson,***
PEREZ,***
MENDOZA, and
LEONEN, JJ.

Promulgated:
02 DEC 2015

Hansbalag Perfecto x *Mell*

X-----

* Per Special Order No. 2282 dated November 13, 2015.
** Per Special Order No. 2281 dated November 13, 2015.
*** Per Special Order No. 2301 dated December 1, 2015.
**** The Department of Agrarian Reform Adjudication Board, the Provincial Agrarian Reform Officer (PARO), the Municipal Agrarian Reform Officer (MARO), and the Regional Director of the Department of Agrarian Reform who were originally impleaded as respondents were no longer indicated in the caption and dropped as respondents pursuant to Section 4, Rule 45 of the Rules of Court.

DECISION

DEL CASTILLO, J.:

This Petition for Review on *Certiorari*¹ assails the April 29, 2011 Decision² and the April 18, 2012 Resolution³ of the Court of Appeals (CA) in CA-G.R. SP No. 02756-MIN. The CA affirmed the May 9, 2005 Decision⁴ and the January 6, 2009 Resolution⁵ of the Department of Agrarian Reform and Adjudication Board (DARAB) in DARAB Case No. 10403, which reversed the July 10, 2000 Decision⁶ and the September 13, 2000 Resolution⁷ of the Office of the Provincial Adjudicator (PARAD) in DARAB Case No. XI-1589-DC-99 which nullified respondents' Certificates of Land Ownership Award (CLOAs).

Factual Antecedents

On January 31, 2000, Simeon Latayan (Simeon), represented by his son and attorney-in-fact, Leonides Latayan, filed an Amended Complaint⁸ before the PARAD Davao City, for cancellation of the CLOAs issued to respondents, docketed as DARAB Case No. XI-1589-DC-99. Simeon alleged that he is the registered owner of two adjoining lots covered by Transfer Certificates of Title Nos. T-14201 and T-14202 comprising 23.1488 hectares. He contended that the titles to the subject lots were unilaterally and arbitrarily cancelled without his consent or knowledge, and without notice and placed under the coverage of the Comprehensive Agrarian Reform Program (CARP) sans payment of just compensation. After the compulsory acquisition, the subject lots were divided and distributed to respondents. Simeon claimed that the subject properties are exempt from the CARP because they had been fully developed into an agro-industrial estate, are within the 1,000-meter strip of the highway, and are currently leased as a commercial farm to the Southern Tropical Fruits, Incorporated (STFI). Moreover, Simeon argued that respondents could not be properly considered as farmers-beneficiaries as they never occupied the subject lots nor introduced improvements therein; that if anything, respondents merely wanted to use the law to unlawfully divest him of his proprietary rights to the subject lots, and enjoy the improvements he had introduced and replace him as STFI's lessor. Simeon thus prayed that respondents' CLOAs be cancelled and that a preliminary mandatory

¹ *Rollo*, pp. 5-28.

² *Id.* at 30-44; penned by Associate Justice Edgardo A. Camello and concurred in by Associate Justices Rodrigo F. Lim, Jr. and Edgardo T. Lloren.

³ *Id.* at 45-47; penned by Associate Justice Edgardo A. Camello and concurred in by Associate Justices Edgardo T. Lloren and Zenaida T. Galapate-Laguilles.

⁴ DARAB Records; pp. 330-334; penned by Assistant Secretary Augusto P. Quijano and concurred in by Assistant Secretaries Lorenzo R. Reyes, Edgar A. Igano, and Defin B. Samson.

⁵ *Id.* at 356-357; penned by Assistant Secretary Augusto P. Quijano and concurred in by Assistant Secretaries Ambrocio B. De Luna, Defin B. Samson, and Edgar A. Igano.

⁶ *Id.* at 166-170; penned by Regional Adjudicator Norberto P. Sinsona.

⁷ *Id.* at 231-233.

⁸ *Id.* at 22-30.

injunction be issued in his favor to maintain him in his peaceful and lawful possession of the subject lots, over which he in due course of law had indeed been lawfully issued certificates of title.

In their Amended Answer,⁹ respondents denied that Simeon's titles were unilaterally or arbitrarily cancelled. They insisted that, on the contrary, Simeon's titles were duly and properly cancelled in accordance with law. They claimed that Simeon was properly furnished a copy of Notice of Coverage; was invited to a conference to discuss the inclusion of the subject properties under the CARP; and was sent a copy of a Notice to Acquire and Notice of Land Valuation. They also asserted that Simeon's landholdings is extensive, about 93 hectares of which is agricultural land. They also averred that only a portion of the subject lots is within the highway's 1,000-meter strip. Finally, they claimed that they were identified by the proper authorities as qualified beneficiaries. In sum, they opined that Simeon's titles to the subject lots were properly cancelled and their CLOAs duly issued.

Ruling of the PARAD

On July 10, 2000, the PARAD rendered a Decision¹⁰ in favor of Simeon. The PARAD noted that Simeon was never notified of the coverage by CARP of his properties and that he learned of the same only when he filed with the Department of Agrarian Reform (DAR) a petition for exemption of his landholdings from the operation of the CARP. According to the PARAD, that was the first time Simeon learned that his properties would be taken over by the so-called farmers-beneficiaries. The PARAD concluded that Simeon was denied due process since there was no observance of the procedural steps for the proper implementation of the CARP Law. Thus, the cancellation of Simeon's titles was unwarranted.

The dispositive portion of the Decision reads as follows:

WHEREFORE, premises considered, judgment is hereby rendered:

1. Declaring the compulsory coverage on the land of the complainant [Simeon] a complete nullity and further declaring the CLOAs issued thereon null and void;
2. Ordering the MARO of Baguio District, Davao City, to re-document and cover the area anew under compulsory coverage, properly observing the administrative guidelines on the matter.

SO ORDERED.¹¹

⁹ Id. at 48-51.

¹⁰ Id. at 166-170.

¹¹ Id. at 170.

Respondents moved for reconsideration¹² which was denied in the Resolution¹³ of September 13, 2000.

Proceedings before the DARAB

Respondents filed an appeal with the DARAB.¹⁴ While the appeal was pending, Simeon died and was substituted by his sons, Leonides and Ariel, and his daughter, Ethel, herein petitioners.

In its May 9, 2005 Decision,¹⁵ the DARAB set aside the PARAD Decision and dismissed the case for lack of jurisdiction. The DARAB held –

The issues however in this case partakes the nature [of] agrarian law, which are purely administrative in nature. Hence, falling within the exclusive jurisdiction of the Honorable DAR Secretary. As correctly noted [by] the [PARAD] there was no proper observance of administrative processes in terms of coverage as well [as] the identification of farmer[s]-beneficiaries. These issues [fall] squarely under the jurisdiction of the Honorable DAR Secretary as mandated by DAR Administrative Order No. 6, Series of 2000, which include the following:

1) classification and identification of landholdings under the CARP, including protests [or] oppositions thereto and petitions for lifting of coverage;

2) identification, qualification or disqualification of potential farmer[s]-beneficiaries.

Having ruled that the issues are administrative in nature, this Board for that matter has no recourse but to respect the primary jurisdiction of the administrative agency. x x x

Jurisdiction is conferred by law. x x x

x x x x

WHEREFORE, premises considered[,] the decision of the [PARAD] is SET ASIDE and the case is DISMISSED for lack of jurisdiction.

SO ORDERED.¹⁶

Petitioners filed a Motion for Reconsideration¹⁷ which was denied in the

¹² Id. at 173-177.

¹³ Id. at 231-233.

¹⁴ Id. at 246-254.

¹⁵ Id at 330-334.

¹⁶ Id. at 330, 332-333.

¹⁷ Id. at 351-355.

January 6, 2009 Resolution.¹⁸

Proceedings before the CA

Aggrieved, petitioners elevated the DARAB's judgment to the CA *via* a Petition for Review.¹⁹ But in the assailed Decision dated April 29, 2011,²⁰ the CA upheld the DARAB with modification. The CA ruled:

Verily, the case at bar does not concern an agrarian dispute as there is no established tenancy relationship between petitioners' father and [respondents]. Neither is the case one for just compensation, contrary to petitioners' assertion. It originated as an action for cancellation of CLOAs registered with the Register of Deeds, thus seemingly cognizable at the initial stage by the PARAD and thereafter by the DARAB. However, for the DARAB to have jurisdiction in such cases, they must relate to an agrarian dispute between [the] landowner and [the] tenants to whom [the] CLOAs have been issued by the DAR Secretary. The cases involving the issuance, correction and cancellation of the CLOAs by the DAR in the administrative implementation of agrarian reform laws, rules and regulations to parties who are not agricultural tenants or lessees are within the jurisdiction of the DAR and not of the DARAB. Moreover, it involves issues with respect to the classification and identification of landholdings for coverage under the agrarian reform program, and the identification, qualification or disqualification of private respondents as farmer[s]-beneficiaries. These issues are not cognizable by the PARAD and the DARAB, but by the DAR Secretary because these are Agrarian Law Implementation (ALI) Cases.

In the present case, the DAR Secretary a[p]proved CLOAs Nos. CL-3731 and CL-3729 in favor of [respondents] in the exercise of his administrative powers and in the implementation of the agrarian reform laws. The approval was based on the investigation of the MARO, over whom the DAR Secretary has supervision and control. The DAR Secretary also had the authority to withdraw the CLOA[s] upon a finding that the same is contrary to law and DAR orders, circulars and memoranda. The resolution of such issues by the DAR S[e]cretary will entail the application and implementation of agrarian reform laws, x x x as well as the implementing orders, circulars and rules and regulations issued by the DAR. x x x

Without doubt, the DARAB committed no reversible error when it set aside the decision of the PARAD and dismissed the case recognizing that jurisdiction over the matters involved is rightly vested with the DAR Secretary.

Indeed, the jurisdiction of the court or tribunal is not affected by the defenses or theories set up by the defendant or respondent in his answer or motion to dismiss. x x x Jurisdiction should be determined by considering not only the status or the relationship of the parties but also the nature of the issues or questions that is the subject of the controversy. The proceedings before a court or tribunal without jurisdiction, including its decision, are null and void, hence, susceptible to direct and collateral attacks. x x x

¹⁸ Id. at 356-357.

¹⁹ CA *rollo*, pp. 4-28.

²⁰ *Rollo*, pp. 30-44.

x x x x

It is axiomatic that void judgments never become final and executory and cannot be the source of any right whatsoever. x x x

x x x x

Thus, since the PARAD had no subject-matter jurisdiction over the complaint for annulment of CLOAs brought before it, the PARAD's decision dated 10 July 2000 invalidating the compulsory coverage on the land of [Simeon] and annulling the CLOAs issued to private respondents has not yet attained finality.

It should be made clear that this Court is constrained to limit the resolution of this petition [to] the key issue of which, as between the DARAB and the DAR Secretary, has jurisdiction to resolve the merits of DARAB Case No. 10403. Having recognized the DAR Secretary's exclusive jurisdiction over that case, the Court believes that the merits of the case are best left for the DAR Secretary to determine. The DAR Secretary is in a better position to resolve the issues on the validity of the coverage, and the qualification of private respondents as the identified farmer[s]-beneficiaries for the subject properties, being the agency lodged with such authority inasmuch as it possesses the necessary expertise on the matter. The Court adopts such attitude of restraint in deference to a co-equal branch, the Executive Branch of Government, [to] which the DAR Secretary belongs.

ACCORDINGLY, the petition is DENIED. The Court AFFIRMS the decision of the DARAB in Case No. 10403 WITH MODIFICATION. The dismissal of DARAB Reg. Case No. XI-1589-DC-99 for lack of jurisdiction is without prejudice to its re-filing in accordance with DAR Administrative Order No. 6, Series of 2000, within thirty (30) days from the finality of this Decision.

SO ORDERED.²¹

Petitioners' motion for reconsideration was denied by the CA in its Resolution²² of April 18, 2012.

Proceedings before this Court

Hence, the present recourse, with petitioners now contending that:

THE COURT OF APPEALS COMMITTED A REVERSIBLE ERROR WHEN IT RULED THAT IT IS THE DAR SECRETARY AND NOT THE [DARAB] WHICH HAS JURISDICTION OVER CASES INVOLVING CANCELLATION OF CLOAS[,] JUST COMPENSATION, ETC. SAID RULING IS DIAMETRICALLY OPPOSITE [THE] EXPRESS PROVISIONS OF SECTION 50 OF REPUBLIC ACT 6657 AND THE JURISPRUDENCE PROMULGATED BY [THE] HONORABLE SUPREME COURT, WHICH

²¹ Id. at 39-43. Emphasis supplied.

²² Id. at 46-47.

EXPRESSLY CONFERRED EXCLUSIVE ORIGINAL JURISDICTION
UPON THE DARAB TO HEAR CASES OF THIS NATURE.²³

Petitioners' Arguments

In their Petition²⁴ and Memorandum,²⁵ petitioners contend that the CA erred in ruling that the DAR Secretary has jurisdiction over the instant controversy given that Section 50 of the Comprehensive Agrarian Reform Law, Sections 1 and 2, Rule II of the 1994 DARAB Rules of Procedure, and jurisprudence all clearly confer such jurisdiction upon the DARAB; that the instant case is already beyond the coverage of DAR Administrative Order (AO) 06-00, cited by the CA and the DARAB, since the subject CLOAs had already been registered; that a statute must prevail over an administrative regulation; that since the DARAB had already validly acquired jurisdiction over the case at the time of the filing of the complaint, then the jurisdiction so acquired is not affected by any subsequent law or rule that grants another body or tribunal jurisdiction; that the resolution of the issue of just compensation in agrarian reform land cases is a judicial function hence, the CA erred in concluding that the issues at hand “[partake] the nature of agrarian law, which [is] purely administrative in nature.” Petitioners thus pray for the reversal of the assailed dispositions. They also pray that the DARAB be ordered to assume jurisdiction over the instant case and resolve the same.

Respondents' Arguments

In their Comment²⁶ and Appeal Memorandum,²⁷ respondents maintain that the instant case does not pertain to the fixing of just compensation; that the cancellation by the PARAD of Simeon's certificates of title to the subject lots and the issuance of CLOAs in favor of the aforementioned farmers-beneficiaries involved questions regarding the validity of the coverage of the subject lots under the CARP, *vis-a-vis* the qualifications of the identified farmers-beneficiaries, hence, within the DAR Secretary's exclusive and primary jurisdiction; that the issue of jurisdiction may be raised at any stage of the proceedings, even for the first time on appeal; that the DAR Secretary has jurisdiction over the instant case pursuant to Section 2, Rule I and Section 6, Rule II of DAR AO 06-00 in relation to Sections 49 and 50 of the CARP; that indeed as held in *Heirs of Julian Dela Cruz v. Heirs of Alberto Cruz*,²⁸ cases involving cancellation of CLOAs issued to non-agricultural tenants or lessees are within the jurisdiction of the DAR Secretary; that the case law rulings cited by petitioners are inapplicable to this case, as Simeon's original case did not pertain to tenancy relations, nor to any intra-

²³ Id. at 13-14.

²⁴ Id. at 5-28.

²⁵ Id. at 98-114.

²⁶ Id. at 68-80.

²⁷ Id. at 116-141.

²⁸ 512 Phil. 389 (2005).

corporate controversy, much less to a joint venture agreement; and finally, that *Magno v. Francisco*²⁹ cited by petitioners actually declared that it is the DAR Secretary that has jurisdiction over issues relating to landowners' retention rights and land exemptions from agrarian reform coverage.

This Court's Ruling

This Petition will not prosper.

The jurisdiction of a court or tribunal over the nature and subject matter of an action is conferred by law. The court or tribunal must look at the material allegations in the complaint, the issues or questions that are the subject of the controversy, and the character of the relief prayed for in order to determine whether the nature and subject matter of the complaint is within its jurisdiction. If the issues between the parties are intertwined with the resolution of an issue within the exclusive jurisdiction of a court or tribunal, the dispute must be addressed and resolved by the said court or tribunal.³⁰

The Amended Complaint filed with the PARAD on January 31, 2000, contained the following averments:

5. That [Simeon's] titles were unilaterally and arbitrarily cancel[l]ed by the [PARO, MARO, DAR Regional Director, and [the] Register of Deeds] in favor of [respondents] by granting them two (2) Certificate[s] of Land Ownership Award (CLOA) Nos. CL-3731 and CL-3729 under the [CARP], but without the actual consent, notice, fixing of just compensation, and payment to the landowner, to the latter's prejudice.

x x x x

a. That the **fixing of just compensation** by the DAR was not expressly consented to by [Simeon] who, as the landowner, was without actual and personal notice that the entire area of TCT Nos. T-14201 and T-14202 were placed under the CARP. Hence, the x x x summary actions in cancel[l]ing the two (2) titles of [Simeon] should not be sanctioned by this Board.

6. That the [respondents] were **never** in occupation of any part or portion of the area covered by TCT Nos. T-14201 and T-14202 as the alleged farmer[s-] beneficiaries of the land or as farmworkers who have farmed or developed the area in any manner and by reason of which they have to be regarded by the DAR as qualified beneficiaries under the CARP.

a. Admittedly, the entire area of the land has been fully developed and leased as a commercial farm such that there was **never** an

²⁹ 630 Phil. 391 (2010).

³⁰ *Valcurza v. Tamparong, Jr.*, G.R. No. 189874, September 4, 2013, 705 SCRA 128, 135, citing *Heirs of Julian Dela Cruz v. Heirs of Alberto Cruz*, supra note 30 at 400-401, and *Soriano v. Bravo*, 653 Phil. 72, 89-90 (2010).

occasion that [respondents] had, by themselves, made any agricultural improvements inside the entire area which would qualify them as farmers-beneficiaries.

[b]. The most of what may be said of the [respondents' claims] as farmers-beneficiaries is that they are **illegal occupants** of the area who are not the qualified farmers-beneficiaries x x x [contemplated] under the agrarian laws.

[c]. The truth is that the entire area of the said two (2) titles comprising 23.1488 hectares is already fully and comprehensively developed by [Simeon] and his family into an agro-industrial estate by way of tilling, cultivating and preparing the land and planting and devoting [the] same, on rotation basis, to papaya, banana and pineapple, and putting up or allowing the putting up of a packing plant inside the said area, and with the entire area leased by [Simeon] and his family to [STFI], long before [respondents'] incredible and preposterous claim of being farmers-beneficiaries inside the area [covered by] TCT Nos. T-14201 and T-14202.

X X X X

[c]. That [respondents] who, all along, merely intended to succeed to [Simeon's] improvements have, in fact, just wanted to continue the existing lease of the STFI over the entire area covered by the said two (2) titles, to the actual detriment and prejudice of [Simeon] and his family.

X X X X

7. That the [PARO, MARO, DAR Regional Director, and Register of Deeds], in applying the CARP to the entire area of the subject titles under TCT Nos. T-14201 and T-14202, have exceeded or otherwise abused their authority.

a. The entire area covered by said titles is beside the road and/or within the 1,000 meter strip from the highway, already existing and fully developed as an agro-industrial estate or land which is virtually EXCLUDED from the application of the CARP by virtue of [PD 399], the pertinent provision of which provides, to quote:

X X X

LIMITING THE USE OF A STRIP OF ONE THOUSAND METERS OF LAND ALONG ANY EXISTING, PROPOSED OR ON-GOING PUBLIC HIGHWAY OR ROAD UNTIL THE GOVERNMENT SHALL HAVE [MADE] A COMPETENT STUDY AND HAVE FORMULATED A COMPREHENSIVE AND INTEGRATED LAND USE AND DEVELOPMENT PLAN.

X X X

Section 3. Likewise, all lands owned by private persons within the strip of one thousand meters along existing, proposed or on-going public highways or road shall first be available for human settlement sites, land reform, relocation of squatters from congested urban areas, tourism development, agro-industrial estates, environmental protection and improvement, infrastructure and other vital projects in support of the socio-economic development program of the

government. The owners of these lands shall not develop or otherwise introduce improvements thereon without previous approval from the proper government agency, who shall in this case be the Chairman of the Human Settlements and Planning Commission.

x x x

b. That the above-cited law clearly provides [for] the applicable instances under which private lands located within the strip of one thousand meters along existing, proposed or on-going public highways or road shall first be devoted or made available for.

c. Admittedly, the entire adjoining and contiguous area covered by TCT Nos. T-14201 and T-14202 which comprises x x x about 23.1488 is already [a] fully developed agro-industrial estate, complete with packing plant, and as evidenced by the continuing [lease] of the entire area to [STFI] in consonance [with] such purpose[s] and no other.

d. That the entire area of TCT Nos. T-14201 and T-14202 which is beside the road and/or within the 1,000 meter strip from the highway and, at the same time, a fully developed agro-industrial estate cannot, therefore, be subjected to CARP anymore, by sheer force of provision of law under [PD 399], and should be deemed to be EXCLUDED from the **coverage** of the CARP.³¹

In essence, Simeon's Amended Complaint sets forth the following: (1) that he was not notified that the subject lots had been placed under the CARP; (2) that he did not expressly consent to the fixing of just compensation; (3) that the DAR had no justifiable basis for considering the respondents as farmers-beneficiaries since the latter were neither in occupation of the subject lots nor farmworkers who farmed or developed the pertinent area; (4) that with his family (the present petitioners), he (Simeon) had fully developed the subject lots into a commercial farm and agro-industrial estate and had leased the same to STFI; (5) that respondents are illegal occupants or squatters thereon, and are not qualified farmers-beneficiaries; that respondents merely intended to enjoy the improvements he (Simeon) introduced thereon, and to continue his lease with STFI; (6) that the Provincial Agrarian Reform Officer (PARO), the Municipal Agrarian Reform Officer (MARO), the DAR Regional Director, and the Register of Deeds abused their authority by applying the CARP to the entirety of the subject lots; (7) that the subject lots are excluded from CARP coverage pursuant to Presidential Decree (PD) No. 399 because these lots are located beside the road and/or within the 1,000-meter strip from the highway, apart from being an already existing and fully developed agro-industrial estate. What is more, Simeon's Amended Complaint did not raise the issue of tenurial relationship between him and the aforementioned respondents. Significantly, the Amended Complaint concluded with this prayer –

³¹ DARAB records, pp. 23-27. Emphasis supplied.

WHEREFORE, premises considered and in view of the foregoing, it is respectfully prayed that a writ of preliminary mandatory injunction be ordered issued by the Honorable Board after the posting of the necessary bond sufficient in amount by the complainant as determined by the Honorable Adjudicator, during the pendency of the above-entitled case, in order to preserve the status quo or the last peaceful circumstance prior to the controversial issuance of the questionable two (2) [CLOAs] by [the PARO, MARO, DAR Regional Director, and Register of Deeds] in favor of [respondents], and also in order not to render moot and academic the final judgment of the Honorable Board in the instant case; and that after trial on the merits and/or due evaluation of the facts and laws involved in this case, that –

1. The pertinent CLOA Nos. CL-3731 and CL-3729 be CANCEL[L]ED, RECALLED, NULLIFIED, VOIDED or otherwise SET ASIDE and with the previous two (2) titles which are TCT Nos. T – 14201 and T – 14202, covering the entire area of 23.1488 hectares involved in this instant case, be ordered declared REINSTATED, REVIVED or otherwise RESTORED in full legal force and effect.

Complainant prays for reliefs as may be deem[ed] just and equitable under the premises.³²

Considering that herein petitioners' predecessor-in-interest (i.e. Simeon) sought to cancel respondents' registered CLOAs on the grounds: (1) that no agrarian dispute was involved in this case; (2) that the subject lots are exempt from CARP coverage, and (3) that due process of law was not observed when the original petitioner (Simeon) was divested of the ownership of the subject lots: it thus stands to reason that it is the DAR Secretary that has jurisdiction to resolve the controversy pursuant to applicable law, rules, and jurisprudence.

Both illuminating and instructive are these pronouncements by this Court that bear with particular relevance on the petition at bench –

Section 1, Rule II of the 1994 DARAB Rules of Procedure, the rule in force at the time of the filing of the petition, provides:

Section 1. *Primary and Exclusive Original and Appellate Jurisdiction.*
 — The Board shall have primary and exclusive jurisdiction, both original and appellate, to determine and adjudicate all agrarian disputes involving the implementation of the [CARP] under [RA 6657], Executive Order Nos. 228, 229 and 129-A, [RA 3844] as amended by [RA 6389], [PD 27] and other agrarian laws and their implementing rules and regulations. Specifically, such jurisdiction shall include but not be limited to cases involving following:

x x x

- f) Those involving the issuance, correction and cancellation

³² Id. at 28-29.

of [CLOAs] and Emancipation Patents (EPs) which are registered with the Land Registration Authority;

x x x

While the DARAB may entertain petitions for cancellation of CLOAs, as in this case, its jurisdiction is, however, confined only to agrarian disputes. As explained in the case of *Heirs of Dela Cruz v. Heirs of Cruz* and reiterated in the recent case of *Bagongahasa v. Spouses Cesar Caguin*, for the DARAB to acquire jurisdiction, the controversy must relate to an agrarian dispute between the landowners and tenants in whose favor CLOAs have been issued by the DAR Secretary x x x

x x x x

As defined in Section 3 (d) of [RA 6657], an agrarian dispute relates 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. It includes any controversy relating to compensation of lands acquired under the said Act and other terms and conditions of transfer of ownership from landowners to farmworkers, tenants and other agrarian reform beneficiaries, whether the disputants stand in the proximate relation of farm operator and beneficiary, landowner and tenant, or lessor and lessee.”

x x x x

To be sure, the tenurial, leasehold, or agrarian relations referred to may be established with the concurrence of the following: 1) the parties are the landowner and the tenant or agricultural lessee; 2) the subject matter of the relationship is an agricultural land; 3) there is consent between the parties to the relationship; 4) the purpose of the agricultural relationship is to bring about agricultural production; 5) there is personal cultivation on the part of the tenant or agricultural lessee; and 6) the harvest is shared between the landowner and the tenant or agricultural lessee. x x x

In this case, a punctilious examination reveals that petitioner’s allegations are solely hinged on the erroneous grant by the DAR Secretary of CLOA No. 00122354 to private respondents on the grounds that she is the lawful owner and possessor of the subject lot and that it is exempt from the CARP coverage. In this regard, petitioner has not alleged any tenurial arrangement between the parties, negating the existence of any agrarian dispute and consequently, the jurisdiction of the DARAB. Indisputably, the controversy between the parties is not agrarian in nature and merely involves the administrative implementation of the agrarian reform program which is cognizable by the DAR Secretary. Section 1, Rule II of the 1994 DARAB Rules of Procedure clearly provides that “matters involving strictly the administrative implementation of [RA 6657], and other agrarian reform laws and pertinent rules, shall be the exclusive prerogative of and cognizable by the DAR Secretary.”

Furthermore, it bears to emphasize that under the new law, [RA 9700], x x x which took effect on July 1, 2009, all cases involving the cancellation of CLOAs and other titles issued under any agrarian reform

program are now within the exclusive and original jurisdiction of the DAR Secretary. Section 9 of the said law provides:

Section 9. Section 24 of [RA 6657], as amended, is further amended to read as follows:

x x x

All cases involving the cancellation of registered emancipation patents, certificates of land ownership award, and other titles issued under any agrarian reform program are within the exclusive and original jurisdiction of the Secretary of the DAR.

Consequently, the DARAB is bereft of jurisdiction to entertain the herein controversy, rendering its decision null and void. Jurisdiction lies with the Office of the DAR Secretary to resolve the issues of classification of landholdings for coverage (whether the subject property is a private or government[-]owned land), and identification of qualified beneficiaries. Hence, no error can be attributed to the CA in dismissing the case without prejudice to its re-filing x x x.³³

And while this Court does indeed seek to expeditiously resolve the case at bench in compliance with its constitutionally-mandated duty, the well-settled principle of primary jurisdiction, as stressed in *Bagongahasa v. Romualdez*,³⁴ must likewise be observed thus:

While it is true that the PARAD and the DARAB lack jurisdiction in this case due to the absence of any tenancy relations between the parties, lingering essential issues are yet to be resolved as to the alleged lack of notice of coverage to respondents as landowners and their deprivation of just compensation. Let it be stressed that while these issues were discussed by the PARAD in his decision, the latter was precisely bereft of any jurisdiction to rule particularly in the absence of any notice of coverage for being an ALI case. Let it also be stressed that these issues were not met head-on by petitioners. At this juncture, the issues should not be left hanging at the expense and to the prejudice of respondents.

However, this Court refuses to rule on the validity of the CARP coverage of the subject properties and the issuance of the assailed CLOAs. The doctrine of primary jurisdiction precludes the courts from resolving a controversy over which jurisdiction was initially lodged with an administrative body of special competence. The doctrine of primary jurisdiction does not allow a court to arrogate unto itself authority to resolve a controversy, the jurisdiction over which is initially lodged with an administrative body of special competence. The Office of the DAR Secretary is in a better position to resolve the particular issue of non-issuance of a notice of coverage — an ALI case — being primarily the agency possessing the necessary expertise on the matter. The power to determine such issue lies with the DAR, not with this Court.

³³ See *Sutton v. Lim*, G.R. No. 191660, December 3, 2012, 686 SCRA 745, 752-754, 756-757, citing *Heirs of Julian Dela Cruz v. Heirs of Alberto Cruz*, supra note 30, and *Bagongahasa v. Romualdez*, 661 Phil. 686, 695-698 (2011). Emphasis supplied.

³⁴ *Id.* at 696-697.

Hence, even as this Court affirms the CA's dismissal of the instant case without prejudice, this Court also sees fit to delete the qualification that petitioners' re-filing of this case be made "in accordance with [DAR AO 06-00], within 30 days from the finality of [the] decision."³⁵ In the event that petitioners shall indeed opt to re-file this case, the DAR Secretary shall resolve the matter pursuant to the laws, rules, and jurisprudence applicable at the time of the commencement of the action.

IN VIEW OF ALL OF THE FOREGOING, the Petition is **DENIED**. The Decision dated April 29, 2011 and Resolution dated April 18, 2012, of the Court of Appeals in CA-G.R. SP No. 02756-MIN dismissing without prejudice DARAB Case No. XI-1589-DC-99 due to lack of jurisdiction of the Department of Agrarian Reform Adjudication Board is **AFFIRMED with MODIFICATION** that the condition that its re-filing be made in accordance with Department of Agrarian Reform Administrative Order No. 6, Series of 2000, be **DELETED**.

SO ORDERED.


MARIANO C. DEL CASTILLO
Associate Justice

WE CONCUR:


PRESBITERO J. VELASCO, JR.
Associate Justice


JOSE PORTUGAL PEREZ
Associate Justice


JOSE CATRAL MENDOZA
Associate Justice


MARVIC M.V.F. LEONEN
Associate Justice

³⁵ Rollo, p. 43.

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


MARIANO C. DEL CASTILLO
Associate Justice
Acting Chairperson

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Acting Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


MARIA LOURDES P. A. SERENO
Chief Justice

