

Republic of the Philippines Supreme Court Manila

SUPREME COURT OF THE PHILIPPINES TIME

FIRST DIVISION

NOTICE

Sirs/Mesdames:

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Please take notice that the Court, First Division, issued a Resolution dated October 14, 2019 which reads as follows:

"G.R. No. 216825 (Corazon Cruz v. Republic of the Philippines, herein represented by the Manila International Airport Authority [MIAA])

Before us is a Petition for Review on *Certiorari*¹ under Rule 45 of the 1997 Rules of Civil Procedure, as amended, filed by Corazon Cruz (petitioner) assailing: (1) the Decision² dated July 31, 2014 of the Court of Appeals (CA) in CA-G.R. SP No. 132980, which granted the Petition for *Certiorari* filed by respondent and referred the case to the Regional Trial Court for Judicial Dispute Resolution (JDR); and (2) the Resolution³ dated February 10, 2015 of the CA in CA-G.R. SP No. 132980, denying the Omnibus Motion for Reconsideration and Voluntary Inhibition.

Antecedents

The present case originated from a Complaint⁴ for Quieting of Title with Recovery of Ownership and Damages filed on July 27, 2011 by herein petitioner against respondent Manila International Airport Authority (MIAA) before the Regional Trial Court of Parañaque City, Branch 274 (RTC), docketed as Civil Case No. 11-0315.

In her Complaint, petitioner alleged that on October 18, 1973, she purchased from Prisco Rodriguez an undivided portion of a parcel

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Rollo, pp. 11-28.

- Id. at 58-61.
 - Id. at 70-80.

² Penned by Associate Justice Magdangal M. de Leon, with Associate Justices Eduardo B. Peralta, Jr. and Melchor Quirino C. Sadang, concurring; id. at 32-42.

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of land located in Parañaque City, containing an area of 15,540 square meters, denominated as Lot 3961, covered by the newly reconstituted Original Certificate of Title (OCT) No. 3867 issued by the Register of Deeds of Parañaque City.⁵ After purchase, petitioner and her relatives took possession of the property. In 1987, petitioner allowed respondent to temporarily use the property as a parking area. Petitioner was not able to cause the registration of the property under her name due to financial reasons. Petitioner filed an ejectment case against respondent, which was decided by the trial court in petitioner's favor.⁶ However, the RTC reversed the decision. The case is presently pending before the CA.⁷

In its Answer with Counterclaim,⁸ respondent claimed that the property, Lot 3961 of Csd-9305-D of Parañaque Cadastre, is a government property presently registered in the name of the Republic of the Philippines under Transfer Certificate of Title (TCT) Nos. S-53366 and 27645 pursuant to a Deed of Absolute Sale dated April 8, 1980 over Lot No. 3961-A between then registered owner Rebecca A. Jimenez and the Republic of the Philippines represented by the Bureau of Air Transportation (BAT).⁹ Respondent averred that petitioner's title, OCT No. 3867, had been cancelled in 1966 pursuant to the judgment of the Court of First Instance (CFI) in LRC Rec. No. N-25137, entitled "*Prisco Rodriguez, et al. v. Rebecca A. Jimenez and Sabino Santos.*"¹⁰

On February 29, 2012, respondent filed a Manifestation and Motion to Set Affirmative Defenses for Hearing.¹¹ On June 11, 2012, the RTC issued an Order¹² denying respondent's motion. Respondent filed a Motion for Reconsideration¹³ but the same was denied by the RTC in an Order¹⁴ dated January 24, 2013.

In an Order¹⁵ dated February 7, 2013, the RTC set the case for pre-trial and referred the same for mediation. Mediation was conducted on March 1, 2013 but no amicable settlement was reached. A Notice of Hearing was issued by the RTC setting the case for pre-marking of documentary evidence.¹⁶

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	· · ·
5	Id. at 70.
6	Id. at 71.
7	Id. at 73.
8	Id. at 96-137.
9	Id. at 97.
10	Id. at 98.
11	Id. at 149-152.
12	Id. at 183-188.
13	Id. at 189-289.
14	Id. at 229-230.
15	Id. at 231.
16	Id. at 232.

Both parties submitted their respective pre-trial briefs. In her pre-trial brief, petitioner stated that she is open to enter into an amicable settlement that is fair and just and to submit the case to alternative modes of dispute resolution. Respondent also stated, in its pre-trial brief, its willingness to enter into an amicable settlement and to submit the case to alternative modes of dispute resolution.¹⁷

On April 11, 2013, respondent filed its Manifestation and Motion¹⁸ to set the case for JDR proceedings pursuant to Supreme Court Resolution A.M. No. 11-1-6-SC-PHILJA.¹⁹ Respondent asserted that under the aforementioned rule, the JDR Judge shall order the setting of the case for JDR not earlier than 45 days from the time the parties first personally appear at the Philippine Mediation Center Unit (PMCU) so that JDR would be conducted immediately if the parties do not settle at CAM (Court-Annexed Mediation).²⁰

On April 16, 2013, petitioner filed her Comment/Opposition (to Manifestation and Motion)²¹ on the ground that the instant case is not covered by A.M. No. 11-1-6-SC-PHILJA. Petitioner averred that while the instant case involves title to or possession of real property or an interest therein, the case was filed before the RTC invoking its original jurisdiction and not in its appellate jurisdiction from a decision rendered by a first level court.²² Hence, petitioner argued that Section 3(9) of A.M. No. 11-1-6-SC-PHILJA is not applicable to the instant case. Petitioner further stated that since the case does not fall under the mandatory coverage of JDR, petitioner has the right to oppose the said motion and that respondent was merely using the JDR to delay the proceedings.²³

On April 18, 2013, the RTC issued an Order²⁴ denying respondent's motion to refer the case for JDR proceedings, stating that:

Re the Manifestation and Motion filed by defendant, there being an Opposition filed by the plaintiff, this Court agrees with the position of the plaintiff that a Judicial Dispute Resolution for the

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¹⁷ Id. at 348.

- ¹⁹ Consolidated and Revised Guidelines to Implement the Expanded Coverage of Court-Annexed Mediation (CAM) and Judicial Dispute Resolution (JDR), January 11, 2011.
 ²⁰ Id. at 232.
- ²¹ Id. at 235-236.
- ²² Id. at 236.
- ²³ Id. at 236.
- ²⁴ Id. at 240.



¹⁸ Id. at 232-234.

present case is not compulsorily covered by Supreme Court Resolution A.M. No. 11-1-6-SC-PHILJA, and to so require it would only delay the proceedings of the case.

ACCORDINGLY, for lacking merit, the motion is denied. Proceed with the pre-marking of the documentary exhibits.

SO ORDERED.²⁵

On May 31, 2013, respondent filed a Motion for Reconsideration²⁶ but the same was denied in the Order²⁷ dated September 9, 2013, thus:

WHEREFORE, the Motion for Reconsideration of defendant being without merit, the same is denied. Let then the pre-marking of documentary exhibits be made before the Branch Clerk of Court of this Court, and thereafter the pretrial proper. During the pre-trial proper, the parties shall comply with the current Judicial Affidavit Rule re their respective witnesses.

SO ORDERED.²⁸

On December 13, 2013, respondent filed a Petition for Certiorari and Mandamus before the CA docketed as CA-G.R. SP. No. 132980 assailing the Orders dated April 18, 2013 and September 9, 2013 of the RTC. Petitioner filed her Comment/Opposition dated January 29, 2013 to respondent's petition. Meanwhile, the RTC in Civil Case No. 11-0315 proceeded with the pre-trial on January 30, 2014.²⁹

On July 31, 2014, the CA rendered its Decision³⁰ granting respondent's petition and referring the case to the RTC for JDR, the dispositive portion of which states:

WHEREFORE, premises considered, the instant petition is GRANTED. The Order dated April 18, 2013 issued by the Regional Trial Court of Parañaque City is ANNULLED and SET ASIDE.

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25	Id.
26	Id. at 241-249.
27	Id. at 261-263.
28	Id. at 263.
29	Id. at 326.
30	Id. at 32-42.

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The instant case is REFERRED to the Regional Trial Court of Parañaque City for Judicial Dispute Resolution.

SO ORDERED.³¹

Petitioner filed her Omnibus Motion for Reconsideration and Voluntary Inhibition dated August 15, 2014 against the aforesaid decision and for the voluntary inhibition of a member of the Court of Appeals. On September 11, 2014, MIAA filed its Comment³² thereto. On February 10, 2015, the CA denied petitioner's motion.³³

Hence, petitioner filed this appeal.

ISSUES

Petitioner asserts that the Honorable Court of Appeals seriously erred:

- A. IN ORDERING THE CONDUCT OF DISPUTE RESOLUTION JUDICIAL PROCEEDINGS **INSPITE** OF THE BLATANTLY HARDLINE STANCE O THE RESPONDENT REGARDING THE SUBJECT PROPERTY;
- B. IN ADDING ANOTHER LAYER OF DELAY IN THE DISPOSITION OF THE CASE ON THE MERITS GIVEN THE TUMULTOUS HISTORY OF DISPUTE BETWEEN PETITIONER AND RESPONDENT OVER THE SUBJECT PROPERTY.³⁴

The core issue to be resolved in this petition is whether the CA erred in ordering that Civil Case No. 11-0315, a complaint for quieting of title, be referred to the RTC of Parañaque for JDR despite the opposition of petitioner.

Petitioner claims that the attempt of respondent to bring the case to a compromise would only delay the case. Petitioner adds that while respondent invokes the provisions on compromise, it never showed any genuine effort to arrive at a compromise. In fact, according to petitioner, respondent insisted that its title is superior to

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³¹ Id. at 41.
³² Id. at 52-55.
³³ Id. at 57.
³⁴ Id. at 18.

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that of petitioner. Petitioner now calls on respondent to present its proposal for a compromise agreement if only to prove that the latter's intent to undergo JDR proceedings is to arrive at amicable settlement with petitioner and not just to cause delay.³⁵

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Respondent, in its Comment³⁶ filed through the Office of the Solicitor General (OSG), stated that the CA correctly referred the case to JDR since the cause of action in Civil Case No. 11-0135 is not among those expressly excluded from the application of A.M. No. 11-1-6-SC-PHILJA, hence covered. Respondent cites the principle that what is not expressly excluded is necessarily included in the enumeration or application of the rule, thus, the application of the rule on JDR in Civil Case No. 11-0315 is warranted and mandatory.³⁷

Ruling of the Court

We grant the petition.

After a careful review of the case, We find that the CA erred in reversing the orders of the trial court.

JDR is a process whereby the JDR judge employs conciliation, mediation or early neutral evaluation in order to settle a case at the pre-trial stage. Under Section 3 of A.M. No. 11-1-6-SC-PHILJA, the following are covered and subject of JDR proceedings:

> 3. Mandatory Coverage for Court-Annexed Mediation (CAM) and Judicial Dispute Resolution (JDR)

The following cases shall be 1) referred to Court-Annexed Mediation (CAM) and 2) be the subject of Judicial Dispute Resolution (JDR) proceedings:

1. <u>All civil cases and the civil liability of</u> <u>criminal cases covered by the Rule on Summary</u> <u>Procedure, including the civil liability for violation</u> of B.P. 22, except those which by law may not be compromised;

2. Special proceedings for the settlement of estates:

3. All civil and criminal cases filed with a certificate to file action issued by the *Punong Barangay* or the *Pangkat ng Tagapagkasundo* under

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³⁵ Id. at 19.

³⁶ Id. at 322-345.

³⁷ Id. at 341.

the Revised Katarungang Pambarangay Law;

4. The civil aspect of Quasi-Offenses under Title 14 of the Revised Penal Code;

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5. The civil aspect of less grave felonies punishable by correctional penalties not exceeding 6 $^{\circ}$ years imprisonment, where the offended party is a private person;

6. The civil aspect of *estafa*, theft and libel;

7. All civil cases and probate proceedings, testate and intestate, brought on appeal from the exclusive and original jurisdiction granted to the first level courts under Section 33, par. (1) of the Judiciary Reorganization Act of 1980;

8. All cases of forcible entry and unlawful detainer brought on appeal from the exclusive and original jurisdiction granted to the first level courts under Section 33, par. (2) of the Judiciary Reorganization Act of 1980;

9. All civil cases involving title to or possession of real property or an interest therein brought on appeal from the exclusive and original jurisdiction granted to the first level courts under Section 33, par. (3) of the Judiciary Reorganization Act of 1980; and

All habeas corpus cases decided by the first level courts in the absence of the Regional Trial Court judge, that are brought up on appeal from the special jurisdiction granted to the first level courts under Section 35 of the Judiciary Reorganization Act of 1980; (Emphasis ours)

The relevant items material to this case are numbers 1 and 9 of Section 3. All the other items are not applicable. Section 3(1) refers to all civil cases and the civil liability of criminal cases covered by the Rule on Summary Procedure. In interpreting a rule, every meaning to be given to each word or phrase must be ascertained from the context of the body of the statute since a word or phrase in a statute is always used in association with other words or phrases and its meaning may be modified or restricted by the latter.³⁸

A cursory perusal of the cases covered under Section 3(1) would show that these cases fall under the jurisdiction of the first level courts, *i.e.*, civil liability of criminal cases covered by the Rule on Summary Procedure, including the civil liability for violation of Batas Pambansa 22. Thus, the interpretation of the phrase "all civil cases" in the first item would refer to "all civil cases under the Rules on Summary Procedure."

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See Chavez v. Judicial and Bar Council, 709 Phil. 478 (2013)

The case for quieting of title pending before the trial court does not fall under the Rules on Summary Procedure, hence, it is not mandatorily covered by the rule on JDR.

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Neither does the case fall under Section 3(9) of the same rule which refers to all civil cases involving title to or possession of real property or an interest therein brought on appeal from the exclusive and original jurisdiction granted to the first level courts under Section 33(3) of the Judiciary Reorganization Act of 1980. While the instant case is a civil case that involves title to real property or an interest therein, it is filed under the original jurisdiction of the RTC, and not an action brought on appeal from the exclusive and original jurisdiction of the first level courts, hence, it is not under the mandatory coverage of the JDR rules.

In reversing the orders of the RTC, the appellate court cited the provision under A.M. No. 11-1-6-SC-PHILJA, which enumerates the cases which should not be referred to CAM and JDR, to wit:

1. Civil cases which by law cannot be compromised (Article 2035, New Civil Code);

2. Other criminal cases not covered under paragraphs 3 to 6 above;

3. Habeas Corpus petitions;

4. All cases under Republic Act No. 9262 (Violence against Women and Children); and 5. Cases with pending application for Orders/Preliminary Injunctions. Restraining However, in cases covered under 1, 4 and 5 where the parties inform the court that they have agreed to undergo mediation on some aspects thereof, e.g., custody of minor children, separation of property, or support *pendente lite*, the court shall refer them to mediation.

The CA's reliance on the aforementioned rules is misplaced. Since an action for quieting of title is not under the mandatory coverage of those cases which must be referred to JDR, petitioner may not be compelled to submit to such proceedings. It is undisputed that the intention of the Court in referring the case for JDR proceedings is to put an end to pending litigation through compromise agreement of the parties and thereby help solve the ever-pressing problem of court docket congestion.³⁹ However, petitioner cannot be compulsorily required to refer the case to JDR proceedings considering that the parties do not appear to mutually agree that referral of the case to JDR

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³⁹ Supra note 19.

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will put an end to their litigation and amicably settle their issues, with petitioner claiming that respondent merely intends to prolong litigation and has no genuine effort to offer a compromise with petitioner. We observed that indeed respondent has filed numerous extensions in filing its pleadings before the trial court. As records would show, this case was filed way back in 2011 and up to this date, the case is still in its pre-trial stage. Thus, we deem it proper to order the parties to continue with the proceedings of the case in order that they may be able to present their evidence in support of their respective claims.

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WHEREFORE, the petition is GRANTED. The assailed Decision dated July 31, 2014 and the Resolution dated February 10, 2015 of the Court of Appeals in CA-G.R. SP No. 132980 are hereby ANNULLED and SET ASIDE. The Orders of the Regional Trial Court of Paranaque City, Branch 274 dated April 18, 2013 and September 9, 2013 are REINSTATED. The Regional Trial Court of Paranaque City, Branch 274, is hereby ORDERED to proceed with the conduct of trial in Civil Case No. 11-0315 with dispatch.

SO ORDERED." *Perlas-Bernabe, J., on official business; Gesmundo, J., designated as Acting Working Charperson of the First Division per Special Order No. 2717; Zalameda, J., designated as Additional Member of the First Division per Special Order No. 2712.*

Very truly yours,

Division Clerk of Court & Mut 78

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The Hon. Presiding Judge Regional Trial Court, Branch 274 1700 Parañaque City (Civil Case No. 11-0315)

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