Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

NOTICE

Sirs/Mesdames:

Please take notice that the Court, Third Division, issued a Resolution dated **February 12, 2020**, *which reads as follows:*

"G.R. No. 226222 (NEMESIO G. CRUZ, ANSELMO G. CRUZ, and VIOLETO CRUZ, *petitioners* v. WENCESLAWA M. GAGAN, *respondent*). — This Court resolves a Petition for Review on Certiorari[1] assailing the Decision[2] and Resolution[3] of the Court of Appeals. The Court of Appeals affirmed the Department of Agrarian Reform Adjudication Board's Decision finding Wenceslawa M. Gagan (Wenceslawa) to be the successor-lessee of her deceased husband's tenancy rights over an agricultural property in Romblon.

Since 1977, Wenceslawa and her husband Luis Gagan (Luis) had been the tenants of the 18,000-square meter rice land in Romblon designated as Lot No. 843. However, when Wenceslawa's husband died in 2011, Violeto Cruz (Violeto) allegedly dispossessed her of the rice land.[4]

Wenceslawa brought the dispute to the Barangay Agrarian Reform Council, but no amicable settlement was reached. Thus, Wenceslawa filed a Complaint for forcible entry before the Office of the Provincial Adjudicator of Odiongan, Romblon (Provincial Adjudicator).[5]

In his Answer, Violeto denied that he forcibly took the land.[6] He alleged that only Luis was the registered tenant of the rice land. When Luis died, Wenceslawa never succeeded her husband as tenant because she was physically incapable of farming at 73 years old,[7] and none of her children

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1 *Rollo*, pp. 29–42.
2 Id. at 7–22. The Decision dated February 19, 2016 was penned by Associate Justice Agnes Reyes-Carpio and concurred in by Presiding Justice Andres B. Reyes, Jr. (now a member of this Court) and Associate Justice Romeo F. Barza of the First Division of the Court of Appeals, Manila.
3 Id. at 24–26. The Resolution dated July 1, 2016 was penned by Associate Justice Agnes Reyes-Carpio and concurred in by Presiding Justice Andres B. Reyes, Jr. and Associate Justice Romeo F. Barza of the First Division of the Court of Appeals, Manila.
4 Id. at 7–8 and 108.
5 Id. at 8 and 108.
6 Id. at 8.
7 Id. at 108.

- over -

could cultivate the land. Because no one was fit to manage the rice land, Violeto decided to take it.[8]

In the interim, Nemesio Cruz (Nemesio) and Anselmo Cruz (Anselmo), represented by Violeto, filed a Complaint for cancellation of leasehold/tenancy relation and damages. Claiming to be the owners of the rice land, they asserted that Anselmo acquired the lot from Nieva Gutierrez Dimayuga (Dimayuga) in 2005. However, the lot had previously been subject to an amicable settlement between Luis and Dimayuga's predecessors-in-interest, Feliciano Gutierrez and his family.[9]

According to the amicable settlement, which was executed in the 1970s, Luis would pay a fixed rental of 20 cavans of palay a year for the lease of one (1) paddy of rice land.[10] However, Nemesio and Anselmo contended, Luis failed to pay the rentals from 1978 to 2000.[11]

In her defense, Wenceslawa claimed that she and her husband consistently paid the rentals to the Gutierrez family. She also claimed that the alleged property sale to Anselmo was irregular because she and her husband had the preferential right to buy the land.[12] She further argued that under the law, she and her children succeeded to the tenancy when Luis died.[13]

The two (2) cases were consolidated.[14]

In its October 23, 2012 Decision,[15] the Provincial Adjudicator ruled in favor of Nemesio and Anselmo and canceled the leasehold relationship between them and Wenceslawa. It disposed as follows:

> **WHEREFORE**, premises considered, decision is hereby rendered cancelling the existing leasehold relationship between Wenceslawa Gagan and brothers Nemesio and Anselmo G. Cruz.
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> Consequently, Wenceslawa Gagan, her agents and other persons claiming rights under her are directed to respect and maintain the peaceful possession and cultivation of Nemesio Cruz and Anselmo Cruz and their representative of the subject holding.

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8 Id. at 8.
9 Id. at 9.
10 Id. at 96–97.
11 Id. at 10 and 109.
12 Id. at 10.
13 Id. at 109.
14 Id. at 107.
15 Id. at 107–113. The Decision was penned by Presiding Adjudicator Carito M. Geronimo, Jr. of the Office of the Provincial Adjudicator, Department of Agrarian Reform Adjudication Board, Odiongan, Romblon.

Claims and counterclaims are dismissed for lack of legal basis.

SO ORDERED.[16] (Emphasis in the original)

The Provincial Adjudicator found that while Wenceslawa was the legal successor of her husband's tenancy rights, she was disqualified due to her incapacity to cultivate the land. Her children were likewise disqualified after being found to be gainfully employed and not members of the immediate farm household. To the Provincial Adjudicator, Wenceslawa's advanced age and physical condition, as well as her being the only member in the farm household, prevented her from fulfilling her contractual obligations under the tenancy relationship.[17]

Wenceslawa proceeded to appeal the ruling before the Department of Agrarian Reform Adjudication Board. However, she initially moved for an extension of time to file her appeal, citing her counsel's ailment. When the period for extension lapsed, she moved for another extension. Finally, she filed her Notice of Appeal and Memorandum.[18]

The Department of Agrarian Reform Adjudication Board later issued a Decision on June 2, 2014, reversing the ruling of the Provincial Adjudicator.[19] The dispositive portion of the Decision read:

WHEREFORE, the Appeal is hereby **GRANTED** on meritorious grounds. The Decision dated October 23, 2012 is hereby **REVERSED** and a **NEW JUDGMENT** is hereby rendered as follows:

1. **DECLARING** complainant-appellant Wenceslawa M. Gagan as successor to the tenancy of the late Luis Gagan, Sr., over the subject land owned by the respondents-appellees Nemesio Cruz and Anselmo G. Cruz in accordance with Section 9 of RA 3844, as amended;

2. **ORDERING** respondents-appellees or any person/s claiming rights under them, to return the possession of the subject land to Wenceslawa Gagan as the *de jure* tenant and maintain her peaceful possession and cultivation of the subject land; and

3. **ORDERING** the MARO of Sta. Fe, Romblon, to assist the parties in the execution of the Leasehold Agreement in accordance with RA 3844, as amended and the pertinent rules and regulations of DAR on leasehold.

SO ORDERED.[20] (Emphasis in the original)

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16 Id. at 111–112.
17 Id. at 110–111.
18 Id. at 11.
19 Id. at 12.
20 Id. at 12–13.

The Department of Agrarian Reform Adjudication Board ruled that when her husband died, Wenceslawa validly succeeded to the tenancy by operation of law. This, it added, was strengthened by their son, Luis Gagan, Jr., signifying his willingness to aid Wenceslawa in cultivating the rice land.[21]

Nemesio and Anselmo moved for reconsideration. Aside from their previous arguments, they also argued that Wenceslawa's appeal was filed out of time. However, their Motion was denied.[22]

Thus, Nemesio, Anselmo, and Violeto filed a Petition for Certiorari before the Court of Appeals. They again claimed that Wenceslawa's appeal was not timely filed, as that the Department of Agrarian Reform Adjudication Board's Rules of Procedure does not allow for extensions of time to file appeals. They added that Wenceslawa's motions for extension were not shown to have been granted.[23]

In its February 19, 2016 Decision,[24] the Court of Appeals affirmed the rulings of the Department of Agrarian Reform Adjudication Board, thus:

> **WHEREFORE**, in view of the foregoing, the Petition for Review is **DENIED**. The Decision, dated June 2, 2014, and the Resolution, dated October 16, 2014, rendered by the Department of Agrarian Reform Adjudication Board (DARAB) in DARAB Case No. 17875 (Reg. Case No. R-410-0037-11) and DARAB Case No. 17875-A (Reg. Case No. R-410-0014-12), are **AFFIRMED**.
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> **SO ORDERED**.[25] (Emphasis in the original, citation omitted)

The Court of Appeals primarily ruled that Wenceslawa validly succeeded her husband to the tenancy.[26] It held that when Luis died, Wenceslawa was the first in the order of preference to succeed the tenancy rights since Nemesio and Anselmo failed to indicate their choice of successor-lessee.[27]

As with the lower tribunal, the Court of Appeals also made much of Luis Gagan, Jr. signifying his willingness to take over the land's cultivation in his mother's stead. Even if he was gainfully employed, the Court of

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21 Id. at 12.
22 Id. at 152–153. The Resolution dated October 16, 2014 was penned by Chairperson Virgilio R. Delos Reyes and concurred in by Members Anthony N. Paruñgao and Rosalina L. Bistoyong of the Department of Agrarian Reform Adjudication Board, Quezon City.
23 Id. at 13–14.
24 Id. at 7–22.
25 Id. at 21.
26 Id. at 17.
27 Id. at 18.

Appeals ruled that this did not disqualify him as a tenant as long as it would not be physically impossible for him to cultivate the land.[28]

As to the alleged procedural lapse, the Court of Appeals held that while there was doubt as to whether motions for extension to file appeals are allowed in agrarian cases, the Rules of Procedure of the Department of Agrarian Reform Adjudication Board states that it is not bound by the technical rules. The Court of Appeals also noted that the rules dictate that any doubt must be interpreted in favor of the beneficiary.[29]

In any case, the Court of Appeals found that Nemesio, Anselmo, and Violeto never questioned Wenceslawa's reason for the motions for extension—her counsel's ailment—thereby admitting the veracity of her excuse. Thus, the Court of Appeals sustained the ruling of the Department of Agrarian Reform Adjudication Board.[30]

Nemesio, Anselmo, and Violeto moved for reconsideration, to no avail, as the Court of Appeals also denied their Motion.[31] Hence, they filed this Petition for Review on Certiorari[32] against Wenceslawa.

Petitioners assert that the Rules of Procedure of the Department of Agrarian Reform Adjudication Board mandates that an appeal must be filed within 15 days from receipt of the decision to be assailed; otherwise, the case will be dismissed.[33] Thus, they claim that when respondent filed her appeal 34 days after receiving the Provincial Adjudicator's Decision, her appeal should have been dismissed.[34]

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28 Id. at 19.
29 Id. at 16.
30 Id. at 16–17.
31 Id. at 24–26.
32 Id. at 29–42.
33 Id. at 33–34. They cite the DARAB Rules of Procedure (2009), Rule XIV, sec. 1, which provides:

SECTION 1. *Appeal to the Board.* — An appeal may be taken to the Board from a resolution, decision or final order of the Adjudicator that completely disposes of the case by either or both of the parties within a period of fifteen (15) days from receipt of the resolution/decision/final order appealed from or of the denial of the movant's motion for reconsideration by:

a. filing a Notice of Appeal together with the Appellant's Memorandum with the Adjudicator who rendered the decision or final order appealed from;

b. furnishing copies of said Notice of Appeal together with the Appellant's Memorandum to opposing party/s and counsel/s; and

c. paying an appeal fee of One Thousand Pesos (PhP1,000.00) to the DAR Cashier where the Office of the Adjudicator is situated or through postal money order, payable to the DAR Cashier where the Office of the Adjudicator is situated, at the option of the appellant.

A pauper litigant shall be exempt from the payment of the appeal fee.

Proof of service of Notice of Appeal to the affected parties and to the Board and payment of appeal fee shall be filed, within the reglementary period, with the Adjudicator a quo and shall form part of the records of the case.

Non-compliance with the foregoing shall be a ground for dismissal of the appeal.

34 Id.

Petitioners zero in on Rule XI, Section 7.3 of the Rules of Procedure, which states that motions for extension of time to file appeals are not allowed. They assert that the explicitness of the rules makes a liberal interpretation misplaced.[35]

On the substantive issue, petitioners recall how respondent, in her pleading before the Department of Agrarian Reform Adjudication Board, stated that she did not allow her children to cultivate the land because she and her foster children will take charge of it. Supposedly, this belies Luis Gagan, Jr.'s affidavit that signifies his willingness to cultivate the land in his mother's stead.[36]

In her Comment,[37] respondent argues that petitioners violated their right of redemption under the Comprehensive Agrarian Reform Law when they bought the land knowing that respondent and her children, as the agricultural tenants, had the preferential right to purchase it.[38]

Further, respondent claims that petitioners again violated their leasehold rights when they forcibly took the rice land after her husband had died.[39] While it is true that she is physically incapacitated to personally cultivate the rice land, respondent argues that she is not precluded by law to allow her foster son, who is living with her and her children, to assist her.[40]

As to the procedural issue, respondent argues that should there be any conflict between procedural and substantive law, substantive law should prevail. Procedural law, she asserts, should not work to deny litigants' substantive rights.[41]

In their Reply,[42] petitioners claim that the issues of right of redemption, preemption, and notice of sale were irrelevant to this case. Instead, they argue, the main issues were the procedural lapse on respondent's filing of appeal before the Department of Agrarian Reform Adjudication Board and her admission that she did not allow her children to cultivate the land, belying her son's affidavit.[43]

The issues to be resolved here are the following:

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35 Id. at 35.
36 Id. at 36–37.
37 Id. at 167–170.
38 Id. at 167–168.
39 Id. at 168.
40 Id. at 169.
41 Id.
42 Id. at 182–186.
43 Id. at 183.

First, whether or not the Department of Agrarian Reform Adjudication Board erred in resolving the belated appeal; and

Second, whether or not respondent Wenceslawa M. Gagan validly succeeded her husband to the tenancy rights.

I

Under the 2009 Department of Agrarian Reform Adjudication Board Rules of Procedure, an appeal from any resolution, decision, or final order of the Adjudicator must be filed within 15 days from receipt of such ruling.[44]

Petitioners here contend that the Department of Agrarian Reform Adjudication Board erred in resolving respondent's appeal because it was only filed after two (2) motions for extension, which are prohibited pleadings under the Rules. They aver that the appeal should have been dismissed outright for being filed out of time.

While strict adherence to procedural rules would warrant the appeal's dismissal, the Department of Agrarian Reform Adjudication Board's decision to resolve the appeal is nonetheless anchored on good doctrine. Time and again, this Court has relaxed the rigid observance of procedural rules to give way to substantial justice,[45] frowning upon dismissals of appeals that rest purely on technical grounds.[46]

Procedural rules are established for a fair and orderly conduct of proceedings. As long as their purpose is achieved and due process was not violated, the rules may be liberally construed, more so in agrarian cases.[47]

In *Regional Agrarian Reform Adjudication Board v. Court of Appeals*:[48]

> There is nothing sacred about the forms of pleadings or processes, their sole purpose being to facilitate the application of justice to the rival claims of contending parties. Hence, pleadings as well as procedural rules should be construed liberally. Dismissal of appeals purely on technical grounds is frowned upon because rules of procedure should not be applied to override substantial

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44 DARAB Rules of Procedure (2009), Rule XIV, sec. 1.

45 *Malixi v. Baltazar*, G.R. No. 208224, November 22, 2017, 846 SCRA 244 [Per J. Leonen, Third Division].

46 *Regional Agrarian Reform Adjudication Board v. Court of Appeals*, 632 Phil. 191, 207 (2010) [Per J. Del Castillo, Second Division].

47 Id.

48 632 Phil. 191 (2010) [Per J. Del Castillo, Second Division].

> justice. Courts must proceed with caution so as not to deprive a party of statutory appeal; they must ensure that all litigants are granted the amplest opportunity for the proper and just ventilation of their causes, free from technical constraints.[49] (Citation omitted)

When a rigid application of the procedural rules leads to the denial of justice, courts must not hesitate to relax them to resolve the substantive issues of a case:

> Indeed, judicial cases do not come and go through the portals of a court of law by the mere mandate of technicalities. Where a rigid application of the rules will result in a manifest failure or miscarriage of justice, technicalities should be disregarded in order to resolve the case. In *Aguam v. Court of Appeals*, we ruled that:
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> > The court has [the] discretion to dismiss or not to dismiss an appellant's appeal. It is a power conferred on the court, not a duty. The "discretion must be a sound one, to be exercised in accordance with the tenets of justice and fair play, having in mind the circumstances obtaining in each case." Technicalities, however, must be avoided. The law abhors technicalities that impede the cause of justice. The court's primary duty is to render or dispense justice. "A litigation is not a game of technicalities." "Law suits, unlike duels, are not to be won by a rapier's thrust. Technicality, when it deserts its proper office as an aid to justice and becomes its great hindrance and chief enemy, deserves scant consideration from courts." Litigations must be decided on their merits and not on technicality. Every party litigant must be afforded the amplest opportunity for the proper and just determination of his cause, free from the unacceptable plea of technicalities. Thus, dismissal of appeals purely on technical grounds is frowned upon where the policy of the court is to encourage hearings of appeals on their merits and the rules of procedure ought not to be applied in a very rigid, technical sense; rules of procedure are used only to help secure, not override substantial justice. *It is a far better and more prudent course of action for the court to excuse a technical lapse and afford the parties a review of the case on appeal to attain the ends of justice rather than dispose of the case on technicality and cause a grave injustice to the parties, giving a false impression of speedy disposal of cases while actually resulting in more delay, if not a miscarriage of justice.*[50] (Emphasis supplied, citations omitted)

In this case, respondent has justified her belated appeal. As stated in both of her motions for extension, her counsel's ailment prevented her from

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[49] Id. at 207.

[50] *Malixi v. Baltazar*, G.R. No. 208224, November 22, 2017, 846 SCRA 244, 261–262 [Per J. Leonen, Third Division].

filing her appeal within the prescribed period. This was not disputed by petitioners. Besides, while it does not appear on record that respondent's motions for extension were granted, the Department of Agrarian Reform Adjudication Board nonetheless received her Notice of Appeal and Memorandum—an indication that it decided to relax its rules and accepted respondent's explanation.

As held in *Natividad v. Mariano*,[51] the Department of Agrarian Reform Adjudication Board is given the discretion in resolving agrarian cases and disputes. Section 3 of the Rules states that the Board is not "bound by technical rules of procedure and evidence as prescribed in the Rules of Court, but shall proceed to hear and decide all agrarian cases, disputes or controversies in a most expeditious manner, employing all reasonable means to ascertain the facts of every case in accordance with justice and equity."[52]

Due to the compelling circumstances of this case, this Court opts to relax the application of procedural rules. To dismiss the case outright due to mere technicality is to further deny the farmer-respondent her right to succeed to her husband's tenancy rights. A resolution of the case on the merits warrants the conclusion that the Department of Agrarian Reform Adjudication Board is correct to relax the rules. Technical constraints should not be used to deprive *de jure* tenants of the right to till their lands.

II

In 1963, Republic Act No. 3844, or the Agricultural Land Reform Code, declared agricultural share tenancy—an agreement where a tenant cultivates land in consideration of a share of the harvest—contrary to public

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[51] *Natividad v. Mariano*, 710 Phil. 57 (2013) [Per J. Brion, Second Division].

[52] DARAB Rules of Procedure (2009), Rule I, sec. 3 provides:

SECTION 3. *Technical Rules Not Applicable.* — The Board and its Regional and Provincial Adjudication Offices shall not be bound by technical rules of procedure and evidence as prescribed in the Rules of Court, but shall proceed to hear and decide all agrarian cases, disputes or controversies in a most expeditious manner, employing all reasonable means to ascertain the facts of every case in accordance with justice and equity.

a. If and when a case comes up for adjudication wherein there is no applicable provision under these rules, the procedural law and jurisprudence generally applicable to agrarian disputes shall be applied.

b. The Adjudication Board (Board), and its Regional Agrarian Reform Adjudicators (RARADs) and Provincial Agrarian Reform Adjudicators (PARADs) hereinafter referred to as the Adjudicators, shall have the authority to adopt any appropriate measure or procedure in any given situation or matter not covered by these rules. All such special measures or procedures and the situations to which they have been applied must be reported to the Board.

c. The provisions of the Rules of Court shall not apply even in suppletory character unless adopted herein or by resolution of the Board.

policy, and effectively abolished it.[53] In its stead, the agricultural leasehold relation was established.[54]

The two (2) systems almost function the same. However, the agricultural leasehold relation solved the gap in shared tenancy by strengthening the tenancy tenure. Republic Act No. 3844 sought to provide for continuity in the agricultural leasehold relation by providing rules in the event that the lessor transfers legal possession of the land to another and in cases of the lessee's death or incapacity.[55]

First, the new law prohibited the leasehold from being extinguished by mere expiration of the contract's term or by the sale, alienation, or transfer of the land's legal possession. In the event of sale, alienation, or transfer, the purchaser or transferee is "subrogated to the rights and substituted to the obligations of the agricultural lessor."[56]

Another difference lies in the mechanism of the law in cases of death or incapacity of the tenant. Under the previous law, the tenancy relationship is automatically extinguished when the tenant dies or is incapacitated, with only the members of the immediate farm household permitted to continue working on the land until the close of the agricultural year.[57]

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[53] Republic Act. No. 3844 (1963), sec. 4 provides:

SECTION 4. *Abolition of Agricultural Share Tenancy.* — Agricultural share tenancy, as herein defined, is hereby declared to be contrary to public policy and shall be abolished...

[54] Republic Act. No. 1199 (1954), sec. 4 provides:

SECTION 4. *Systems of Agricultural Tenancy; Their Definitions.* — Agricultural tenancy is classified into leasehold tenancy and share tenancy.

Share tenancy exists whenever two persons agree on a joint undertaking for agricultural production wherein one party furnishes the land and the other his labor, with either or both contributing any one or several of the items of production, the tenant cultivating the land personally with the aid of labor available from members of his immediate farm household, and the produce thereof to be divided between the landholder and the tenant in proportion to their respective contributions.

Leasehold tenancy exists when a person who, either personally or with the aid of labor available from members of his immediate farm household, undertakes to cultivate a piece of agricultural land susceptible of cultivation by a single person together with members of his immediate farm household, belonging to or legally possessed by, another in consideration of a price certain or ascertainable to be paid by the person cultivating the land either in percentage of the production or in a fixed amount in money, or in both.

[55] *Milestone Realty & Company, Inc. v. Court of Appeals*, 431 Phil. 119 (2002) [Per J. Quisumbing, Second Division].

[56] Republic Act. No. 3844 (1963), sec 10 provides:

SECTION 10. *Agricultural Leasehold Relation Not Extinguished by Expiration of Period, etc.* — The agricultural leasehold relation under this Code shall not be extinguished by mere expiration of the term or period in a leasehold contract nor by the sale, alienation or transfer of the legal possession of the landholding. In case the agricultural lessor sells, alienates or transfers the legal possession of the landholding, the purchaser or transferee thereof shall be subrogated to the rights and substituted to the obligations of the agricultural lessor.

[57] Republic Act. No. 1199 (1954), sec. 9 provides:

SECTION 9. *Severance of Relationship.* — The tenancy relationship is extinguished by the voluntary surrender of the land by, or the death or incapacity of, the tenant, but his heirs or the members of his immediate farm household may continue to work the land until the close of the agricultural year. The expiration of the period of the contract as fixed by the parties, and the sale or alienation of the land do not of themselves extinguish the relationship. In the latter case, the purchaser or transferee shall assume the rights and obligations of the former landholder in relation

Now, under Republic Act No. 3844, an agricultural leasehold relation may be extinguished only if there is no qualified successor in the event of death or permanent incapacity of the lessee.[58] Section 9 of the law details the new rules on succession to tenancy rights:

> SECTION 9. *Agricultural Leasehold Relation Not Extinguished by Death or Incapacity of the Parties.* — In case of death or permanent incapacity of the agricultural lessee to work his landholding, the leasehold shall continue between the agricultural lessor and the person who can cultivate the landholding personally, chosen by the agricultural lessor within one month from such death or permanent incapacity, from among the following: (a) the surviving spouse; (b) the eldest direct descendant by consanguinity; or (c) the next eldest descendant or descendants in the order of their age: Provided, That in case the death or permanent incapacity of the agricultural lessee occurs during the agricultural year, such choice shall be exercised at the end of that agricultural year: Provided, further, That in the event the agricultural lessor fails to exercise his choice within the periods herein provided, the priority shall be in accordance with the order herein established.
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> In case of death or permanent incapacity of the agricultural lessor, the leasehold shall bind his legal heirs.

The rules are clear. When the original tenant dies or becomes permanently incapacitated, the lessor must choose a successor-lessee within one (1) month. The lessor may choose from the tenant's: (1) surviving spouse; (2) eldest direct descendant by consanguinity; or (3) next eldest direct descendant or descendants in the order of their age. If the lessor fails to signify his or her choice within the prescribed period, the priority of who would be the successor-lessee shall be in accordance with the order of preference.

This rule was applied in *Manuel v. Court of Appeals*.[59] There, the petitioner-lessors argued that the lessee's heirs could not exercise the right of redemption because it is not transmissible upon the lessee's death. In denying the petition, this Court held that an agricultural leasehold relation is not automatically extinguished by the lessee's death or incapacity. Applying Section 9 of Republic Act No. 3844, it ruled that when the lessor failed to exercise the right to choose the successor-lessee within the statutory period,

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to the tenant. In case of death of the landholder, his heir or heirs shall likewise assume his rights and obligations.

[58] Republic Act. No. 3844 (1963), sec. 8 provides:

SECTION 8. *Extinguishment of Agricultural Leasehold Relation.* — The agricultural leasehold relation established under this Code shall be extinguished by:

(1) Abandonment of the landholding without the knowledge of the agricultural lessor;

(2) Voluntary surrender of the landholding by the agricultural lessee, written notice of which shall be served three months in advance; or

(3) Absence of the persons under Section nine to succeed to the lessee, in the event of death or permanent incapacity of the lessee.

[59] 204 Phil. 109 (1982) [Per J. Teehankee, First Division].

the widow of the deceased-lessee, the first in the order of preference, succeeded to the tenancy rights. Thus:

> Agricultural leasehold relationship is not extinguished by the death or incapacity of the parties. In case the agricultural lessee dies or is incapacitated, the leasehold relation shall continue between the agricultural lessor and any of the legal heirs of the agricultural lessee who can cultivate the landholding personally, in the order of preference provided under Section 9 of Republic Act 3844, as chosen by the lessor within one month from such death or permanent incapacity. Since petitioner Rodolfo Manuel failed to exercise his right of choice within the statutory period, Eduardo's widow Enriqueta, who is first in the order of preference and who continued working on the landholding upon her husband's death, succeeded him as agricultural lessee. Thus, Enriqueta is subrogated to the rights of her husband and could exercise every right Eduardo had as agricultural lessee, including the rights of pre-emption and redemption.[60]

Milestone Realty & Co., Inc. v. Court of Appeals[61] echoes this rule. There, this Court found that the surviving spouse of the deceased lessee is the rightful successor to the tenancy because the lessor made his choice only two (2) years after the lessee's death:

> Section 9 of Republic Act No. 3844 is clear and unequivocal in providing for the rules on succession to tenancy rights. . . . To this end, it provides that in case of death or permanent incapacity of the agricultural lessee to work his landholding, the leasehold shall continue between the agricultural lessor and the person who can cultivate the landholding personally. . . . It is to achieve this continuity of relationship that the agricultural lessor is mandated by law to choose a successor-tenant within one month from the death or incapacity of the agricultural lessee from among the following: (1) surviving spouse; (2) eldest direct descendant by consanguinity; or (3) the next eldest direct descendant or descendants in the order of their age. Should the lessor fail to exercise his choice within one month from the death of the tenant, the priority shall be in accordance with the aforementioned order. . . .
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> . . . .
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> Applying Section 9 of Republic Act 3844, in the light of prevailing jurisprudence, it is undeniable that respondent Delia Razon Peña, the surviving spouse of the original tenant, Anacleto Peña, is the first in the order of preference to succeed to the tenancy rights of her husband because the lessor, Carolina Zacarias, failed to exercise her right of choice within the one month period from the time of Anacleto's death.
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> Petitioners cannot find succor in the declarations of Emilio Peña and the affidavit of Carolina Zacarias, stating that Emilio succeeded to the tenancy rights of Anacleto. In the first place, Carolina's affidavit and her Answer filed before the PARAD were both executed in 1992, or almost

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60 Id. at 115.

61 431 Phil. 119 (2002) [Per J. Quisumbing, Second Division].

> two years after the death of Anacleto on February 17, 1990, way beyond the one month period provided for in Section 9 of Republic Act 3844. Secondly, as found by the DARAB, a scrutiny of Carolina's declaration will show that she never categorically averred that she made her choice within the one (1) month period. Instead, she narrated passively that "when Anacleto died, the right of the deceased was inherited by Emilio Peña," prompting the DARAB to conclude it merely "connotes that she recognized Emilio Peña by force of circumstance under a nebulous time frame."[62] (Citations omitted)

Similarly, in *Granada v. Bormaheco, Inc.*,[63] this Court ruled that the lessor's prerogative is considered waived if not asserted within the prescribed period.

Aside from the lessor's option and the lessee's order of preference, the law requires that there is personal cultivation on the part of the successor-lessee. Section 166(2) of Republic Act No. 3844 explicitly provides that an agricultural lessee must be "a person who, by himself [or herself] and with the aid available from within his [or her] immediate farm household, cultivates the land[.]"[64]

This was first interpreted in *Teodoro v. Macaraeg*,[65] which laid down the elements of agricultural tenancy. In determining the requirements for tenancy, this Court held the "tenant-lessee must actually and personally till, cultivate[,] or operate said land, *solely or with the aid of labor* from his immediate farm household[.]"[66] This requirement, among others, is meant to subvert any circumvention of the agricultural tenancy:

> Needless to stress, this Court frowns upon and rejects any attempt to nullify the legitimate exercise of the right to contract. We agree with Teodoro that as a landholder he has full liberty to enter into a civil lease contract covering his property. What we want to indelibly impress, however, is that once a landowner enters into a contract of lease whereby

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62 Id. at 130–132.

63 555 Phil. 235 (2007) [Per J. Chico-Nazario, Third Division].

64 Republic Act. No. 3844 (1963), sec. 166(2) provides:

> SECTION 166. *Definition of Terms.* — As used in Chapter I of this Code:
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> . . . .
>
> (2) "Agricultural lessee" means a person who, by himself and with the aid available from within his immediate farm household, cultivates the land belonging to, or possessed by, another with the latter's consent for purposes of production, for a price certain in money or in produce or both. It is distinguished from civil law lessee as understood in the Civil Code of the Philippines.

65 136 Phil. 265 (1969) [Per J. Castro, En Banc].

66 Id. at 275.

According to *Teodoro,* the elements of a leasehold tenancy contract or relation are the following:

1. The object of the contract or the relationship is an agricultural land which is leased or rented for the purpose of agricultural production;
2. The size of the landholding must be such that it is susceptible of personal cultivation by a single person with assistance from the members of his immediate farm household;
3. The tenant-lessee must actually and personally till, cultivate or operate said land, solely or with the aid of labor from his immediate farm household; and
4. The landlord-lessor, who is either the lawful owner or the legal possessor of the land, leases the same to the tenant-lessee for a price certain or ascertainable either in an amount of money or produce.

> his land is to be devoted to agricultural production and said landholding is susceptible of personal cultivation by the lessee, *solely or with the help of labor coming from his immediate farm household,* then such contract is of the very essence of a leasehold agreement, and perforce comes under the direct coverage of the tenancy laws. Otherwise, it would be easy to subvert, under the guise of the liberty to contract, the intendment of the law of protecting the underprivileged and ordinarily credulous farmer from the unscrupulous schemes and pernicious practices of the landed gentry.[67] (Emphasis supplied)

Cultivation comes in different forms and is present in various phases of farming. It is not confined to the actual tilling of the land. Agricultural lessees are likewise not required to be physically present in the land all the time; they may have tenancy rights as long as they can consistently till the land. In *Jusayan v. Sombilla*:[68]

> Cultivation is not limited to the plowing and harrowing of the land, but includes the various phases of farm labor such as the maintenance, repair and weeding of dikes, paddies and irrigation canals in the landholding. Moreover, it covers attending to the care of the growing plants, and grown plants like fruit trees that require watering, fertilizing, uprooting weeds, turning the soil, fumigating to eliminate plant pests and all other activities designed to promote the growth and care of the plants or trees and husbanding the earth, by general industry, so that it may bring forth more products or fruits. In *Tarona v. Court of Appeals*, this Court ruled that a tenant is not required to be physically present in the land at all hours of the day and night provided that he lives close enough to the land to be cultivated to make it physically possible for him to cultivate it with some degree of constancy.[69] (Citations omitted)

The requirement of personal cultivation was further discussed in *Spouses Cuaño v. Court of Appeals.*[70] In that case, the petitioners averred that the respondent-tenants were disqualified from being lessees because they did not personally cultivate the land, considering that they availed the services of farm laborers. Ruling in respondents' favor, this Court held:

> Under the statutory definition of an agricultural lessee quoted earlier, an agricultural lessee is a person "who by himself, or with the aid available from within his immediate farm household" cultivates the land belonging to or possessed by another. *The fact, however, that a tenant or an agricultural lessee may have been assisted by farm laborers, on an occasional or temporary basis, hired by the landowners, does not preclude the element of "personal cultivation" essential in a tenancy or agricultural leasehold relationship.* In De Guzman v. Santos, the mere fact that the tenant did not do all the farm work himself but temporarily or on an emergency basis utilized the services of others to assist him, was not taken to mean that the tenant had thereby breached the requirement

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67 Id. at 277–278.
68 751 Phil. 109 (2015) [Per J. Bersamin, First Division].
69 Id. at 119–120.
70 307 Phil. 128 (1994) [Per J. Feliciano, Third Division].

> imposed by the statute. We do not consider that the statute prohibits the tenant or agricultural lessee who generally works the land himself or with the aid of members of his immediate household, from availing occasionally or temporarily of the help of others in specific jobs.[71] (Emphasis supplied, citations omitted)

Given these criteria, it is clear that respondent is the *de jure* successor-lessee of the rice land.

As reflected in the records, petitioners were deemed to have waived their prerogative after failing to signify their choice of lessee within a month after Luis's death. Thus, the order of preference under the law operates: respondent, Luis' widow, becomes the preferred successor-lessee.

However, petitioners argue that respondent is disqualified from being the lessee because she cannot personally cultivate the land, and neither her children can possibly aid her in cultivating the land.

Questions on whether a person is an agricultural tenant, as in this case, are generally questions of fact which cannot be resolved in a petition for review.[72] To do so would require this Court to ascertain and evaluate facts. This Court, however, is not a trier of facts. Besides, while this is not a hard and fast rule, petitioners have never alleged that their petition falls under any of the exceptions to the rule.[73]

In appeals of agrarian cases, this Court's function is limited to determining whether the factual findings of the Department of Agrarian Reform Adjudication Board are supported by substantial evidence.[74] Factual findings of administrative agencies, which have expertise in the performance of their duties and exercise of their primary jurisdiction, are generally accorded finality if supported by substantial evidence.[75] When affirmed by the Court of Appeals, their findings become even more conclusive and binding upon this Court.[76]

In any case, this Court finds no cogent reason to depart from the findings of the Court of Appeals and the Department of Agrarian Reform Adjudication Board. Both lower tribunals correctly found that respondent's son, Luis Gagan, Jr., indicated his willingness to take over the land's

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71 Id. at 144.
72 *Ligtas v. People*, 766 Phil. 750 (2015) [Per J. Leonen, Second Division].
73 *See Pascual v. Burgos*, 776 Phil. 167 (2016) [Per J. Leonen, Second Division].
74 *NGEI Multi-Purpose Cooperative, Inc. v. Filipinas Palmoil Plantation, Inc.*, 697 Phil. 433 (2012) [Per J. Mendoza, Third Division].
75 *Republic v. Salvador N. Lopez Agri-business Corporation*, 654 Phil. 44 (2011) [Per J. Sereno, Third Division].
76 *Ligtas v. People*, 766 Phil. 750 (2015) [Per J. Leonen, Second Division].

cultivation since respondent could not personally do so, owing to her advanced age.

Petitioners attempt to discredit this determination by arguing that Luis Gagan, Jr. was gainfully employed and, thus, was not part of the immediate farm household. This Court disagrees.

To reiterate, cultivation does not require that the tenant is physically present in the land all the time.[77] As long as Luis Gagan, Jr. lives close to the rice land and it is physically possible for him to consistently cultivate the land, he is still deemed part of the immediate farm household. The requirement of personal cultivation, then, is satisfied.

Furthermore, respondent has consistently stated that all her children are capable of personally cultivating the land, but it was only upon her insistence that they have not done so. In a subsequent affidavit, Luis Gagan, Jr. attested that he has been personally cultivating the land together with respondent and that he takes on the responsibilities of the tenancy.[78] It is clear from this that there is personal cultivation with the aid of respondent's son. Respondent has, therefore, faithfully complied with the requirements of Section 9 of Republic Act No. 3844.

WHEREFORE, the Petition is **DENIED**. The February 19, 2016 Decision and July 1, 2016 Resolution of the Court of Appeals in CA-G.R. SP No. 138262 are **AFFIRMED**.

In accordance with Republic Act No. 3844, respondent Wenceslawa M. Gagan is **DECLARED** as the successor to her husband Luis Gagan's tenancy rights over the property designated as Lot No. 843. Petitioners Nemesio G. Cruz, Anselmo G. Cruz, and Violeto Cruz are **ORDERED** to return the possession of the property to respondent as the *de jure* tenant and maintain her peaceful possession and cultivation of the land. The Municipal Agrarian Reform Officer of Sta. Fe, Romblon is **ORDERED** to assist the parties in the execution of the Leasehold Agreement in accordance with Republic Act No. 8344 and the Department of Agrarian Reform's pertinent rules and regulations on leasehold.

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[77] *Jusayan v. Sombilla*, 751 Phil. 109 (2015) [Per J. Bersamin, First Division] citing *Tarona v. Court of Appeals*, 607 Phil. 464 (2009) [Per J. Leonardo-De Castro, First Division].

[78] *Rollo*, p. 21.

SO ORDERED." (**Carandang, *J.***, *on special leave.*)

Very truly yours,

Misael DC Batt
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Division Clerk of Court
3/13/20

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Odiongan, Romblon
(DCN-R-0410-0037-11 and DCN-R-0140-0014-12)

The Municipal Agrarian Reform Officer
MUNICIPAL AGRARIAN REFORM OFFICE
Sta. Fe, Romblon

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