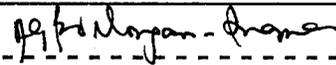


EN BANC

**G.R. Nos. 181912 & 183347 – RAMON M. ALFONSO, *Petitioner, versus*
LAND BANK OF THE PHILIPPINES and DEPARTMENT OF
AGRARIAN REFORM, *Respondents.***

Promulgated:

November 29, 2016



X ----- X

SEPARATE CONCURRING OPINION

SERENO, *CJ:*

I fully agree with the majority's view that courts have a legal duty to consider the factors provided in Section 17 of Republic Act (R.A.) No. 6657, as amended. I also agree that deviation therefrom is authorized, provided it is explained and is supported by the evidence on record. I only write this opinion to make a clarification.

To my mind, there should be no conflict between the duty to consider the factors laid down by Section 17, as amended, and the established rule that the determination of just compensation is a judicial function.

R.A. No. 9700 amended Section 17 of R.A. No. 6657 to make the consideration of the factors enumerated therein mandatory. Using the word "shall," the amended provision now reads:

SEC.17. Determination of Just Compensation. —In determining just compensation, the cost of acquisition of the land, the value of the standing crop, the current value of like properties, its nature, actual use and income, the sworn valuation by the owner, the tax declarations, the assessment made by government assessors, and seventy percent (70%) of the zonal valuation of the Bureau of Internal Revenue (BIR), **translated into a basic formula by the DAR shall be considered, subject to the final decision of the proper court.** The social and economic benefits contributed by the farmers and the farmworkers and by the Government to the property as well as the nonpayment of taxes or loans secured from any government financing institution on the said land **shall be considered** as additional factors to determine its valuation. (Emphases Supplied)

With the amendment, courts are now bound to consider the enumerated factors in the determination of just compensation.¹ For reasons to be discussed below, this does not straitjacket them and thereby unduly restrain their power to determine just compensation, which has been established to be exclusively a judicial function.²

¹ *SM Land, Inc. v. BCDA*, G.R. No. 203655, 13 August 2014, 733 SCRA 68.

² *Export Processing Zone Authority v. Dulay*, 233 Phil. 313 (1987).



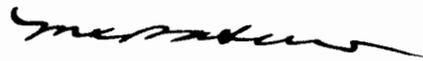
Section 17 does not tread on dangerous grounds. All that it requires is the consideration by the courts of the enumerated factors. The provision does not mandate that they use those factors exclusively for the determination of just compensation. Congress even circumscribed the consideration of the factors with the clause, “subject to the final decision of the proper court.” They are, at most, guidelines to assist the courts in the determination of just compensation. Therefore, Section 17 does not take away, much less limit, the power of the courts to inquire into what *EPZA v. Dulay* termed the “justness” of the compensation.³

We should give effect to the legislatively mandated mode of valuation as prescribed in Section 17, following the default rule in the interpretation of statutes:

In the interpretation of a statute, the Court should start with the assumption that the legislature intended to enact an effective law, and the legislature is not presumed to have done a vain thing in the enactment of a statute. An interpretation should, if possible, be avoided under which a statute or provision being construed is defeated, or as otherwise expressed, nullified, destroyed, emasculated, repealed, explained away, or rendered insignificant, meaningless, inoperative or nugatory.⁴

R.A. No. 6657 was designed to breathe life to the constitutional mandate for land reform.⁵ In particular, the valuation method under Section 17 reflects the wisdom of Congress in prescribing the manner of implementing the constitutional mandate. I see no reason why we should not accord the provision the presumption of constitutionality that it fairly deserves.⁶ We must consequently avoid an interpretation whereby the constitutional directive for land reform would be rendered ineffective.

Accordingly, I vote to GRANT the Petition and REMAND the case to the Special Agrarian Court for a proper determination of the just compensation.



MARIA LOURDES P. A. SERENO
Chief Justice

³ *Id.*

⁴ *Paras v. Commission on Elections*, 332 PHIL 56-67 (1996).

⁵ Section 4, Article XIII of the Constitution states:

SECTION 4. The State shall, by law, undertake an agrarian reform program founded on the right of farmers and regular farmworkers, who are landless, to own directly or collectively the lands they till or, in the case of other farmworkers, to receive a just share of the fruits thereof. To this end, the State shall encourage and undertake the just distribution of all agricultural lands, subject to such priorities and reasonable retention limits as the Congress may prescribe, taking into account ecological, developmental, or equity considerations, and subject to the payment of just compensation. In determining retention limits, the State shall respect the right of small landowners. The State shall further provide incentives for voluntary land-sharing.

⁶ *Carpio v. Executive Secretary*, G.R. No. 96409, 14 February 1992, 206 SCRA 290.